



200 Civic Center Way, El Cajon, CA 92020
619.334.3000

Board of Directors Meeting Agenda

Date: Monday - March 17, 2025
Time: 12 P.M.
Location: Courtyard Marriott - 141 N. Magnolia Ave, El Cajon, CA 92020

AGENDA PUBLIC COMMENT (Limit - 15 Minutes):

Members of the public may address the Board during public comment on a particular agenda item, or if they wish to make a general comment on a matter within the subject matter jurisdiction of the District. The President of the Board will call on the member of the public at the appropriate time and allow the member of the public to provide live comment. On their own initiative or in response to questions posed by the public, board members may ask a question for clarification; provide reference to staff or other resources for factual information or request staff to report back to the Board at a subsequent meeting. A member of the Board may take action to direct staff to place a matter of business on a future agenda. **The Board limits each speaker to 3 minutes per subject or topic. The timer will begin when the participant begins speaking.**

1. **Attending in Person:** Please submit a speaker slip to the Clerk of the Board. Speaker slips can be downloaded from the website and submitted via email to JohnCollins@downtownelcajon.com.

NON-AGENDA PUBLIC COMMENT (Limit - 15 Minutes):

Persons wishing to address the Board regarding items not on the posted agenda may do so at this time. In accordance with State law, Board may not take action on an item not scheduled on the Agenda. If appropriate, the item will be placed on a future agenda. **The Non-Agenda Public Comment period is limited to a total of 15 minutes.**

Agendas: Agenda packets are available at: <https://downtownelcajon.com/meeting-agenda-and-minutes/> for public inspection at least 72 hours prior to scheduled meetings.

DISABLED ACCESS TO MEETING: A request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting. Any such request must be made to the Clerk of the Board at 619-334-3000 at least 24-hours before the meeting.

WRITINGS DISTRIBUTED TO THE BOARD: Pursuant to Government Code 54957.5, written materials distributed to the Board of Directors in connection with this agenda will be available to the public at the Downtown El Cajon Business Partners office located at 200 Civic Center Way, El Cajon, CA 92020. In addition, supporting documentation (including attachments referenced in the agenda) is available for viewing on the Downtown El Cajon website - <https://downtownelcajon.com/meeting-agenda-and-minutes/>.



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#1.) CALL TO ORDER AND DETERMINATION OF A QUORUM

#2.) APPROVAL OF MINUTES: Approve the minutes from the March 5, 2025 board meeting.

#3.) PUBLIC COMMENT AND DISCUSSION: (Limit - 15 Minutes)

Members of the public may address the Board during public comment on a particular agenda item, or if they wish to make a general comment on a matter within the subject matter jurisdiction of the District. The President of the Board will call on the member of the public at the appropriate time and allow the member of the public to provide live comment. On their own initiative or in response to questions posed by the public, board members may ask a question for clarification; provide reference to staff or other resources for factual information or request staff to report back to the Board at a subsequent meeting. A member of the Board may take action to direct staff to place a matter of business on a future agenda. The Board limits each speaker to 3 minutes per subject or topic. The timer will begin when the participant begins speaking.

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#4.) PBID ACTION AGENDA ITEMS:

- 4.1 - Discussion and possible approval of the New City America contract.
- 4.2 - Discussion and possible approval of the 2025 Dinner and a Concert budget and show schedule dates.
- 4.3 - Discussion and possible approval of letter to be sent to the El Cajon Planning Commission.

#5.) NON-PBID ACTION AGENDA ITEMS:

- 5.1 - No NON-PBID action items to discuss at this time.

#6.) REPORTS - INFORMATION ONLY:

- 6.1 - Directors' Report -
- 6.2 - President's Report -
- 6.3 - City of El Cajon Report -
- 6.4 - The Magnolia General Manager's Report -

#7.) CLOSED SESSION:

- 7.1 - No closed session agenda items at this time.

