



Annual Board of Directors Meeting
San Leandro Improvement Association
Thursday, November 12, 2020, 8:30 a.m. – 10:00 a.m.
Telephonic Meeting
Dial In: 1 (669) 900-6833 Meeting ID: 873 1797 6111
<https://us02web.zoom.us/j/87317976111>

AGENDA:

- 1. Call to Order – President, Emily Griego**
- 2. Roll Call – Secretary, Katie Bowman**
- 3. Public Comment – Announcements (8:35)**
- 4. Recognition of Service – E. Griego (8:45)** **Information**
 - a. Recognition of Board Members Jacqueline Montero-Flynn and Gordon Galvan for seven years of service on the Board of Directors.
- 5. Approval of Minutes (8:55)** **Action Item**
 - a. September 10, 2020
- 6. Review of Financials – M. Mack-Rose (8:57)** **Information**
- 7. Board Elections – E. Griego (9:05)** **Action Item**
 - a. Election of Board Members to a two-year term as recommended by the Nomination Committee
- 8. Board Officer Elections – E. Griego** **Action Item**
 - a. Election of Board Officers to a one-year term
- 9. Acceptance of Contract from Block By Block – G. Galvan (9:15)** **Action Item**
 - a. Shall the Board enter into a one-year contract for maintenance services not to exceed \$229,332.28 per year.
- 10. Adoption of 2020 FY Budget – L. Van Nguyen (9:30)** **Action Item**
 - a. Shall the Board adopt the proposed 2020 FY budget.
- 11. Review of 2020 Holiday Décor Program – E. Garcia (9:45)** **Information**
- 12. Next Board Meeting -**
 - a. January 14, 2020, 8:30 – 10:00

BROWN ACT: *Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. The Corporation posts all Board and Committee agendas at 384 W. Estudillo Avenue, San Leandro, CA 94577. This meeting is noticed and conducted pursuant to § 54953(b) as amended by Executive Order N-25-20. Action may not be taken on items not identified as such and posted on the agenda.*

SAN LEANDRO IMPROVEMENT ASSOCIATION



San Leandro Improvement Association

Board Meeting Minutes

September 10, 2020 – 8:30 am.

Telephonic

Present Katie Bowman (Secretary), Deborah Cox, Nicole Franklin, Gordon Galvan, Emilio Garcia, Emily Griego (President), Shannon Hackley, Matt Holmes, David Irmer, Robert Jones, Jacquelin e Montero-Flynn, Long Van Nguyen (Treasurer), Ted Van Nguyen, Betty Shon, Angele Sweet, and Kimberly Pace (Vice-President)

Absent: : Pete Ballew, Matt Holmes

Guests:

Staff: Morgan Mack-Rose

MINUTES:

<i>Item</i>	<i>Discussion</i>	<i>Action Taken?</i>
1. Call to Order	<p>The meeting was convened at 8:32.</p> <p>At the start of the meeting, the following was read into the record:</p> <p>Before roll call, I would like to make clear for the record of this meeting, and it should be reflected in the minutes that this meeting is conducted pursuant to California Government Code Section 54953, in that all members are participating by speakerphone. In accordance with the Ralph M. Brown Act, the teleconference participation information has been identified in the notice and agenda for this meeting.</p> <p>We will be recording attendance and all votes by Roll Call.</p>	

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<p>2. Roll Call</p>	<p>Morgan Mack-Rose took roll call. Matt Holmes and Pete Ballew were noted as absent.</p>	
<p>3. Public Comment-Announcements</p>	<p>K. Bowman updated the Board on new easing of SIP restrictions including reopening of personal services (barber, beauty, etc.), malls, etc. 1188 E. 14th Street project is proceeding with entitlement applications (corner of E. 14th and Callan). She suggested SLIA consider speaking on behalf of some of the upcoming development proposals. Planning on the south end of town continues including a proposed 500-unit development at the King Property (next to BayFair).</p> <p>D. Irmer updated the renovation at Creekside Plaza. It is running behind but going well. They are implementing COVID precautions with their subcontractors.</p> <p>D. Cox indicated that despite the downturn, the Economic Development Dept has been very busy working with new businesses coming to the City. There is a Community Budget Review Committee being formed. She received 30 applications but only has four slots to appoint. The City is working to store the plywood murals but there is a hesitancy to require businesses to take their boards down in the event that they are held liable if an event occurs in the future. S. Hackley asked if the City could store unpainted plywood as well. There was discussion about the logistics of doing that.</p> <p>K. Pace talked about the Boys & Girls Club in-person programming for children of essential workers. They are working with Marco Cochran (the artist who created Truth Is Beauty) to create an iconic piece on the corner of Marina and San Leandro Blvd. They are working on offering community walk throughs of the space in October.</p> <p>N. Franklin indicated that BART ridership is at</p>	<p>INFORMATION</p>

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	<p>12%. They are looking at adding more trains to allow for more social distancing and educating about air circulation in the cars. They are also working with Bridge Housing to convert parking spaces from monthly to daily use and doing pedestrian improvements in the parking lot. BART is finishing up their next 10-year plan on Transit Oriented Development.</p> <p>E. Griego said the Chamber will be hosting Candidate Roundtables; Sept 22 with Fred Simon & Chris Bammer and Sept. 29 with Ed Hernandez & Brian Azevedo. September 15 the SBA will be answering questions on PPP loans and other programs.</p>	
<p>4. Approval of Minutes</p>	<p>July 9, 2020 July 14, 2020 August 27, 2020</p>	<p>APPROVED AS PRESENTED</p> <p>Moved: D. Irmer Second: G. Galvan Unanimous</p>
<p>5. Review of Financials</p>	<p>M. Mack-Rose reviewed the July and August Financials, notifying that due to delinquencies, we anticipate approximately \$24,000 revenue shortfall. However, due to COVID Grant, PPP Loan, and other under-spending in the budget, she does not anticipate a negative end of year balance. If delinquencies continue at this rate, the Board should consider increasing the 4% delinquency assumption in future budgets.</p>	<p>INFORMATION</p>
<p>6. Application for SBA Loan</p>	<p>“Shall the Board accept a \$150,000 Economic Injury Disaster Loan (EIDL) from the SBA with a 30-year term at 2.75% interest rate, holding those funds in a restricted reserve account to be used only by board approval, and consider early re-payment 12 months from receipt of the loan.”</p> <p>S. Hackley asked if a line of credit was available</p>	<p>ACTION</p> <p>Motion: L. Van Nguyen Second: B. Shon</p> <p>Aye: EG, KP, LN, KB, AG, SH, EG, DI, RJ, DC, TN,</p>

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	<p>as a solution. L. Van Nguyen indicated that lines of credit would be very difficult to get and would be much more expensive. SBA does not offer lines of credit. E. Griego shared the Chamber's experience of getting a line of credit: it was difficult to obtain and was only \$50,000.</p> <p>B. Shon shared her experience at another non-profit and reaffirmed how difficult a line of credit is to obtain. The other organization she works with accepted the \$150,000 EIDL.</p>	<p>GG, BS, NF</p> <p>Oppose: None</p> <p>Abstain: JM</p> <p>Absent: MH</p> <p>Motion carries.</p>
<p>7. Agreement for Supplemental Security Services</p>	<p>"Shall the Board suspend the \$85,000 annual contract for supplemental policing services with City of San Leandro"</p> <p>G. Galvan recapped the SOBO committee's recent meeting focusing on the issue. The Committee discussed other potential ways to supplement security in the Downtown including supporting businesses installing cameras, paying SLPD overtime for peak holiday periods, etc. The committee recommended budgeting for some type of supplemental security program in the upcoming budget and that the Board hold a special work session on SLIA's roll in enhancing downtown security.</p>	<p>APPROVAL Motion: G. Galvan Second: D. Irmer Opposed:</p> <p>Aye: EG, KP, LN, KB, AS, SH, EG, DI, RJ, DC, TN, GG, JF, BS, NF</p> <p>Oppose: None</p> <p>Absent: MH</p> <p>Motion Carries.</p>
<p>8. SLIA Decision Making Matrix</p>	<p>K. Pace presented the Decision-Making Matrix. M. Mack-Rose emphasized that the Board expresses its priorities when it approves the annual budget. Any changes to that approved budget would need to be approved by the full board..</p>	<p>APPROVAL Motion: K. Pace Second: T. Nguyen</p> <p>Aye: EG, KP, LN, KB, AS, SH, EG, DI, RJ, DC, TN, GG, JF, BS, NF</p> <p>Absent: MH</p> <p>Opposed: None</p> <p>Motion Caries</p>

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<p>9. SLIA Priorities for 20-21 Fiscal Year</p>	<p>The Board adopted the following four priorities for the FY 2020-21:</p> <ol style="list-style-type: none"> 1. Clarify SLIA/City scope of services; 2. Free up ED time to focus on other priorities by contracting for district cleaning operations; 3. Improve property owner engagement & communications with valuable information & ideas regarding building maintenance and empty storefronts; 4. Improve tenant engagement & communications with information on the importance of SLIA & maintaining the cleanliness of storefronts. 	<p>APPROVAL Motion: E. Griego Second: K. Pace</p> <p>Aye: EG, KP, LN, KB, SH, EG, DI, RJ, DC, TN, GG, BS,</p> <p>Absent: NF, MH</p> <p>Opposed: AS, JF</p> <p>Motion Carries</p>
<p>10. Appointment of Board Nominations Committee</p>	<p>Per board bylaws, a Nominating Committee must be appointed annually including the Board President and at least two Board members. Angele Sweet and Deborah Cox are appointed to serve with Emily Griego.</p>	<p>APPROVAL Motion: D. Irmer Second: D. Cox</p> <p>Unanimous.</p>
<p>11. Next Board Meeting</p>	<p>M. Mack-Rose asked that Board members hold October 8, 2020 for a Special Board meeting to review SOBO committee's recommendation on street cleaning services contract.</p>	
	<p>Meeting Adjourned, 10 a.m.</p>	

M. Mack-Rose took minutes

SAN LEANDRO IMPROVEMENT ASSOCIATION

November Financials Report Executive Summary

Board Treasurer Long Van Nguyen and Executive Director Morgan Mack-Rose have standardized bookkeeping practices and simplified the reports. Moving forward, the financial statements will consist of the following;

1. Balance Sheet
2. Profit & Loss Budget vs. Actual – Year to Date
 - a. Summary
 - b. Expanded by Budget Line Item

Balance Sheet

Significant changes in the Balance Sheet since the last board meeting include;

1. The addition of the Fremont Money Market Checking account to our Assets listings.
 - a. \$176,500 balance includes \$150,000 SBA EIDL funds and \$27,500 PPP funds. Fremont Bank has yet to open its online portal for PPP loan forgiveness. However, we do not anticipate any challenges in qualifying for full forgiveness.
2. The renaming of “Pre-Paid Assessments” to “Deferred Revenue” to align with standard accounting practices.
 - a. On December 1, 2020, the \$126,464 in Deferred Revenue will be reclassified as Assessment Revenue and reflected in our Current Assets.
3. The clearing up of several bookkeeping errors from previous fiscal years resulted in removing payroll liabilities and a stale debit account from the balance sheet.

We have also opted to include the 2019 End of Fiscal Year data for comparison. SLIA is in a significantly better position this year. Receiving assessments from the City of San Leandro in July versus November is helping to avoid cash flow issues. Additionally, the \$150,000 EIDL is a significant buffer. As the economy stabilizes and the PPP loan is forgiven, the organization may want to consider paying back the EIDL funds.

Profit & Loss

As of November 9, 2020, the organization has a \$73,456 budget surplus. While this number will decrease by approximately \$10,000 throughout the month, we still anticipate a healthy \$60,000+ end-of-year surplus. This surplus is attributable to three significant changes that occurred since the budget was adopted:

1. COVID suspended most District Identity and special events costs;
2. The modification of the SLPD services contract;
3. Reduction of street maintenance staff from four FTE to three FTE (Full Time Equivalent)

Recommendations

Board Treasurer Nguyen recommends that SLIA open a General Savings Account as a firewall to prevent fraud from our current General Checking Account. Once open, SLIA will hold its un-restricted cash in that account and transfer operational funds monthly.