#8.) ADJOURNMENT



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#9.) NEXT BOARD MEETING

9.1 - The next meeting is: **April 9, 2025.**

CERTIFICATION OF POSTING:

I certify that on: March 12, 2025, I posted a copy of the foregoing Agenda at **200 Civic Center Way, El Cajon, CA 92020**, the regular meeting place of the Board of Directors of the Downtown El Cajon Business Partners District, and at **141 N. Magnolia Ave, El Cajon, CA 92020 - ECPD Community Room**, said time being at least 72-hours in advance of the Regular Meeting of the Board of Directors. (Govt. Code Section 54954.2)

Executed at El Cajon, California, on: March 12, 2025.

John Collins

John Collins, Clerk of the Board

**Minutes of March 5, 2025 Board Meeting
Downtown El Cajon Business Partners Inc.**

Board Members & Guest Present:

Ron Nevels	Chairman	Corey Marco	Vice Chairman
Cathy Zeman	Treasurer	Chris Berg	City of El Cajon
Gabriel Marrujo	Director	Paris Landen	Secretary
Graham Mitchell	City of El Cajon	Charlotte Wood	Guest
Tim McDougal	Guest	Juan Alarid	Director - Marriott
Ryan Villegas	City of El Cajon	Nate Prescott	City of El Cajon
Marco LiMandri	New City America	Dominic LiMandri	New City America
Shirley Zawadzki	New City America	Steve Lordigyan	Cajon Classic Cruise
Vince DiMaggio	City of El Cajon	Bob Kuczinski	Guest
Helen Zamora	Olaf Wieghorst	Jack Doherty	Olaf Wieghorst
Tony Cortes	True Line Alignment	Tim Ralph	Guest
Steve Lockett	Director - County of San Diego	Matt Ostlund	Guest
Rich Riel	NextStreet		

#1.) CALL TO ORDER: 5:04 p.m.

#2.) APPROVAL OF MINUTES: C. Zeman motioned to approve the February 5, 2025 regular meeting minutes C. Berg seconded the motion. The February 5, 2025 minutes were approved unanimously.

#3.) PUBLIC COMMENT:

3.1 - The Board heard public comments from the public on several agenda items.

#4.) PBID ACTION ITEMS:

4.1 - C Berg motions approve the assignment of Board positions as follows:

Ron Nevels - Chairman

Corey Marco - Vice Chairman

Cathy Zeman - Treasurer

Paris Landen - Secretary

S. Lockett seconded the motion. The motion passed unanimously.

4.2 - C. Berg abstains from the vote, steps outside, for Executive Director RFP vote, Nate Prescott replaces C. Berg on the Board for the vote on this agenda item. Candidates were invited to speak once more to the Board. New City America President, Marco LiMandri, spoke on his company's behalf. Christian Martin, candidate from Nexstreet was not present. Rich Riel, a previously disqualified candidate from Partners in Progress, claimed to now represent Nexstreet, though the Nexstreet applicant has not confirmed this. The Board allowed him to speak nonetheless. C. Berg gives scores from Board votes as 38.4 out of 50 for New City America & 29.6 out of 50 for NextStreet.

Discussion from guests. C. Zeman motions to approve New City America's RFP for the new Executive Director position. J. Alarid seconded the motion. The motion passed unanimously.

4.3 - After Board discussion to table Light House Security contract until after the Executive Director is consulted. C. Berg motions to table item 4.3.

P. Landen seconded the motion. The motion passed unanimously. Tabled for the next meeting.

4.4 - Board discussion regarding the Dinner and a Concert budget and 2025 schedule. C. Berg motions to table item 4.4. P. Landen seconded the motion.

The motion passed unanimously. Board agreed to call a special meeting/ workshop for Monday, March 17th to address this event.

4.5 - Steve Lordigyan speaks to Board on improvements, changes and updates to the Cajon Classic Cruise after the car show workshop recommendations.

C. Zeman motions to approve workshop recommendations chosen to create a quote to put out an RFP for Cajon Classic Cruise Event Organizer. J. Alarid seconded the motion. The motion passed unanimously.

4.6 - C. Zeman motions to approve C. Berg and P. Landen to head the new Restaurant & Bar Committee for the District. G. Marrujo seconded the motion. The motion passed unanimously.

#5.) NON-PBID ACTION ITEMS:

5.1 - No NON-PBID items to discuss at this time.

#6.) REPORTS - INFORMATION ONLY:

6.1 - Directors' Report - Director's ask to move meetings back to 12 p.m.