2:28 PM

11/09/20

Cash Basis

San Leandro Improvement Association
Balance Sheet Standard
As of November 9, 2020

	<u>Nov 9, '20</u>
ASSETS	
Current Assets	
Checking/Savings	
Fremont General Account	211,791.08
10100 — Fremont Payroll Acc...	1,551.65
Fremont MMC	176,500.00
Total Checking/Savings	<u>389,842.73</u>
Total Current Assets	<u>389,842.73</u>
TOTAL ASSETS	<u><u>389,842.73</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
SBA EIDL	150,000.00
Deferred Revenue	126,463.91
PPP Loan	27,500.00
San Leandro Loan 2017	70,139.31
Total Other Current Liabilities	<u>374,103.22</u>
Total Current Liabilities	<u>374,103.22</u>
Total Liabilities	374,103.22
Equity	
30000 — Opening Balance Equ...	122,325.20
32000 — Unrestricted Net Assets	-180,042.17
Net Income	73,456.48
Total Equity	<u>15,739.51</u>
TOTAL LIABILITIES & EQUITY	<u><u>389,842.73</u></u>

San Leandro Improvement Association

Profit and Loss Budget vs. Actual

December 2019 through November 2020

	Dec '19 - Nov '...	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
Assessment Income	423,464.78	447,873.57	-24,408.79
Delinquency		-12,000.00	12,000.00
Carry Forward		2,788.00	-2,788.00
Programs Income	7,401.10		
Non Assessment Reve...	4,000.00		
Total Income	<u>434,865.88</u>	<u>438,661.57</u>	<u>-3,795.69</u>
Gross Profit	434,865.88	438,661.57	-3,795.69
Expense			
Administration	60,384.77	63,042.50	-2,657.73
DISI	23,797.75	36,327.50	-12,529.75
SOBO	263,150.55	316,549.00	-53,398.45
Total Expense	<u>347,333.07</u>	<u>415,919.00</u>	<u>-68,585.93</u>
Net Ordinary Income	87,532.81	22,742.57	64,790.24
Other Income/Expense			
Other Income			
Interest Earned	0.67		
Total Other Income	0.67		
Other Expense			
Admin 2017-18	7,000.00	7,000.00	
Prior year expenses	7,077.00	7,077.00	
Total Other Expense	<u>14,077.00</u>	<u>14,077.00</u>	
Net Other Income	<u>-14,076.33</u>	<u>-14,077.00</u>	0.67
Net Income	<u><u>73,456.48</u></u>	<u><u>8,665.57</u></u>	<u><u>64,790.91</u></u>

San Leandro Improvement Association
Profit and Loss Budget vs. Actual
 December 1, 2019 through November 9, 2020

11/09/20

	<u>Dec 1, '19 - Nov 9, '20</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
Assessment Income	423,464.78	447,873.57	-24,408.79
Delinquency		-12,000.00	12,000.00
Carry Forward		2,788.00	-2,788.00
Programs Income			
Holiday	7,401.10		
Total Programs Income	7,401.10		
Non Assessment Revenue	4,000.00		
Total Income	<u>434,865.88</u>	<u>438,661.57</u>	<u>-3,795.69</u>
Gross Profit	434,865.88	438,661.57	-3,795.69
Expense			
Administration			
Annual Elections / Mailing	1,343.04	226.00	1,117.04
Bank Charges/CC Interest Charge	846.90	941.90	-95.00
Loan Interest	2,081.11	1,959.90	121.21
Staff Administration			
66000 — Gross Wages	11,057.73		
IRA Match		2,114.90	-2,114.90
Staff Administration - Other	17,600.00	27,302.15	-9,702.15
Total Staff Administration	28,657.73	29,417.05	-759.32
Accounting	2,790.00	2,825.00	-35.00
Dues and Subscriptions	700.00	748.20	-48.20
Rent	9,000.00	8,475.00	525.00
Insurance	5,291.68	5,412.70	-121.02
Office Supplies / Equipment	3,818.20	3,290.70	527.50
Board Meetings / Retreats	1,272.00	67.80	1,204.20
Meeting Refreshments		329.70	-329.70
Legal	80.00	70.20	9.80
Phone and Communications	1,572.29	1,618.60	-46.31
Printing	476.25	1,130.00	-653.75
Office Cleaning	2,455.57	2,825.00	-369.43
Total Administration	<u>60,384.77</u>	<u>59,337.75</u>	<u>1,047.02</u>
DISI			
Advertising	100.17	1,883.80	-1,783.63
Branding / Signage		941.90	-941.90
Public Space Dev.		2,825.00	-2,825.00
PR Consultant			
Social Media	6,000.00	5,650.00	350.00
DISI Staff Admin	15,057.73	14,656.40	401.33
Seasonal Displays		1,883.80	-1,883.80
Newsletters	57.00	206.10	-149.10
Special Events			
Holiday Event	2,324.92	2,159.95	164.97
Special Events - Other		2,825.00	-2,825.00
Total Special Events	2,324.92	4,984.95	-2,660.03
Web Site	257.93	1,165.10	-907.17
Total DISI	<u>23,797.75</u>	<u>34,197.05</u>	<u>-10,399.30</u>
SOBO			
Sidewalk Cleaning Operations			
52000 — Payroll Tax Expense	17,560.25		
53000 — Deductions	1,924.20		
56000 — Health Ins	2,699.91		
Workers Comp	3,311.37		
55000 — Payroll Service	2,010.04		
51000 — Wages	153,480.00		
Sidewalk Cleaning Operations - Other		155,375.00	-155,375.00
Total Sidewalk Cleaning Operations	180,985.77	155,375.00	25,610.77
Supplies, Equip, Uniforms			
54000 — SOBO Comm	540.00	791.00	-251.00
Supplies, Equip, Uniforms - Other	6,408.09	3,766.90	2,641.19
Total Supplies, Equip, Uniforms	6,948.09	4,557.90	2,390.19
Public Space Maintenance	4,645.00	4,708.80	-63.80
Nursery Supplies & Equipment	2,271.96	3,296.30	-1,024.34
Rent / Storage	9,000.00	8,475.00	525.00
Security	49,539.00	79,970.10	-30,431.10
SOBO Admin	6,500.00	35,575.10	-29,075.10
Vehicle Related			
Gas	1,040.14	2,373.00	-1,332.86
Vehicle Repairs & Maintenance	1,008.15	2,335.80	-1,327.65
Vehicle Related - Other	447.00		
Total Vehicle Related	2,495.29	4,708.80	-2,213.51
SOBO Contingency	765.44	1,412.50	-647.06
Total SOBO	<u>263,150.55</u>	<u>298,079.50</u>	<u>-34,928.95</u>
Total Expense	<u>347,333.07</u>	<u>391,614.30</u>	<u>-44,281.23</u>
Net Ordinary Income	87,532.81	47,047.27	40,485.54
Other Income/Expense			
Other Income			
Interest Earned	0.67		
Total Other Income	0.67		
Other Expense			
Admin 2017-18	7,000.00	7,000.00	
Prior year expenses	7,077.00	7,077.00	
Total Other Expense	14,077.00	14,077.00	
Net Other Income	-14,076.33	-14,077.00	0.67
Net Income	<u>73,456.48</u>	<u>32,970.27</u>	<u>40,486.21</u>

Annual Nominations and Election Meeting

Election of Directors

Members are nominated and elected to the Board of Directors at the Annual Nominations and Election Meeting as outlined in Article 4 of the corporate bylaws. Nominations forms are mailed to each property owner annually, and the Board Nominations Committee reviews applications. Once deemed to be qualified, the Board of Directors considers nominations. All terms are for two years, and there are no term-limits. The Board may vote to accept some or all of the nominees submitted by the Nominations Committee. **Nominations may also be made from the floor, provided the nominees are present and deemed to be qualified per the bylaws.**

The Nominations Committee has reviewed the applicants and is presenting the following board members for *re-election* to the 2020 Board of Directors:

1. Emilio Garcia
2. Emily Griego
3. Shannon Hackley
4. Kim Pace

Election of Officers

Officers of the Corporation are elected *annually*, as outlined in Article 6 of the bylaws. The corporation's officers shall be a President, a Vice President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The corporation may also have, as determined by the Board of Directors, a Chairperson of the Board, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers, or other officers.

The Nominations Committee has confirmed that all current officers are willing to stand for re-election. **Nominations may also be made from the floor, and each office must be considered individually.**

President, Emily Griego
Vice-President, Kim Pace
Secretary, Katherine Bowman
CFO/Treasurer, Long V. Ngyuen

Acceptance of Contract for Maintenance Services

SLIA published a Request for Proposals (RFP) for maintenance services in July of 2020. There were two qualified respondents; StreetsPlus and Block By Block.

Subsequently, Staff conducted reference checks on both companies and informal site visits to other districts that they contracted with in the area.

On October 6, 2020, the SOBO Committee reviewed the proposals and qualifications of both respondents. **The committee voted unanimously that the Board accept Block By Block's proposed contract for services not to exceed \$229,332.28 per year.**



Response to the Request for Proposal
SAFETY/HOSPITALITY AND MAINTENANCE/
LANDSCAPING AMBASSADOR PROGRAM

SAN LEANDRO IMPROVEMENT ASSOCIATION
DOWNTOWN SAN LEANDRO, CA

Submitted to:

Morgan Mack-Rose

Executive Director

San Leandro Improvement Association

384 W. Estudillo Avenue

San Leandro, CA 94577

morgan@downtownsanleandro.com

Submitted by:

Derreck Hughes

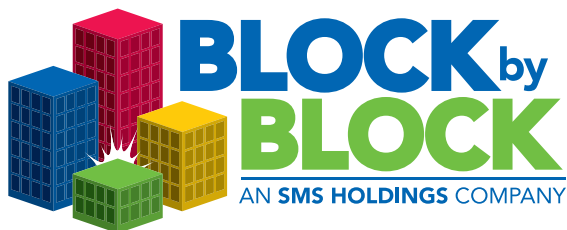
Vice President of Operations

Block by Block

640 S 4th Street, Suite 110

Louisville, KY 40202

dhughes@blockbyblock.com



AUGUST 20, 2020

MEET JOSE!



Supporting Your Ambassador!



When You...

...contract for Ambassador Services, you're buying more than people, uniforms and equipment. You're buying the entire operating model, which not only supports John, but the entire program we'll create for you. The operating model you're buying from Block by Block includes the following:

- **Modern Operations**
 - Knowledge of the best and most appropriate equipment and supplies.
 - A program built on best practices developed in other highly successful programs.
 - Research and development programs to create these best practices.
 - A high-functioning technology platform to help you tell your district's story.
- **Reliable processes**
 - Recruitment and selection to curate a great staff.
 - Back office systems which include everything from background checks to uniform procurement to local licensure.
- **Member Services**
 - Graphic design capabilities to bring your brand to life within the Ambassador Program.
 - Events and gatherings to bring you together with your peers.
 - Access to a broader network of peers.

Block by Block at a Glance...

- Our first business improvement district customer in 1995 was the Louisville Downtown Management District, and proudly, they're still a customer today.
- We now serve more than 100 districts, parks, transit systems and universities with services provided by Ambassadors.
- Privately held and owned by SMS Holdings Corporation from Nashville, Tennessee, Block by Block management has full autonomy, while SMS supports us with ongoing reinvestment.
- We work anywhere friendly, trained Ambassadors can fulfill a meaningful role in improving the public's experience with their surroundings.
- We operate in more than 30 states and serve in multiple programs around some of the largest metropolitan areas. Chances are we're probably already in your neighborhood!





August 20, 2020

Morgan Mack-Rose
Executive Director
San Leandro Improvement Association
384 W. Estudillo Avenue
San Leandro, CA 94577

Dear Morgan,

It was a pleasure speaking with you regarding the San Leandro Improvement Association's (SLIA) need for a highly flexible Maintenance, Hospitality and Safety Ambassador Program. Based on our conversation, it sounded like there is a desire to place an emphasis on the Ambassador concept. As the organization has been thinking about its role, it seems like there is a need to make sure that street level services are forward facing with better connectivity to property owners, merchants and the public.

Based on that conversation I've been excited to get our proposal to you, which outlines a program that I believe reflects not only the flexibility in services you're looking for, but the organizational approach you're expecting. Within our proposal, you'll find the many pieces of the Block by Block model that lends to not only what we'll do, but how we'll support the program we'll create.

If you believe, after reviewing our proposal, that Block by Block is the right fit for the SLIA's needs based on our experience and qualifications, I'd appreciate the opportunity to customize every detail of a program that incorporates your operational scope, while working within your budget at the same time.

Thank you again for this opportunity!

Best regards,

Derreck Hughes
Vice President of Operations

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EXECUTIVE SUMMARY

Through our experience in working within many cities, and particularly many districts within the Bay area, we've recognized that we provide a much more complete program than other traditional maintenance, security, and janitorial companies; or even other competitors serving CBDs for that matter. After discussing the needs and background of the proposed service area, we believe downtown San Leandro could greatly benefit from our approach to delivering services.

A FULLY TURNKEY PROGRAM



It doesn't matter what district we are talking about, our operating model is geared to relieve you of the daily management.

We will take complete ownership of every aspect of delivering a supplemental maintenance, hospitality and safety program by managing every daily detail to include scheduling of necessary work, hiring and assigning staff and procuring supplies. It sounds as if right now you're staff is pulled into the daily grind of program management, which we guess leaves little time for doing things to make the program better.

With our management approach we'll free you of the daily hassles of program management, which will allow you to focus on the higher level work of managing a CBD. Don't worry, working through the local Operations Manager we'll select and hire will still allow you to manage program outcomes and direct priorities!

A HIGHLY ENGAGING PRESENCE



It is vital that our Ambassadors are friendly, outgoing and engaging when on duty.

Our foundation as a company comes from decades of experience from our predecessor company, which was an event management organization where visitor experience is critical. This has been a cornerstone of Block by Block since our founding. We envision building the San Leandro program to be highly engaging through the following:

- Building a team that demonstrates personality and willingness to engage the public.
- Bringing our custom created training series, which is titled the Five Steps to a Great Public Engagement Experience, to prepare the newly selected team.
- Incorporating tasks such as business contacts into the work plan, along with expecting high levels of engagement from the staff while they conduct their work.

IMPLEMENT REAL TECHNOLOGY



The SMART System allows for the tracking of a variety of Ambassador activities and other metrics performed in the district.

Block by Block will implement our SMART System as part of the program we'll develop geared for the San Leandro Improvement Association. It allows us to track and report on a variety of information, allowing for evidence-based reporting as well as for providing accountability. More than ever, we're focused on not just collecting data, but developing analytics that set us apart, while helping feed important information to other departments to improve how they also deliver services. Unlike other third party programs on the market, SMART was developed with the nuances in mind of delivering cleaning and safety services for BIDs and CBDs.

Here are a few ways we envision utilizing our technology platform in San Leandro:

- To develop a basket of metrics that capture what's important to your stakeholders and other partner organizations like the City of San Leandro.
- Utilize the business contact functionality of the SMART System to report back to your organization when businesses have been contacted and provide feedback, which can alert you to opportunities for follow based on shared concerns.
- Provide enhanced reporting that helps us benchmark our progress, not only on daily cleaning, but also on the variety of projects we think will be necessary based on the project heavy work plan in San Leandro. This information will allow us to see how resources are being dedicated and make necessary decisions.

HERE'S WHAT WE KNOW TO BE TRUE

Our team spent time visiting Downtown San Leandro to make observations of district. We developed these observations taking into consideration our experience serving districts all across the country, along with our past successes in finding real opportunities for our Ambassador teams to address the many things that create positive changes in perceptions. We offer the following as examples of high level thought from our time spent in the district:

NEED FOR PROJECT WORK

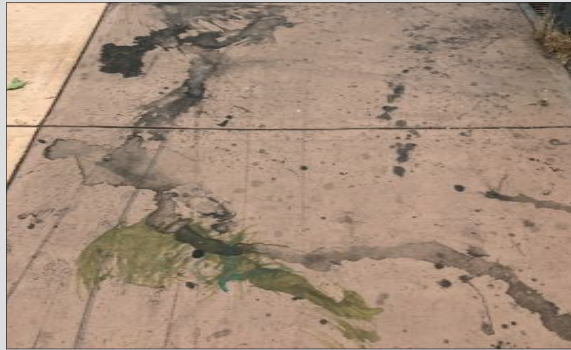


Public trash receptacles within the district were dirty, stained and in poor condition, making them an eyesore within the district.

While litter and graffiti didn't appear to be significant issues, there were some elements of the public right of way which make great opportunities for improving services. For example, the public trash receptacles were creating a poor impression to the public. This is the type of project that can be scheduled for most of the team and be completed in a just a few short days.

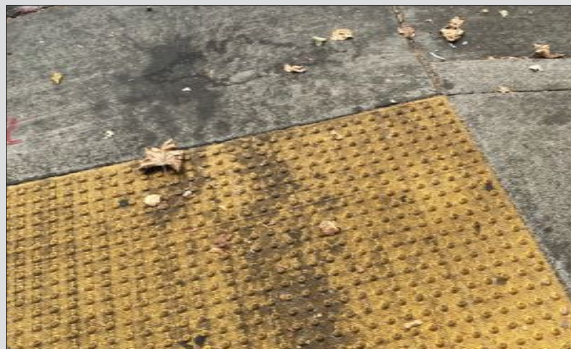


NEED FOR POWER WASHING



Downtown San Leandro had many areas where spills and stains made the district feel dirty and unappealing.

We identified a significant number of stains, spills and grime in the service area during our visit. To us, this was probably was the largest driver of negative perceptions of the Downtown San Leandro service area. When temperatures become hot, those spot and stains not only look bad, but smell bad also.



VISIBLE STREET POPULATION



It's vital for a district to learn more about their street population and why they have chosen to be on the streets.

There appeared to be a visible homeless or street population in downtown San Leandro. It was unknown whether these persons were unhoused, mentally ill, opportunists or simply residents spending time in downtown. This would be something, with some basic interaction, the Ambassador program would be able to determine.

While a base line understanding and documentation of the street population can be made through the existing team, an increased expectation for daily interaction with the street population would require more investment into the safety function after the morning shift.

OUR RECOMMENDATIONS

CREATING A PROGRAM...

Based on our understanding of the service area in San Leandro and taking into consideration our experience in working with more than 100 districts, we've worked to craft recommendations that would not only make the program highly effective, but would continually drive new and better impressions. Our recommendations for the program we'd envision for the San Leandro Improvement Association include the following examples:

CREATE A HIGHLY FLEXIBLE PROGRAM

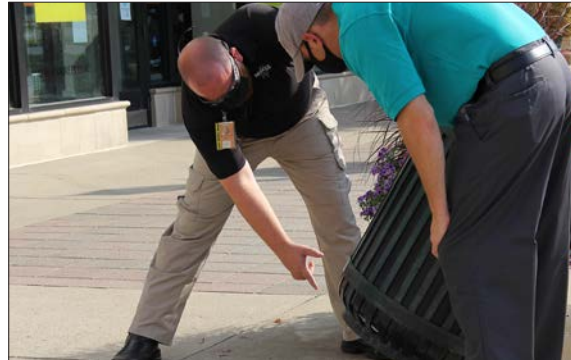


While Ambassadors perform regular duties, a highly flexible program allows for the shifting of resources based on need and opportunity.

As with many public spaces and a small team no two days will be alike. While we will have a standard daily work plan, there will be a need for flexible capacity. Lots of the demands for labor resources will be driven by the increased or decreased presence of pedestrians, events taking place, or even opportunities to complete projects based on weather.

We want to deliver a highly flexible program so that we're able to shift resources to the times and places based on a balance of need and opportunity, while following the standard daily work plan.

DEVELOPMENT OF A HIGHLY FUNCTIONING MANAGER



An Operations Manager will be on hand to help train and guide Ambassadors on best practices while providing quality assurance.

We'll hire and train a local manager in our model of program management, who will be your daily contact. Block by Block managers are trained to not only manage a team, but we provide background in place management. This will allow them to recognize daily priorities and needs and to make daily adjustments in resources to accomplish as much as possible at the street level in downtown San Leandro.

PRIORITIZE RESPONSE TO SPILLS AND STAINS OVER SCHEDULED WASHING



We are able to quickly address real-time problems like spills and stains as they occur and without having to wait multiple days and be noticed by many.

Based on our understanding of the history of the program in San Leandro, there has always been an emphasis on district wide power washing. Power Washing is a tedious service, which means it uses a lot of resources and can be a drain on a small program.

To put this in perspective we only have a few districts in the Bay Area that provide broad power washing and they have clean and safe budgets in excess of \$1 million. It's our recommendation to deliver a ton of value by quickly responding to spills, stains and frequently addressing hot spots, which is why we're recommending the use of a power washing trike.

UTILIZE EXISTING EQUIPMENT, WHILE SUPPLEMENTING WITH NEW EFFICIENT TOOLS



Our conversations revealed that SLIA still owns certain pieces of equipment that can be utilized within the program and reduce cost.

We'll utilize existing equipment in order to stretch your operating budget as best as possible. We understand the following pieces would be made available:

- Full-Size Pickup Truck
- Hot Water Power Washer
- 2-Way Radios
- Billy Goats
- Office Space/Equipment

In addition to these pieces, we'll also supplement this equipment with some new selections which we highly recommend. These selections and their usages are as follows:

- Pressure Washer Trike: will help us to address spills and stains more quickly and efficiently.
- Worx Hydroshot: a mobile pressure washing unit that can be easily deployed on a Mega Brute, allowing us to address the smaller sidewalk spills and stains immediately.

DEVELOP UNIQUE WAYS TO CONNECT WITH BUSINESSES



Creating business contacts within the district is sure-fast way to increase visibility and recognition of the work being done .

As previously stated we suggest creating a more forward-facing program. As part of this we recommend having staff complete business contacts on a regular basis. In order to support this, we will build into the daily work plan:

- Business contacts so that each team members visits at least one business per day.
- Notes on each business contact to include the name of the person, who was engaged, along with any feedback provided. This will be built into the SMART System.



CLEANING SERVICES

MAKING A BIG IMPACT EVERYDAY!

Cleaning isn't just about performing repetitive tasks each day. It's about looking at your district with fresh eyes every day to identify "what's next." Our local managers are trained to continually recalibrate the resources we provide as part of the program to deliver the best possible visual impact from cleaning district infrastructure and power washing sidewalks to snow removal from cross walks, bus stops and fire hydrants.