6.2 - Chairman's Report - No Chairman report at this time.

6.3 - City of El Cajon Report - No City of El Cajon report at this time.

6.4 - The Magnolia Report - Paris Landen recommends to check out the upcoming shows at The Magnolia theatre online.

#7.) CLOSED SESSION:

7.1 - No closed session matters to discuss at this time.

#8.) ADJOURNMENT:

8.1 - C. Berg motioned to adjourn the meeting, R. Nevels seconded the motion. The motion passed unanimously, meeting adjourned at 6:29 p.m.

#9) NEXT MEETING:

9.1 - March 17th, 2025 at 12 p.m.

Location: Courtyard Marriott, 141 N. Magnolia Ave, El Cajon, CA 92020.



Management Services Agreement

This Management Services Agreement ("Agreement") is made and entered into effective March 17, 2025 ("Effective Date"), by and between **Downtown El Cajon Business Partners, Inc. ("DECBP")**, a California nonprofit mutual benefit corporation, and **New City America, Inc. ("Contractor")**, a California corporation. DECBP and Contractor are referred to herein individually as a "Party" and collectively as the "Parties."

Recitals:

- A. DECBP is a California nonprofit mutual benefit corporation (IRS 501(c)(6)) whose primary function is to administer the Downtown El Cajon Property-Based Improvement District ("PBID"). The PBID was formed pursuant to California Streets and Highways Code §36600 *et seq.* (the "PBID Law") after approval by affected property owners in April 2016 and authorization by the El Cajon City Council in June 2016. DECBP operates the PBID under a contract with the City of El Cajon to administer the PBID assessment revenues in accordance with the PBID's Management District Plan and applicable law.
- B. DECBP requires professional management services to oversee and administer the PBID's day-to-day operations, special benefit services, and administrative functions in Downtown El Cajon. On December 9, 2024, DECBP issued a Request for Proposals ("RFP") for an Executive Director or District Management Company to manage the PBID, with proposals due January 17, 2025. The RFP (including all required terms and conditions contained therein) is incorporated by reference into this Agreement.
- C. Contractor is a corporation specializing in business district management and revitalization, with extensive experience in forming and operating Property and Business Improvement Districts. Contractor submitted a proposal dated January 12, 2025 ("Proposal") in response to the RFP. Contractor's Proposal is incorporated by reference and made a part of this Agreement, including all commitments and representations made therein, except as specifically modified by this Agreement.
- D. DECBP's Board of Directors (the "Board") has selected Contractor to serve as the district management company for the Downtown El Cajon PBID. The Parties desire to enter into this Agreement to set forth the terms and

conditions under which Contractor will provide management and administrative services for the PBID, tailored to the needs of DECBP and the City of El Cajon, and in accordance with all requirements of the RFP, the Proposal, DECBP's bylaws, and applicable law.

Agreement: In consideration of the mutual promises and benefits herein, the Parties hereby agree as follows:

1. Scope of Services

1.1 Services Provided: During the term of this Agreement, Contractor shall serve as the executive director/district manager for the Downtown El Cajon PBID and shall diligently perform all services reasonably necessary to effectively manage the PBID and carry out DECBP's operations, including but not limited to the tasks and responsibilities described in **Exhibit A (Scope of Services)** attached hereto. Contractor shall use its best efforts and apply its expertise to achieve high-quality results satisfactory to. In general, Contractor's duties shall encompass:

- **PBID Program Implementation:** Oversee the implementation of all special benefit services and improvement programs outlined in the PBID Management District Plan and Engineer's Report, ensuring services are provided at the highest level consistent with plan budgets and *only* for the special benefit of assessed parcels (in compliance with Proposition 218 and the PBID Law). This includes managing day-to-day operations such as maintenance of the public rights-of-way (e.g. cleanliness, landscaping), security or hospitality services (if applicable), district identity and marketing efforts, public space improvements, and any other PBID-funded activities. Contractor shall be knowledgeable about the limitations on PBID expenditures for "special benefits" under Article XIII D of the California Constitution and shall ensure PBID funds are not used for general benefits outside the PBID's scope.
- **Oversight of Personnel and Vendors:** Supervise and direct all persons carrying out PBID services, including any DECBP staff, maintenance crews, contractors, vendors, or subcontractors. Contractor shall have authority (subject to Board oversight) to hire, manage, discipline or terminate PBID personnel or vendors as needed to fulfill the PBID's objectives. Contractor will oversee any existing DECBP operations staff (e.g. an Operations Director or maintenance supervisor) and ensure all maintenance and safety personnel (whether employees or contracted) are performing effectively. Contractor shall regularly walk the District with operations staff or vendors to monitor conditions and address any cleanliness or order issues promptly. Any hazardous conditions in the public right-of-way shall be reported immediately to the City of El Cajon.
- **Community and Stakeholder Relations:** Serve as the primary representative of DECBP to PBID stakeholders – including property owners, business

owners, residents, City staff and officials, and community members. Contractor (through its key personnel, see Section 5.3) shall be available and responsive to stakeholders' needs and inquiries. This includes maintaining regular in-person presence in the District, responding to constituent concerns or complaints quickly (with personal follow-up where appropriate), and fostering positive relationships with the community. Contractor will actively promote the benefits of the PBID to property owners and the community, and attract new businesses and investment to Downtown El Cajon.

- **Board & Corporate Support:** Provide full administrative support to DECBP's Board of Directors and committees. Contractor shall attend all Board meetings, Executive Committee meetings, and other committee or task force meetings as required. Contractor shall, in coordination with the Board Chair/President, prepare agendas and Board meeting packets, and ensure timely distribution of meeting materials in advance, in compliance with the Ralph M. Brown Act and any City of El Cajon open meeting requirements. Contractor shall post meeting notices and agendas as required by law, keep accurate minutes and records of all Board and committee meetings, and maintain corporate records in an organized manner consistent with open-meeting laws. Contractor will assist in the annual Board elections and ensure compliance with any Board member attendance requirements per the DECBP bylaws.
- **Financial Management:** Manage DECBP's financial affairs in a sound and transparent manner. Contractor shall oversee the preparation of an annual budget for the PBID each fiscal year (July 1 – June 30) for Board approval, and monitor expenditures to remain within budget. Contractor is responsible for day-to-day bookkeeping, processing of accounts payable/receivable, and maintaining accurate financial records. This includes preparing monthly financial reports for the Board (income and expense statements, budget vs. actual comparisons), and presenting financial updates at Board meetings. Contractor shall work with DECBP's Treasurer and any outside accountants or auditors to facilitate required financial reports, including the annual financial statements and tax filings (e.g. IRS Form 990). Contractor shall coordinate the performance of an independent financial audit if required, and shall prepare any **Annual Report** required by the PBID Law or the City, detailing PBID revenues and expenditures and describing the year's activities. Contractor will ensure that all assessment funds are used in accordance with the Management District Plan and any City agreements, and will assist the Board in complying with any City-required report or presentation to the City Council on the PBID's activities and finances.
- **Office & Administrative Duties:** Provide general office management for DECBP. Contractor shall maintain DECBP's principal office within the PBID boundaries (as required by DECBP's bylaws), including handling office lease or arrangements, equipment, and supplies necessary for operations. Contractor is responsible for preserving official documents and records of the corporation and ensuring public access to records as required by law or

DECBP policy (e.g. making meeting minutes and financial reports available to members). Contractor will manage correspondence and official communications on behalf of DECBP, and generally conduct the official business of the corporation in an orderly fashion.