WHAT WE DO TO MAKE YOU LOOK GOOD

	SERVICE DESCRIPTION	MORNING	MIDDAY	AFTERNOON/ EVENING
	MANUAL CLEANING PATROL Ambassadors circulate through assigned areas with appropriate tools to remove litter, cigarette butts, and graffiti, while also wiping fixtures, removing sidewalk stains and tending to any necessary detail within the public right of way.	✓	✓	
	TOPPING OFF OF PUBLIC TRASH RECEPTACLES Ambassadors will remove trash from overflowing trash cans allowing for capacity until the city can fully empty.	✓	✓	
	WEED REMOVAL Removal of weeds and other unwanted growth in building and curb lines through either spraying and/or cutting.	✓	✓	
	GRAFFITI REMOVAL Removal of tags (stickers, painted markings, etc.) from first-floor businesses. Graffiti is given priority attention.	✓	✓	
	POWER WASHING—SPOT CLEANING The most highly valuable washing services come in the ability to quickly respond to and eliminate spills and stains from sidewalks of everything from sodas to urine and feces.	✓	✓	
	MECHANIZED CLEANING Ambassadors use equipment such as mobile litter vacuums to clean curb lines of leaves and unsightly debris.	✓	✓	
	SPECIAL PROJECTS Capacity is envisioned to carry out highly visible projects in the public right of way, which as examples could include painting street fixtures, deploying assets for place making or mulching tree wells.	✓	✓	

...TO MAKE YOU LOOK GOOD

Based on our observations of your service area, along with our assumptions about a proposed operating budget, we would recommend the following staffing plan:

SCHEDULE	
Downtown Ambassador	80.00
Operations Manager	40.00
Weekly Total	120.00
Annual	6,240.00
FTE Employees	3.00

STAFFING

CLEANING SERVICES

EQUIPMENT SPECIFICATION*

Based on our recommended deployment plan for your program we've included the following equipment. All operating costs such as fuel, maintenance and insurance are included in our overall pricing structure.

CLEANING

- Pressure Washing Trike (Qty. 1)
- Worx Hydroshot (Qty. 2)
- Battery Powered Blower (Qty. 1)

ADMINISTRATION

- Computer (Qty. 1)
- iPhones (Qty. 2)

* For a complete list, please see the program budget on page 21.

DEPLOYMENT TABLE

All Season Deployment - Downtown Ambassador

Position	Zone	Task	Hours	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Total
Downtown Ambassador	SLIA Area Zone 1	Hospitality, Manual Cleaning, Merchant Contacts, Quality of Life, Spot Washing	7:00am - 4:00pm		8	8	8	8	8		40
	SLIA Area Zone 2		7:00am - 4:00pm		8		8		8		24
	SLIA Weekend Flex	Hospitality, Manual Cleaning, Quality of Life, Special Projects	8:00am - 12:30pm	4						4	8
	SLIA Weekend Flex		8:00am - 12:30pm	4						4	8
Operations Manager	All	Working Manager-QA, Mechanized Equipment	7:00am - 4:00pm		8	8	8	8	8		40
Hours Per Day				8	24	16	24	16	24	8	
Total Scheduled Weekly Hours											120



AMBASSADOR TEAM

You can't have a great Ambassador program without great Ambassadors. As the national economy changes and finding great people has become more difficult, Block by Block has risen to the challenge by redefining every step of our recruitment and selection process. We've streamlined our methods to allow us to find great people in an environment where great candidates don't have a long shelf life, while not compromising the integrity of our process or reducing our standards.

ATTRIBUTES OF A GREAT AMBASSADOR

Before we can dive into our process we need to have a clear understanding of the desired qualities we're looking for in a great Ambassador.



-  Has a strong sense of community
-  Has a great smile and shows it off
-  Has a love for helping others
-  Cares about their appearance
-  Has the endurance to work outside for a full shift

IDENTIFYING GREAT PEOPLE

THE PROCESS: RECRUITING GREAT AMBASSADORS

Our process starts with finding as many qualified applicants as possible, through a variety of channels, and get them into our process, which is as follows:

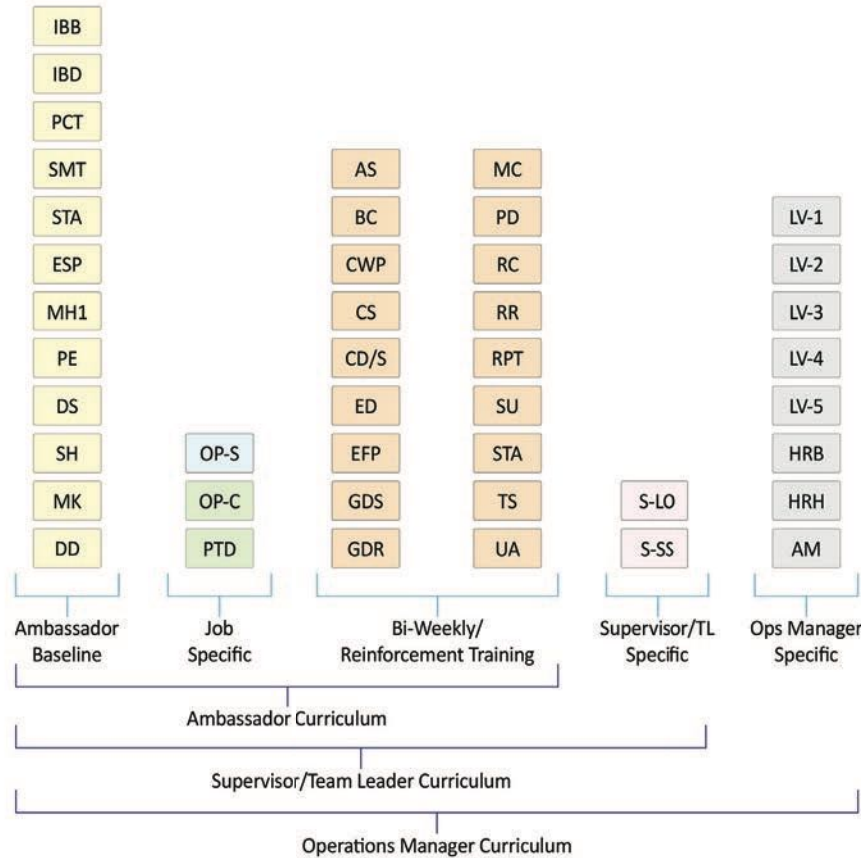


TRANSFORMING FRIENDLY PEOPLE

What is training? It's sharing everything you possibly can to make every person in your organization effective, while keeping them safe. We've developed our own training modules, which include videos, quizzes and a workbook, all localized for each specific program. Our training is delivered through a Learning Management System to ensure consistency, while allowing us to track the completion of trainings.

AMBASSADOR NEW HIRE		
ALL AMBASSADORS		HRS
IBB	Intro to Block by Block	1
IBD	Intro to BIDs	1
PCT	Perceptions	2.5
SMT	SMART System Training	3
STA	Safety—Stop. Think. Act.	1
ESP	Engaging Street Population	2
MH1	Mental Health First Aid	4
PE	Public Engagement Series (5 Steps)	4
DS	Meet Your District *	2
SH	Scavenger Hunt *	4
MK	Must Know Info *	2
DD	Defensive Driving (for those driving)	3
CLEANING AMBASSADORS		
OP-C	Ops Procedures – Cleaning	4
PTD	Paying Attention to Detail	1
SAFETY/HOSPITALITY AMBASSADORS		
OP-C	Ops Procedures – Safety	4

* This is training customized specific to your district.



MANAGEMENT TEAM		
SUPERVISORS/TEAM LEADERS		HRS
SO	Leading Others	2
S-SS	Supervisory Scenarios	4
OPERATIONS MANAGER		
LV-1	Intro to Block by Block	1
LV-2	BID Management Concepts	8
LV-3	Recruitment & OnBoarding	8
LV-4	SMART System & Measuring	4
LV-5	Block by Block Administrative	8
HRB	HR Bootcamp Series	8
HRH	HR Huddle Series	4
AM	Annual Training & Workshop	16



AMBASSADOR ONGOING TRAINING TOPICS (Rotated Bi-Weekly)			
AS	Active Shooter	EFP	Eye and Face Protection
BC	Business Contacts	GDS	Giving Great Descriptions
CWP	Cold Weather Preparedness	GDR	Giving Directions
CS	Crossing the Street Safely	MC	Missing Children
CD/S	Cultural Diversity and Sensitivity	PD	Protests and Demonstrations
		RC	Radio Communications
		RR	Recruitment and Employee Referrals
		RPT	Report Writing in SMART
		SU	SMART System Update
		STA	Stop. Think. Act. Annual Safety Day
		TS	Traumatic Situations
		UA	Uniform Appearance
		ED	Emergency/Disaster Preparedness

AMBASSADOR TEAM

ATTRACTING AND...

EMPLOYEE BENEFITS AND COMPENSATION

We have long recognized that a highly competitive salary and benefits package allows us to position our jobs as the most attractive in the minds of candidates looking for front line positions.

WAGES

Wages are simply the single largest driver of attracting interest in a job. We have long believed that our wages should exceed those of the janitorial, security, hospitality or other industries. You can find details of our recommended wages for your program in the section of our proposal outlining our proposed budget and operating costs.

BENEFITS

Benefits are an essential piece of retaining employees once they are hired. We've worked to craft a benefits package that is meaningful to employees, while still allowing us to remain competitive when compared to other service providers. Details of our benefits package are listed on the right.

EMPLOYEE BENEFITS & COMPENSATION	IMMEDIATELY	AFTER 90 DAYS	AFTER 1 YEAR
 PAID HOLIDAYS Employees will receive holiday pay for New Years, Memorial, Independence, Labor, Thanksgiving, and Christmas days.	✓	✓	✓
 WEEKLY PAY At the continual request of employees, Block by Block pays weekly on Tuesday.	✓	✓	✓
 DIRECT DEPOSIT Employees can have their weekly paycheck deposited into their bank account(s) of choice	✓	✓	✓
 PAID TIME OFF Paid time off is included in our budget and reflects the PTO requirements of the local ordinances.	✓	✓	✓
 HEALTH & DENTAL INSURANCE Group membership in a company traditional health plan, not the mini-med plan typically provided by other vendors. This is the same health plan provided to all Block by Block employees—managers and front-line employees alike. We pay 70% of premiums (employee only) while the employee contributes 30%.	✗	✓	✓
 LIFE INSURANCE \$20,000 of free life insurance is provided to employees who participate in the company-sponsored health insurance plan.	✗	✓	✓
 BIRTHDAY PAY All full and part-time employees receive their birthday as a paid day off.	✗	✗	✓
 401K PLAN Employees may contribute to the company sponsored retirement plan.	✗	✗	✓

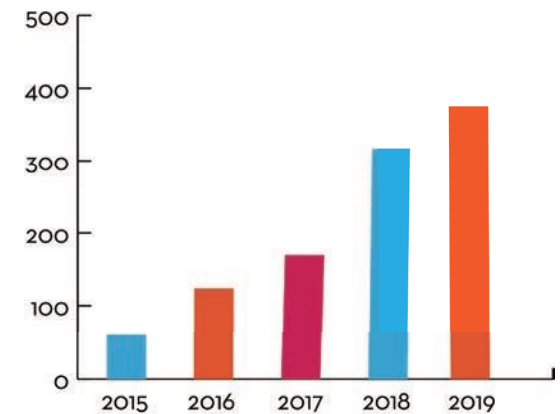
SECOND CHANCE EMPLOYMENT PROGRAM

Block by Block recognizes that there is a real opportunity to help some of the most vulnerable people in our communities become more self-sufficient



by allowing them to better establish their work history within our programs. When people can attain meaningful employment, demonstrate consistency, and gain a quality work reference, they are much more likely to position themselves to increase their chances for improved career opportunities and self-sufficiency.

We have a formalized second chance program in which we reduce our strict hiring standards for those persons coming to us through highly supported programs of partner agencies. The following provides some data on our company-wide second chance participation from year to year.



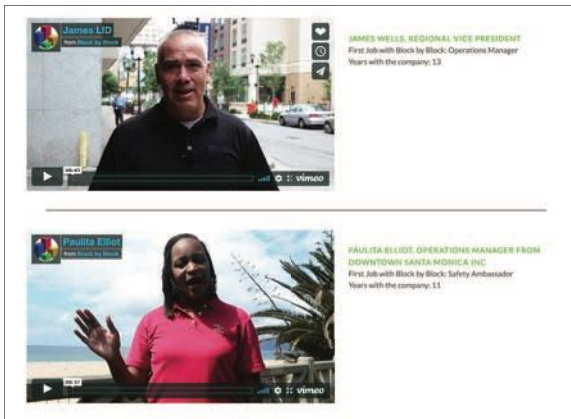
The graph above shows how our Second Chance Employment Program has grown over the last 5 years.

...KEEPING GREAT AMBASSADORS

LEADERSHIP ID PROGRAM

Helping Your Career Take Flight

More than 75% of our corporate support team has risen through the ranks at Block by Block. As our company has grown from a small business to a sizable organization it's been necessary to have a way to identify highly engaged, capable people for promotions. For this reason we've created our Leadership Identification Program, so current employees can raise their hand and get engaged with our recruitment team to match their skills with our available positions.



To learn more about our LID Program, please visit our website at www.blockbyblock.com/LID

In Preparation for Advancement Consideration:

- Complete a survey of their experiences.
- Develop a resume.
- Participate in a recorded, video interview shared with hiring managers.
- Receive monthly assignments to help develop their skills while they are in consideration for available positions.



We build Ambassadors to create positive experiences at the street level and we believe a positive work culture is crucial in doing so.

AMBASSADOR TEAM

KEEPING GREAT EMPLOYEES

Once we have gone through the effort and expense to transform a friendly person into a great Ambassador, it's important that we do everything possible to retain them. We do this for a variety of reasons, but there are two driving factors: First, for every day someone works as an Ambassadors they learn a little bit more about their district and we want to retain that accrued knowledge; Second, we want our managers to spend their time evaluating outcomes and working towards make their programs better, not continually tied up with the recruitment, selection and training processes.



Being engaged in the community is vital. Ambassadors in Downtown San Antonio participate in a Veterans Day Recognition Parade.

CULTURE CLUB

Led by our Recruiting Director, we have a team of current managers, who help plan and coordinate company-wide activities that happen on the same day regardless of location. These include things such as the annual Ice Cream Social, Nacho Average Ambassador Day, Safety Day, Bowling Tournament and Veterans Day Recognition, all of which are shared on Social Media. These efforts have been highly successful at helping us drive a consistent culture nationwide.

TURNOVER RATE

Based on the operating model we've described throughout our proposal, Block by Block has diligently worked to control turnover.

RETENTION RATE		
YEAR	BLOCK BY BLOCK	INDUSTRY STANDARD
2017	73.5%	75% – 300%
2018	81.1%	
2019	78.7%	

SMART SYSTEM



STATISTICS MANAGEMENT & AMBASSADOR REPORTING TECH

The SMART System is a proprietary data management system developed by Block By Block from the ground up and it is fully customizable to meet the unique needs of your district. Unlike other 3rd party programs on the market, SMART was developed with the nuances of delivering cleaning, safety, hospitality, and outreach services at the street level in mind.

DEVELOPMENT CONSIDERATIONS

- Built intuitively to facilitate quick, easy entry in real time from our ambassadors in the field.
- Features a user-friendly interface over time-consuming typing. This minimizes time spent on devices and maximizes time spent actively working in the field.
- Ambassador app that's driven primarily by your index finger to minimize on-street perception that ambassadors are texting or off-task.
- Does not require a data plan to take advantage of its many features, resulting in a huge cost-savings for districts when compared to similar systems that require costly monthly data plan fees for each device.
- Includes a comprehensive management portal to meet your administrative and reporting needs.
- We're continually investing in and evolving the system.
- It's FREE for your program!

ACCOUNTABILITY

- SMART prioritizes transparency and validity of data with comprehensive audit trails that capture every revision of an entry.
- Everything entered is tagged with geolocation information to show where an ambassador was when they entered a statistic or report. Reports then display the location of entries on a marker map, a heat map, or a cluster map to quickly see what areas of the district have the most activity.
- Management regularly completes dedicated and proven supervisor audits in SMART to evaluate ambassador performance.
- Cookie crumb walk path trails are captured for every ambassador's shift showcasing their route through the district.

SO WHY SMART?

INFORMATION TRACKING

SMART provides the following customizable metrics that are best suited to your district's specific needs:

Simple Quantitative Statistics Tracking:

Quantify ambassador daily accomplishments with simple key task captures that automatically documents where and when activities were performed.

In-Depth Qualitative Reporting Modules:

Capture key qualitative information with dedicated maintenance request tracking, detailed incident reports, and a comprehensive database of notable people in the district and our ambassadors' interactions with each person.

Integrated Databases:

Obtain added value to the information collected by ambassadors by implementing a fixtures database of infrastructure in the district and/or a business database of properties in the area—both of which can be dynamically imported, managed, and tied to ambassador entries within SMART.

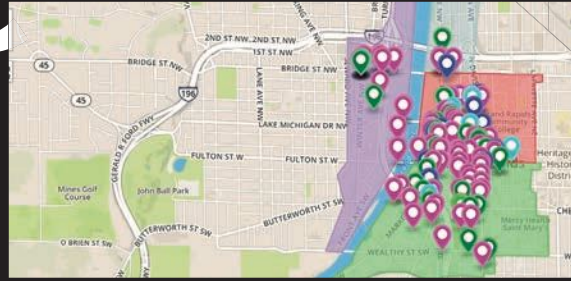


The SMART System allows Ambassadors to engage the public and document instances no matter how small they are.

TECHNOLOGY CATERED TO YOUR NEEDS

STATS BY AREA

Because all stats are SMART all activities are tagged with a time and location, we can map every everything. The system allows you to map stats by time and even by a particular location, like around a particular building or intersection.

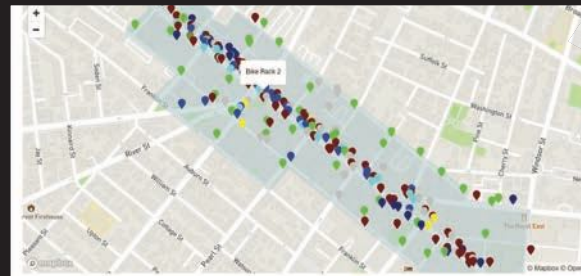
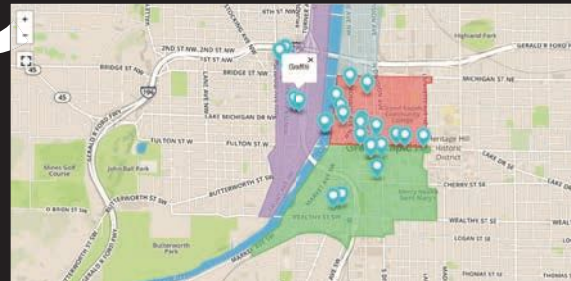


WALK PATHS

Provides peace of mind that we're providing necessary coverage of the service area, while providing a great accountability tool for seeing that Ambassadors are working as expected.

MY REPORTS

Have a particular report you're interested in? Maybe you want to see the morning's street population count every day before mid-day. That exact report can be sent to your inbox at the specified time each day, without ever having to log-in, using the SMART System's 'My Reports' feature.



STREET FIXTURE MODULE

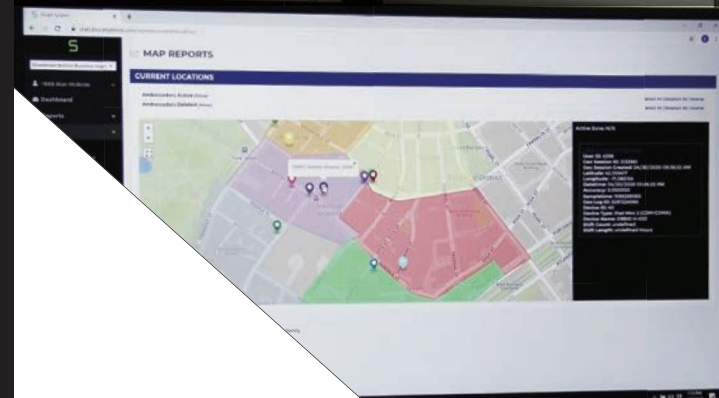
You're able to track every light pole, bench, trash can or any other fixtures as a unique asset. All pertinent information, such as maintenance orders, can be tracked for each assigned piece.

SUPERVISOR AUDITS

Let's face it—Ambassadors are given a lot of autonomy to work alone in the field. It's critical to have a system that ensures we're supervising and monitoring the activities of the Ambassadors, and the Supervisor Audit module does just that. It ensures we can see when and where supervisors are checking on their Ambassadors, while at the same time providing quick notes for evaluating each Ambassadors' overall performance

Date Range	Start Date	End Date	Start Time	End Time	Time Format	EXPORT CSV
Last 30 Days	03/23/2020	04/22/2020	12:00 AM	11:59 PM	Default (04/22/2020 2:51 PM)	
Keywords	Photos	All	GO			
Select a Saved Report	New Report Title					SAVE TO MY REPORTS
Ambassadors Active (show)	Ambassadors Inactive (show)	Ambassadors Deleted (show)	Created By (show)	Zones (show)	Overall Score (471 Reports): 1806/1829 (98.74%)	
AMBASSADOR	CREATED BY	CAPTURED *	MODIFIED	SCORE	WAS THE AMBASSADOR O UPON OBSERVATION	
Unit 21, OPMO Christophe	Unit 14, OPMO Valdez, Fernando	03/23/2020 10:11 PM	03/23/2020 10:11 PM	4/4 (100%)	Yes	
Unit 17, OPMO Baruch Roc	Unit 14, OPMO Valdez, Fernando	03/23/2020 10:32 PM	03/23/2020 10:32 PM	4/4 (100%)	Yes	
Unit 24, OPMO Javier Will	Unit 14, OPMO Valdez, Fernando	03/23/2020 10:41 PM	03/23/2020 10:41 PM	4/4 (100%)	Yes	
Unit 8, OPMO Royal Crone	Unit 14, OPMO Valdez, Fernando	03/23/2020 10:48 PM	03/23/2020 10:48 PM	4/4 (100%)	Yes	

SMART SYSTEM



AUDITING AND PRIVACY

Block by Block takes the integrity and safety of data very seriously. Any adjustment made to any data point is date, time and user stamped for auditing purposes.

Additionally, we avoid capturing any type of personal data within our system. Our Outreach Guidelines explicitly state that we do not capture any personal data such as social security numbers, health records or even a diagnosis that might be voluntarily shared by a member of the street population. We only document basic information about someone that can be easily observed by the public.

IMAGE BRANDING

STANDING OUT FROM THE CROWD

We have an in-house graphic design team that will develop modern, attractive uniforms, equipment branding and additional collateral materials to make your program highly visible to your district goers, stakeholders and investors.



WHAT WE DO...

PROVIDED FOR DOWNTOWN SAN LEANDRO

PRESSURE WASHER TRIKE

We recommend a Power Washing Trike to help address spills and stains more efficiently and increase district visibility. These can be deployed on demand in the district and tackle the various hot-spots with spills and stains that present themselves on a daily basis.



MEGA BRUTE

We recommend the cleaning staff use a tool called a Mega Brute, which has a large surface area that can be branded in line with the uniforms and other collateral. The Mega Brute allows clean team Ambassadors to have access to nearly every tool they might need while working their daily plan in the district.



WHAT WE DO AT OTHER LOCATIONS

PICK-UP TRUCK

A Ford F-150 pick-up truck can be used for special project work and can be branded with the district logo and colors. Pick-up trucks assist Ambassadors in completing a wide variety of projects, while adding to your organization's street level presence.



AT YOUR SERVICE CARD

We suggest working with you to create a custom collateral piece that can be left behind while conducting business contacts or to be distributed to the general public. This "At Your Service!" Card is a postcard sized handout that contains the your program's mission, along with hours of service, and other pertinent information, like a hot-line phone number, which we'll establish for your program. These can also be branded to represent the district.