- **District Identity and Improvement Programs:** Develop and implement programs to enhance the Downtown's image and economic vitality as directed by the Board. Contractor will support or initiate marketing and branding efforts, special events, public art projects, business attraction/retention programs, and other activities that improve the district's identity and appeal, consistent with the Management District Plan and Board priorities. New programs or projects should be presented to the Board for approval. Upon Board approval, Contractor will manage the execution of such projects, coordinating with vendors, volunteers, or City departments as necessary. Contractor is expected to bring expertise in urban district revitalization and to advise the Board's committees on strategies to promote a positive image for Downtown El Cajon, to address land use or zoning issues affecting the district, and to implement best practices from other business districts as appropriate.
- **Resource Development:** Actively seek additional funding and resources to augment PBID assessment revenues. Contractor shall identify and pursue grants, sponsorships, donations, or other non-assessment funding opportunities that can support district programs and improvements. Contractor will develop proposals for such external funding and present them to the Board for approval as needed. **Performance Bonus:** As an incentive, the Board may, at its discretion, award Contractor an annual performance bonus based on the amount of supplemental non-assessment revenue that Contractor secures for the benefit of the District in each contract year. Such bonus (if any) and its amount shall be determined by the Board's Executive Committee after reviewing Contractor's results in generating new grants, sponsorships, or event income for that year. Any bonus awarded will be in addition to the base compensation in Section 3, and shall require Board approval. Nothing in this subsection limits the Board's discretion to decline awarding a bonus.
- **Other Duties:** Perform any other tasks and responsibilities reasonably necessary to advance the mission of DECBP and the success of the PBID, as may be directed and prioritized by the Board or its officers from time to time. The Parties acknowledge that the needs of the district may evolve, and Contractor shall remain flexible in accepting additional duties that are complementary to those listed above, provided they are within the general scope of PBID management services. Contractor shall also perform such other specific duties or projects as are set forth in the attached RFP and Proposal, to the extent not already described in this Section. In the event of any conflict between the RFP/Proposal and this Agreement regarding the scope of services or performance standards, this Agreement (including Exhibit A) shall prevail; however, nothing in this Agreement shall be construed

to reduce the level of services or responsibilities stated in the RFP's required scope. Contractor shall immediately advise the Board if it believes any requested task would violate the PBID Law or other applicable law, so that the request may be modified as appropriate.

1.2 Exhibit A – Scope of Services: The detailed scope of services, deliverables, and performance expectations for Contractor is further outlined in **Exhibit A**, which is incorporated herein by reference. Exhibit A includes relevant excerpts from the RFP's "Expectations of the Selected Candidate/Company" and from Contractor's Proposal describing its planned services. Contractor agrees to perform all services in Exhibit A in a professional manner consistent with high industry standards and the goals of DECBP. In the event of any ambiguity or need for interpretation of the Scope of Services, the Parties will cooperate in good faith to clarify the requirements consistent with the intent of the Board as reflected in the RFP and the Management District Plan.

1.3 No Subcontracting of Core Services without Consent: Contractor acknowledges that DECBP is retaining Contractor due to its expertise and capabilities. Contractor shall not subcontract or assign substantial portions of the management services to any third-party firm without the prior written approval of the Board. (This does not preclude Contractor from utilizing its own employees or independent contractors as "Assistants" to carry out portions of the work, as provided in Section 5.1.) Contractor shall ensure that any permitted subcontractor is bound in writing to comply with all applicable terms of this Agreement, the same as Contractor. Notwithstanding the use of any assistants or subcontractors, Contractor shall remain fully responsible for the performance of services and for delivery of required results.

2. Term of Agreement

2.1 Initial Term: The term of this Agreement shall commence on March 17, 2025 (the "Commencement Date") and shall continue through March 31, 2026 (the "Initial Term"), unless earlier terminated as provided herein. Contractor shall begin performing Services on the Commencement Date and, notwithstanding any delays in executing this Agreement, the Parties agree that this Agreement governs their rights and obligations from the Commencement Date forward.

2.2 Extension Terms: Upon expiration of the Initial Term, this Agreement may be extended for up to **four (4)** additional one-year terms (each an "Extension Term") upon approval by the Board. The Extension Terms, if all exercised, would cover the periods of April 1, 2026–March 31, 2027; April 1, 2027–March 31, 2028; April 1, 2028–March 31, 2029; and April 1, 2029–March 31, 2030. The Board shall endeavor to give Contractor written notice of its decision to approve or deny each Extension Term by at least ninety (90) days before the then-current term expires. If the Board fails to take action on extending the Agreement for an upcoming term by 90 days

before the end of the current term, then that Extension Term shall be deemed approved on the same terms and conditions, provided that Contractor is not in material breach and has submitted to the Board a written annual report of its accomplishments and performance for the current term (to inform the Board's renewal decision). If Contractor has not provided the required annual accomplishments report by that 90-day date, or if the Board affirmatively votes not to renew, no automatic extension shall occur. In any case, the Board retains the right to later terminate the Agreement as allowed under Section 2.4 (Termination), even if an Extension Term has commenced, subject to the notice requirements therein.