...TO CREATE A GREAT IMAGE

OTHER AVAILABLE BRANDING OPTIONS



TENNANT ATLV (MOBILE LITTER VACUUM)

The Tennant ATLV litter vacuums are a mechanized vacuum system capable of covering a large area in a small amount of time, featuring a detachable hose allowing you to work tight corners. This machine will be branded and covers the ground of 3.5 Ambassadors, while giving stakeholders greater visibility of the program, being a highly noticeable machine when rolling down the street.



EVENT T-SHIRTS

Temporary T-shirts can be created to help advertise and promote district initiatives and events, while increasing visibility to people who are used to seeing the team on a daily basis. This allows us to message to the public, while still branding your organization.

AMBASSADOR UNIFORMS

One of the most outwardly recognizable details of the program will be employee uniforms. While many people may have personal interactions with front line Ambassadors, there are many thousands more who will gain an impression of the program solely by uniform appearance. It is our recommendation to utilize a bright color scheme that is highly visible and easy to recognize, which also makes it practical from a management and supervisory perspective.



BASIC UNIFORM PACKAGE

The basic uniform package typically includes the following:

- Jacket/parka combination
- Raincoat/jacket
- Long sleeve polo shirts (Spring/Fall)
- Short sleeve polo shirts
- Plain-front pants/shorts
- Hat/cap/knit cap
- Gloves

TEAM SUPPORT



ABOUT SMS HOLDINGS CORP.

- Privately held, family owned company founded in 1988 in Nashville, TN.
- Founded as a commercial janitorial company, Service Management Systems still operates today serving large facilities to include malls, airports, business parks and stadiums.
- Through several acquisitions, now holds diversified positions in service companies, uniform distributors and fast food.
- Committed to leveraging efficiencies on behalf of all its companies, while making investments and providing autonomy to each business unit.

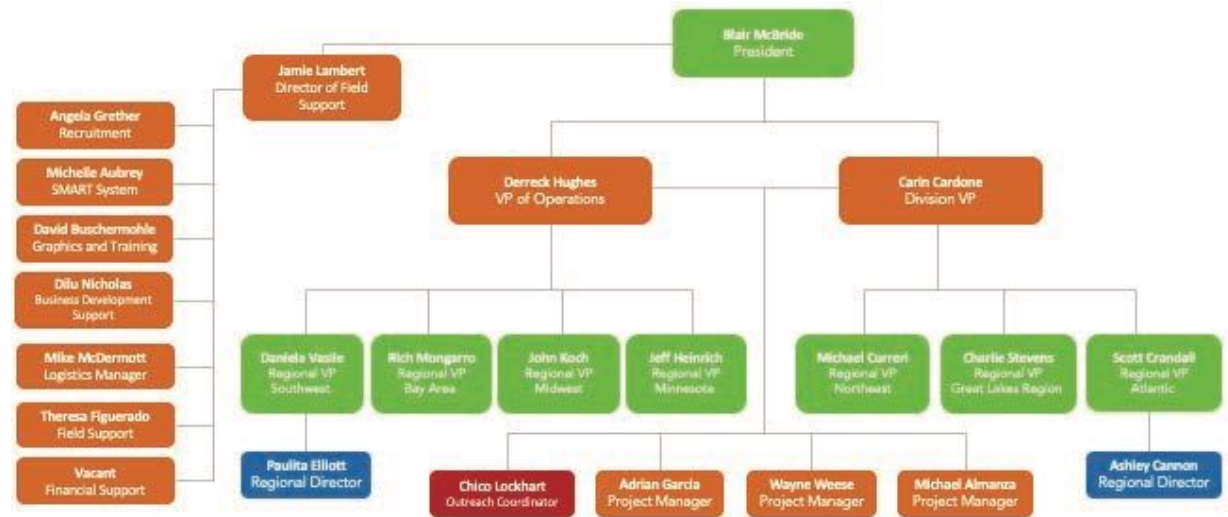
OUR STORY

Born from an event management and private security services company tracing its roots back to 1930, we started serving our first downtown district, the Louisville Downtown Partnership, in 1995. Through word of mouth, we found ourselves serving our fifth district in 2002, just as people were beginning to buzz about spending more time downtown and, in many cases, living in the city center.

At this time, we recognized the broader need for a company specializing in the unique needs of business districts and began expanding beyond traditional clean & safe services. At this point, we created Block by Block as a stand alone entity.

Today, we serve more than 120 unique programs, including other aspects of the urban experience such as parks and transit systems.

HOW BLOCK BY BLOCK CAME INTO BEING



LOUISVILLE FIELD SUPPORT CENTER

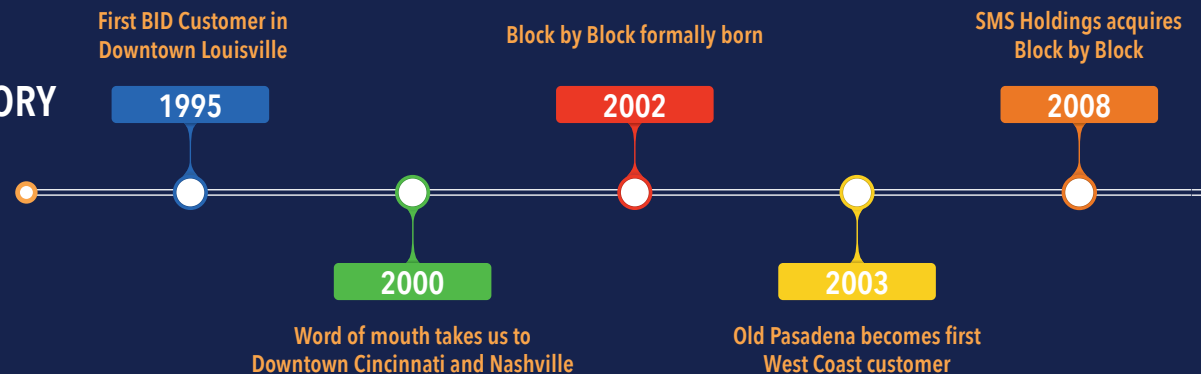
From our office in the heart of downtown Louisville, we have assembled an amazing team of people that will support the critical processes within your program to include:

- Recruitment and Selection
- SMART System Program Support
- Training Platform Management
- Graphic Design
- Logistics and Procurement

MANAGING GROWTH

Making sure our rapid growth doesn't negatively impact daily operations has been one of our top priorities. As part of our organization, we have an experienced team of Project Managers on staff. Once selected, a Project Manager is dedicated to be your "transition lead" and will handle all of the necessary details to take the program we create for you off the ground. Once the transition is complete, the Project Manager will turn over your operation to the Regional Vice President, who will be responsible for providing ongoing oversight.

OUR HISTORY



MEET THE BLOCK BY BLOCK MANAGEMENT TEAM



BLAIR MCBRIDE

President

Blair has been employed in one form or fashion with Block by Block and its predecessors since his high school days beginning in 1995. He's held

many key roles as the organization has evolved to include VP of Development, Project Manager and Operations Manager. He worked as an Ambassador while attending the University of Louisville, where he graduated with both Marketing and Management Degrees.

In his current role as President of Block by Block, Blair...

- is responsible for the ever evolving strategy of Block by Block.
- coordinates the field support between the Louisville Field Support Center and the Administrative functions based in Nashville.
- works to advance new initiatives to support the teams working in the field.
- drives the company's culture.



DERRECK HUGHES

Vice President of Operations

Derreck first came to work with Block by Block at the age of twenty as a Security Officer, assigned to one of Brantley Security's most high profile,

class 'A' office complexes. It wasn't long before Derreck advanced to Account Manager, to Operations Supervisor with Block by Block, and then to an Operations Manager overseeing Block by Block's safety, cleaning and transportation programs in Branson, MO.

Derreck was next promoted to Project Manager and then to Regional Vice President for the pacific region overseeing Block by Block's west coast operations.

In his current role as Vice President of Operations, Derreck...

- is responsible for quality assurance and oversight of our four Midwest and West coast regions, which includes your program
- oversees the Regional Vice President, who is responsible for your program, in not only their daily work but their efforts to continually evolve your local operation
- contributes to the development and roll out of new company-wide innovations that will improve how your program operates.

MANAGEMENT TEAM



RICH MONGARRO

Regional Vice President

Rich was born and raised in San Francisco and has lived in the Bay Area his entire life. He worked 25 years as a police officer and sergeant with two Bay Area police

departments. After leaving the force, Rich joined Block by Block as the Operations Manager for the San Jose PBID account from 2009 to 2015, and Operations Manager for the Union Square BID account in San Francisco from 2015 to 2016.

He has a Bachelor's Degree in Administration of Justice with a minor in Business Administration. Rich lives with his two daughters, and is an avid Bay Area sports fan.

In his current role, Rich...

- will continually be 'in the know' of what's happening within your program and provide guidance and direction to our local Operations Manager.
- will be on site regularly, both announced and unannounced, to inspect the quality of the program we provide to you.
- will provide transparent feedback to you of any challenges identified and outline opportunities to improve services.
- will work with the local Operations Manager to drive culture within the program.
- will work with you to manage your annual program budget.

SMART System formally launches

2011

Block by Block begins serving first park

2014

Louisville Lab launched

2016

Begins serving our 100th District

2018

2010

Begins serving our 50th Downtown District

2013

Block by Block acquires competitor, Service Group Inc.

2015

Block by Block Headquarters move to Downtown Louisville

2017

Begins providing Ambassadors to Boston Transit System

WHY BLOCK BY BLOCK

SO MANY REASONS...

There is no one reason customers select Block by Block. They buy an operating model that's been developed over the course of 20 years and from our experience working in more than 100 cities across the country.

Over the last ten years we've developed unique program elements that are included with your program to deliver more value than anyone else.



BUILDING BLOCKS ...



The Louisville Lab is an initiative started in 2016. Since moving our Field Support Center to Downtown Louisville, we've begun testing a variety of products and new processes to help improve the services we deliver to all customers. For example, we've tested new messaging campaigns and self-watering planters as examples.

Our Annual "Connect & Share" Gathering builds on our annual Operations Manager's meetings, which has always been used to drive our internal culture among managers. It now incorporates customers so we can demonstrate new learnings and explore best practices. We are able to advance initiatives more efficiently when customers and managers are together.



We've invested more than \$700,000 of our own resources towards our SMART System since its launch in 2015 in order to continually build upon the system. It allows us to create the most robust data collection tool for our industry. We're now focused on creating analytics within the system to help our customers tell the story of the benefits of their program.

We spend a lot of time focusing on the culture of our programs and making this an enjoyable job. The benefits to customers are reduced turnover and more engaged employees. You can see examples of our culture in the activities produced by our 'Culture Club', a group of managers who plan activities that take place at the same time in all programs.



...FOR A GREAT PROGRAM



Every company says they do training, but we've worked to create the most well thought out system for giving every team member, regardless of position, the practical information they need at just the right time. Better trained Ambassadors, supervisors and managers create a more effective and efficient program for you.



“

Block by Block's Manager 365 training gave me the confidence and the skills to lead my team and deliver for my customer, even with moving into this brand new field in my career"


– **Mike Pacheco**, Block by Block Manager
Centro San Antonio

STOP.
THINK.
ACT.

WHY BLOCK BY BLOCK

A STEP ABOVE THE REST

When you compare Block by Block to competitors in both our space, along with those in other commodity industries, it's easy to see that we're a cut above the rest in nearly every aspect.

	 BLOCK by BLOCK AN SMS HOLDINGS COMPANY	OTHER SERVICE PROVIDERS SPECIFICALLY SERVING BIDS	TRADITIONAL JANITORIAL AND SECURITY PROVIDERS
Provides services to existing Business Improvement District type organizations across the country.	✓	✓	✓
Privately held with independent decision making ability.	✓	✓	✗
Has a broad understanding of the challenges and nuances of serving in the outdoor public right of way.	✓	✗	✗
Has a demonstrated commitment to having a robust infrastructure providing for ongoing, meaningful engagement with customers.	✓	✗	✗
Has their own innovation lab that is funded internally to develop future best practices for customers across the country.	✓	✗	✗
Developed their own proprietary Statistical Tracking Software specifically for Improvement Districts at no cost to their customers.	✓	✗	✗

Safety is our top priority at Block by Block. We want to make sure that all of our team members return home safely after the completion of each shift. In 2014, we launched our STOP. THINK. ACT campaign. Coupled with weekly and quarterly training sessions, the program is integrated into everything from our uniform bracelets, posters in our operations centers, and reminders placed on all of our equipment.

ADDITIONAL DETAILS

SPECIAL NOTES

PERFORMANCE ACCOUNTABILITY

You will find that we ensure quality through the following methods and tools:

- **Site Visits:** a member of our corporate team will be on site multiple times each year to evaluate your program; however, we can assure you that your program will absolutely get the necessary attention if it requires more frequent touches to get the outcomes we both desire.
 - **Unannounced Site Visits:** we will perform at least two site visits per year and will review our observations and any appropriate next steps with you.
 - **Full Program Review:** biannually, your Regional Vice President will complete an on-site comprehensive review of your program measuring everything from team visibility, equipment utilization, team morale, SMART metrics and adherence to all operating processes. This will be captured in the RVP's site visit review in the SMART System and a copy of this report will be provided to you within a week of the program review taking place along with actionable steps.
 - **Annual Survey:** Block by Block completes a survey of each customer annually to understand challenges from the customer's perspective. We also look at trend analysis to help guide us in making company wide decisions and investments into our operating model.

Through the SMART System, we'll develop a suite of tools to help us virtually manage each program. These include:

- **Daily Supervisor Reports**
- **GPS SMART System Review**

We believe in creating an environment where employees are valued and can thrive, but in those cases where an employee can't meet expectations, we'll use progressive coaching to make necessary adjustments, including replacing the employee, if necessary.

1. **Staging and Storage Space:** we would require centralized space for the staging the team and securing supplies and equipment. Having a location with the district is critical to making the team efficient by minimizing travel time to and from the space. The program would require very modest space and as an example we've found good success across the country in less traversed areas such as parking offices in parking garages. We'd be happy to further define what types of spaces might work for this need.

We have NOT included the cost of renting any type of storage or staging space; however, we have included the cost of basic fixtures for this space.

2. **Water for power washing and trash disposal services** are not included in our proposed pricing. We've had good luck when working among city departments in developing operating arrangements for these needs.



BUDGET SUMMARY

We understand how big of an investment it is in running an Ambassador Program for your district. We have taken great pride in creating a program that is both dynamic and impactful for you and understand the importance of being a good steward of those dollars. Block by Block is pleased to present you with the total cost to perform the services in implementing a dynamic and impactful Ambassador Program. If selected based on our experience and capabilities, we'd recommend having a discussion on how we can customize a program to meet the requirements of your budget.

CAPITAL EQUIPMENT				
Items	Unit Price	Qty	Total	Annual Amortized
Office & Breakroom Set Up	\$ 800.00	1.00	\$ 800.00	\$ 300.83
Pressure Washer Trike	\$ 6,200.00	1.00	\$ 6,200.00	\$ 2,331.43
Computers, Printer	\$ 2,100.00	1.00	\$ 2,100.00	\$ 615.21
Worx HydroShots	\$ 160.00	2.00	\$ 320.00	\$ 120.33
iPhones (SMART System)	\$ 285.00	2.00	\$ 570.00	\$ 214.34
Time Clock	\$ 2,400.00	1.00	\$ 2,400.00	\$ 902.49
			\$ 12,390.00	\$ 4,484.62

DOWNTOWN SAN LEANDRO IMPROVEMENT ASSOCIATION-AMBASSADOR SERVICES		
Category	\$	%
Labor	\$ 159,154.95	69.4%
Benefits	\$ 18,075.41	7.9%
Labor Related (background checks, recruiting, awards, sp. Training, etc.)	\$ 7,133.24	3.1%
Uniforms	\$ 2,194.50	1.0%
Cell Phones	\$ 1,640.00	0.7%
Equipment (Truck, ATLVs, other 'capital' equipment)	\$ 4,484.62	2.0%
Equipment Related (Maintenance, emp parking)	\$ 2,412.00	1.1%
Office/Storage Location	\$ -	0.0%
Startup Expense (PM costs, training, travel)	\$ 3,438.12	1.5%
Supplemental Janitorial Supplies	\$ 4,403.75	1.9%
Office Supplies & Printing	\$ 1,310.00	0.6%
Misc. (Bus. license, Incidentals)	\$ 1,500.00	0.7%
Administrative Support (Corp, Tech, System Support, Prof. Development, etc)	\$ 4,650.00	2.0%
Profit (8.0% of total)	\$ 18,935.69	8.3%
TOTAL	\$229,332.28	100.0%

BILL RATE DETAIL	DOWNTOWN AMBASSADOR	OPERATIONS MANAGER
Bill Rate	\$ 33.30	\$ 43.65
Weekly Hours	80.00	40.00
Weeks in Year	52	52
Annual Hours	\$ 4,160.00	2,080.00
Annual Billing	\$ 138,542.84	\$ 90,789.44
Total Annual Billing	\$ 229,332.28	

PROGRAM BUDGET

STAFF WAGES

Wages are one of the most significant factors that drive the overall cost of an Ambassador program. Based on our research, we have included a wage scale that is built on a starting wage of **\$18.00/hour** for Ambassador positions in order to remain competitive in the ever competitive labor market. We are confident this wage will allow us to hire great Ambassadors who will represent your district.

2020 POSITIONS	STARTING WAGE	AFTER 1 YEAR
Downtown Ambassador	\$ 18.00	\$ 18.72
Operations Manager	\$ 26.44	\$ 27.50



PROGRAM TIMELINE

CREATING THE PROGRAM FROM THE GROUND UP

At Block by Block we understand the visibility an Ambassador program provides to your organization. For most organizations the Ambassador team is the largest driver of your identity on the street. For this reason it's important that every program transition is well executed.

For those organizations having existing services, stakeholders don't want a reduction in services due to a transition. It's even more important for new organizations or new Ambassador Programs where anticipation for a program is sky high. Stakeholders in those situations want to be impressed. In either scenario, you only get one chance to start. It must be well executed.

We've successfully implemented or transitioned more than 100 programs across the country. Our understanding of how to do this is an important piece of the operating model you're buying.

Here's What Goes into It:

- A Project Manager will be assigned to manage every aspect of the transition and hand off a highly functioning program to the Regional Vice President.
- The transition manager will coordinate the efforts of a number of team members who will be working behind the scenes to support your transition.
- You can expect weekly updates from the Project Team on the progress of your transition, along with honest dialogue of any challenges and what our team is doing to work through those.
- 45-60 days should be expected for any transition or implementation.
- We will work to over hire for the initial team.

SAMPLE PROGRAM IMPLEMENTATION TIMELINE

-8
weeks

- Contract award and contract negotiations begins.
- Finalize scope, tasks, deployment schedule and equipment.

-7
weeks

- Share initial branding ideas in order to curate uniform look.
- Begin procuring equipment.
- Identify operating space.
- Begin recruitment advertising for all positions.

-6
weeks

- Collect and review resumes of candidates.
- Customer staff invited to Louisville (at Block by Block's expense) to develop longer term program strategy, evaluate branding options and see best practices from the Louisville Lab.

-5
weeks

- In-person interviews of selected management candidates.

-4
weeks

- Second interviews of potential managers/presentation of finalist.
- Begin interviews of Ambassadors, Team Leaders and any other position.
- Ideally take possession of operating space.
- Uniform and branding decisions finalized.

-3
weeks

- Continue interviewing and begin making job offers to selected staff.
- Background investigations begin for all candidates of interest.

-2
weeks

- Additional selections of staff and background investigations.
- Selected Operation Manager to work with Project Manager and Regional Vice President.
- Project manager to collect pre-program data ahead of launch.

-1
weeks

- Ambassador University training for all new Ambassadors and Team Leaders.

START
week

- Project Manager on site and will considerable time in the field coaching and mentoring front line staff on the following:
 - Shift Briefings
 - Daily expectations
 - Proper uniform wear
 - Smart System Data Entry

+1
weeks

- Operations Manager in Louisville for Manager Training.
- Project Manager on site providing oversight, while supporting and coaching to the new team.

+2
weeks

- Operations Manager in a peer city to shadow a current operating program.
- Project Manager on site providing oversight, while supporting and coaching to the new team.

WEST COAST REFERENCES

Block by Block has a large presence on the West Coast. We provide Maintenance and Safety Services Ambassador Programs to the following Business Improvement Districts in the state of California:

TEMESCAL-TELEGRAPH BUSINESS IMPROVEMENT DISTRICT (OAKLAND, CA)



Serving Since: February 2017
Ambassadors: 3
Contract: \$195,000
Contact: Shifra de Benedictis-Kessner, Exec Director
Email: info@temescaldistrict.org
Phone: (510) 388-4112
Website: www.temescaldistrict.org
Services Provided: Environmental Maintenance

SAN JOSE DOWNTOWN ASSOCIATION-GROUNDWERX (SAN JOSE, CA)



Serving Since: January 2013
Ambassadors: 24
Contract: \$1,920,000
Contact: Chloe Shipp, PBID Operations Manager
Email: cshipp@sjdowntown.com
Phone: (408) 590-0241
Website: www.sjdowntown.com
Services Provided: Hospitality Services, Supplemental Safety, Environmental Maintenance

THE EAST CUT (SAN FRANCISCO, CA)



Serving Since: January 2017
Ambassadors: 13
Contract: \$883,000
Contact: Andrew Robinson, Executive Director
Email: arobinson@theeastcut.org
Phone: (415) 536-5880
Website: www.theeastcut.org
Services Provided: Supplemental Safety, Environmental Maintenance

OUR REFERENCES

IN SUMMARY

We have taken the time to thoughtfully craft a vision for the San Leandro Improvement Agency of what cleaning and, if chosen, safety services could accomplish on the streets of Downtown San Leandro. We have built the enclosed operating plan and budget to reflect this vision. We view most of our proposals as a starting point for a meaningful discussion that crafts our experience and ideas with your day in and day out experience in your district. We'd appreciate the opportunity to work with you to collaborate on the best possible plan for your district.

On behalf of everyone at Block by Block, we appreciate this opportunity!



SMS HOLDINGS INC. FINANCIAL STATEMENTS

MYDATT SERVICES INC. FINANCIAL STATEMENTS

SMS Holdings, Inc. Balance Sheet

	12/31/2016	12/31/2017	12/31/2018
ASSETS			
CURRENT ASSETS:			
CASH & CASH EQUIVALENTS:	210,275	18,650,160	415,354
A/R-OTHER	424,161	8,012,091	24,369,045
Trade A/R - Net:	42,303,050	16,635,754	18,127,385
Total Prepaid Exp. & Other Current Assets:	10,339,525	19,890,855	43,510,454
TOTAL CURRENT ASSETS	53,277,011	63,188,860	86,422,238
Property & Equipment - Net:	10,331,525	6,344,883	4,927,707
Intangibles - Net:	12,827,486	10,843,586	10,866,527
Security Deposits:	485,556	193,090	193,173
Other Assets:	453,265	242,116	228,120
TOTAL ASSETS	77,374,843	80,812,535	102,637,765
LIABILITIES & STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accounts Payable:	12,155,436	9,953,054	11,578,227
Accrued Compensation & Related Withholdings:	7,272,419	3,410,736	3,270,028
Insurance Payable	4,237,139	3,448,051	3,267,645
SALES TAX & PORT FEES PAYABLE	352,559	102,855	108,713
OTHER ACCRUED EXPENSES	3,356,132	1,346,418	1,406,360
DEFERRED REVENUE	14,051	114,416	-9,188
TOTAL CURRENT LIABILITIES	27,387,736	18,375,530	19,621,785
Contract Deposits	134,469	68,257	48,754
Long-term Debt		13,930,500	14,618,809
TOTAL LIABILITIES	27,522,205	32,374,287	34,289,348
	0		
STOCKHOLDERS' EQUITY:			
COMMON STOCK	100	100	100
TREASURY STOCK	-601,540	-601,540	-942,165
PAID-IN CAPITAL	2,611,219	106,837	255,243
RETAINED EARNINGS	46,227,241	47,842,859	67,603,243
CURRENT EARNINGS	1,615,618	1,089,992	1,431,996
TOTAL STOCKHOLDERS' EQUITY	49,852,638	48,438,248	68,348,417
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	77,374,843	80,812,535	102,637,765

Mydatt Services, Inc. Balance Sheet

	12/31/2016	12/31/2017	12/31/2018
ASSETS			
CURRENT ASSETS:			
CASH & CASH EQUIVALENTS:	35,484	42,545	25,317
A/R-OTHER	41,018,949	54,126,378	45,917,064
Trade A/R - Net:	7,306,260	8,909,191	11,622,331
Total Prepaid Exp. & Other Current Assets:	958,677	814,583	1,064,828
TOTAL CURRENT ASSETS	49,319,370	63,892,697	58,629,540
Property & Equipment - Net:	1,344,270	1,417,015	2,057,779
Intangibles - Net:	12,414,603	10,843,586	10,843,586
Security Deposits:	38,757	21,158	28,675
Other Assets:	170,900	215,955	197,514
TOTAL ASSETS	63,287,900	76,390,411	71,757,094
LIABILITIES & STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accounts Payable:	1,075,527	850,450	1,164,242
Accrued Compensation & Related Withholdings:	1,093,766	1,325,926	2,389,534
Insurance Payable	446,894	6,689,032	465,500
SALES TAX & PORT FEES PAYABLE	3,767	776	26,591
OTHER ACCRUED EXPENSES	1,035,583	3,924,972	1,226,720
DEFERRED REVENUE	-1,874	102,087	-22,327
TOTAL CURRENT LIABILITIES	3,653,663	12,893,243	5,250,260
Contract Deposits	80,731	59,504	42,704
TOTAL LIABILITIES	3,734,394	12,952,747	5,292,964
STOCKHOLDERS' EQUITY:			
COMMON STOCK	1,111	1,111	1,111
PAID-IN CAPITAL	148,406	148,406	148,406
RETAINED EARNINGS	58,710,433	61,582,647	62,431,969
CURRENT EARNINGS	693,556	1,705,500	3,882,644
TOTAL STOCKHOLDERS' EQUITY	59,553,506	63,437,664	66,464,130
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	63,287,900	76,390,411	71,757,094

EVIDENCE OF INSURANCE & CALIFORNIA LICENSES

APPENDIX B

CERTIFICATE OF LIABILITY INSURANCE

ACORD **CERTIFICATE OF LIABILITY INSURANCE** DATE (MM/DD/YYYY) 8/26/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Beecher Carlson Insurance Services
6 Cadillac Drive, Suite 200
Brentwood, TN 37027

CONTACT NAME: Sarah Ivy
PHONE: (A/C No. Ext.): FAX: 615-277-9879
E-MAIL ADDRESS: sivy@beechercarlson.com

INSURER(S) AFFORDING COVERAGE NAIC #

INSURER A: United States Fire Insurance Company	21113
INSURER B: Arch Insurance Company	11150
INSURER C: Arch Indemnity Insurance Company	30830
INSURER D: Acceptance Indemnity Insurance Company	20010
INSURER E:	
INSURER F:	

www.beechercarlson.com

INSURED: Block by Block, Inc.
7135 Charlotte Pike
Suite 100
Nashville TN 37209

COVERAGES CERTIFICATE NUMBER: 50783870 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: SIR: \$100,000		541-712903-4	4/1/2019	4/1/2020	EACH OCCURRENCE \$ \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ \$100,000 MED EXP (Any one person) \$ \$0 PERSONAL & ADV INJURY \$ \$1,000,000 GENERAL AGGREGATE \$ \$2,000,000 PRODUCTS - COM/POF AGG \$ \$2,000,000 Gen. Agg. All Locations \$ \$5,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> Comp/Coll. <input checked="" type="checkbox"/> \$1000 Ded. each		138-764573-1	4/1/2019	4/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ \$1,000,000 BODILY INJURY (Per person) \$ \$ BODILY INJURY (Per accident) \$ \$ PROPERTY DAMAGE (Per accident) \$ \$ *Physical damage applies to scheduled autos only
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$		XOL4100553-00	5/8/2019	4/1/2020	EACH OCCURRENCE \$ \$5,000,000 AGGREGATE \$ \$5,000,000
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	31WCI4925814 (AOS) 34WCI0501114 (CA, DC, IL, IN, KY, MD, MN, MO, NC, OR, TX only)	8/31/2019 8/31/2019	8/31/2020 8/31/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$ \$1,000,000 E.L. DISEASE - POLICY LIMIT \$ \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER Evidence of Coverage	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Donna Bagley <i>Donna Bagley</i>
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STATE OF CALIFORNIA PRIVATE PATROL OPERATOR LICENSE

STATE OF CALIFORNIA **dca** DEPARTMENT OF CONSUMER AFFAIRS

Bureau of Security and Investigative Services
P.O. Box 989002
West Sacramento, CA 95798-9002
(916) 322-4000

PRIVATE PATROL OPERATOR

License No. PPO12629
Receipt No. 4078

Valid Until: 11/30/2020

MYDATT SERVICES INC.
7135 CHARLOTTE PIKE SUITE 100
NASHVILLE, TN 37209

In accordance with the provisions of Division 3, Chapter 11.5 of the Business and Professions Code, the company named hereon is issued a Private Patrol Operator License Renewal.

----- NON-TRANSFERABLE ----- POST IN PUBLIC VIEW -----

WPIPP0 10/2015



BUREAU OF SECURITY AND INVESTIGATIVE SERVICES

LICENSING DETAILS FOR: 12629

NAME: MYDATT SERVICES INC
 LICENSE TYPE: PRIVATE PATROL OPERATOR
 PRIMARY STATUS: CURRENT
 PREVIOUS NAMES: MYDATT SERVICES INC * VALOR SECURITY SERVICES * VALOR SECURITY SERVICES 619-2009 * MYDATT SERVICES, INC * BLOCK BY BLOCK * MYDATT SERVICES INC * BENNETT WILLIAM

ADDRESS OF RECORD
 388 19TH ST
 OAKLAND CA 94612-3425
 ALAMEDA COUNTY
 94612

ISSUANCE DATE: NOVEMBER 12, 1996
 EXPIRATION DATE: NOVEMBER 30, 2020
 CURRENT DATE / TIME: AUGUST 08, 2019 9:13:37 AM



640 South 4th Street, Ste. 110

Louisville, KY 40202

502.749.1551

www.blockbyblock.com

**Proposed 2020 FY Budget
Executive Summary**

The proposed budget for this Fiscal Year has four significant changes from FY 2019.

1. Assumed Delinquency Rate

In 2019, the budget assumed a 2.7% delinquency rate (\$12,000), which was lower than the Management Plan recommendation of a 4% rate. This year, our *Actual Delinquency* was \$24,410 or 5.5%. Given the instability of the current economy, I recommend an 8% delinquency assumption (\$35,830) for the 2020 FY Budget.

2. Administrator Salary

The previously contracted administrator split their fee across the three programmatic functions of the organization. When I came on as the full-time employee and Executive Director, I followed suit with my salary based on workload (20% General Admin, 20% DISI Admin, 60% SOBO Admin). With the contracting out of district maintenance services, my workload shifts, and the salary split changes accordingly (45% General Admin, 45% DISI Admin, 10% SOBO Admin).

3. District Maintenance Contract (Block By Block)

The contract with Block By Block is all-inclusive. While the “Total Operations” budget line increases by \$64,332, other line items such as supplies and vehicle-related costs are eliminated.

4. Modification of SLPD Services Contract

In September of 2020, the City and the SLIA Board agreed to suspend payment for supplemental security services primarily due to the change in scope of the “bicycle” officer’s duties. Due to this change, there is a reduction from \$84,924 to \$10,000 for Security. The Board has agreed to consider several other supplemental security programs for 2020, including overtime costs for additional sworn or un-sworn officers during peak periods.

The proposed budget anticipates an \$8,340 end of year surplus. **It is important to note that it does NOT include the estimated \$64,000 carry-over from FY 2019.** And, it closely aligns with the Management Plan outline of budget allocation.

	<u>Management Plan</u>	<u>Proposed 2020</u>
Delinquency	4%	8%
Gen Admin	17%	17%
DISI	14%	13%
SOBO	65%	60%
Unallocated		2%

**San Leandro Improvement Association
2020 FY Budget**

	APPROVED 2019 Budget	PROPOSED 2020 Budget
Ordinary Income/Expense		
Income		
Interest Earned		
Assessment Income	447,874	447,874
Delinquency	-12,000	-35,830 (1)
Carry Forward	2,788	
Programs Income		
Holiday		
Non Assessment Revenue		
Total Income	438,662	412,044
Gross Profit	438,662	412,044
Expense		
ADMIN		
Annual Elections / Mailing	240	1,500
Bank Charges/CC Interest Charg	1,000	1,000
City Loan	2,081	2,104
Total Staff Administration	31,247	47,306 (2)
Accounting	3,000	1,600
Association Dues	800	800
Rent	9,000	9,000
Insurance	5,748	5,748
Office Supplies / Equipment	3,500	600
Board Meetings / Retreats	422	500
Legal	80	80
Phone and Communications	1,725	1,725
Printing	1,200	1,200
Office Cleaning	3,000	3,000
Total ADMIN	63,043	76,163
DISI		
Advertising	2,000	2,000
Branding / Signage	1,000	1,000
Public Space Dev.	3,000	3,000
Social Media	6,000	0
Total DISI Staff Admin	15,565	44,546 (2)
Seasonal Displays	2,000	2,000
Newsletters	225	225
Total Special Events	5,298	5,298
Web Site	1,240	1,240
Total DISI	36,328	59,309
SOBO		
Total Sidewalk Cleaning Operatio	165,000	229,332 (3)
Supplies, Equip, Uniforms	4,000	0
SOBO Communications	840	0
Total Supplies, Equip, Uniforms	4,840	
Public Space Maintenance	5,000	5,000
Nursery Supplies & Equipment	3,500	3,500
Rent / Storage	9,000	9,000
Security	84,924	10,000 (4)
Total SOBO Admin	37,785	9,899 (2)
Vehicle Related		
Gas	2,520	0
Vehicle Repairs & Maintenance	2,480	0
Vehicle Related Other		
Total Vehicle Related	5,000	0
SOBO Contingency	1,500	1,500
Total SOBO	316,549	268,231
Total Expense	415,919	403,703
Net Ordinary Income	22,742	8,340
Other Income/Expense		
Other Expense		
Admin 2017-18	7,000	0
Prior Year Expense (SLPD 3/19)	7,077	0
Total Other Expense	14,077	0
Other Income		
Net Other Income	-14,077	0
Net Income	8,665	8,340

Notes:

1. 2020 assume increase delinquency rate from 4% to 8%. In 2019 budgeted delinquency rate was \$12,000.
2. 2020 budget reflects new Executive Director salary split across programs; 45% Admin, 45% DISI, 10% SOBO. In the 2019 budget the Executive Director salary spit across programs; 20% Admin, 20% DISI, 60% SOBO.
3. 2020 budget reflects Block By Block contract effective 12/1/2020.
4. 2020 budget reflects modification of SLPD services contract.