2.3 Holding Over; Maximum Term: If the Initial Term and all four Extension Terms have concluded and no new agreement is in place, the Parties may continue on a month-to-month basis only by mutual written agreement. In no event shall the total term of this Agreement (including month-to-month continuation) extend beyond the remaining term of the Downtown El Cajon PBID's current authorization under the City of El Cajon (including any renewals of the PBID authorized by property owner vote and City Council). It is understood that DECBP cannot contract for PBID management services beyond the life or funding of the PBID district. This Agreement shall automatically terminate (if it has not already expired or been terminated) upon the expiration or disestablishment of the PBID, or upon termination or non-renewal of DECBP's agreement with the City of El Cajon for PBID administration.

2.4 Termination:

a. Termination for Convenience (At-Will): Notwithstanding the term set forth above, either Party may terminate this Agreement at any time during the Initial Term or any Extension Term for any reason, or no reason, by giving written notice of termination at least thirty (30) days in advance to the other party. The Parties intend that Contractor shall be an "at will" contractor, and DECBP may terminate with or without cause with 30-days' notice in accordance with the DECBP RFP and bylaws. Contractor agrees to provide DECBP at least 90 days' advance written notice if Contractor elects to terminate for convenience, to allow time for transition. After the Initial/Extension Terms (if the Agreement is continuing month-to-month), either Party may terminate at any time upon thirty (30) days' notice. In the event of a termination under this subsection, Contractor shall be paid for services performed up to the effective date of termination, pro-rated as necessary, and neither Party shall have further obligation for the remaining term, except that Contractor shall cooperate in the transition of management as described below.

b. Termination for Cause: Either Party may terminate this Agreement for cause in the event of a material breach of this Agreement by the other Party, by giving written notice to the breaching Party specifying the nature of the breach. The breaching Party shall have thirty (30) days (or such longer cure period as the non-breaching Party may allow in writing, or as may be required given the nature of the breach) to cure the breach to the reasonable satisfaction of the non-breaching Party. If the breach is not cured within that cure period, the termination shall become

effective immediately upon the expiration of the cure period (or earlier, if the breaching Party notifies that it cannot or will not cure the breach). The non-breaching Party may in its notice of breach and intent to terminate state that the Agreement will terminate immediately (or on a shorter notice period) if the breach is of such a nature that it cannot reasonably be cured (for example, fraud or other severe misconduct). In the event of termination for cause, the non-breaching Party retains all other rights and remedies available under law and in equity. If DECBP terminates for cause, DECBP shall pay Contractor for any undisputed, properly-performed services through the termination date, offset by any damages and amounts subject to good-faith dispute. If Contractor terminates for cause (e.g. for non-payment by DECBP), Contractor shall be entitled to payment for all services performed through the termination date.

2.5 Transition and Handoff: Upon expiration or earlier termination of this Agreement for any reason, Contractor shall promptly and orderly wind down its services and cooperate with DECBP to facilitate the transition of management to DECBP or a new management entity. Contractor shall immediately deliver to DECBP all DECBP property, keys, documents, records, equipment, passwords, and data (in whatever format maintained) in Contractor's possession or control. This includes, but is not limited to, all books of account, financial records, meeting minutes, stakeholder databases, contracts, grant records, marketing materials, websites/access credentials, and any other work product or information relating to the PBID. Contractor shall, upon DECBP's request, provide reasonable consultation and information to DECBP or the incoming management during the transition period of up to 30 days after termination (which may be subject to a separate agreement if extensive transition services are needed). Sections 7 (Indemnification), 9 (Confidentiality), and any other provision which by its nature should survive, shall survive termination or expiration of this Agreement. Termination or expiration of the Agreement shall not relieve either Party of any liability or obligation incurred prior to termination (such as obligations to pay for prior services or to indemnify for prior acts).

3. Compensation and Payment

3.1 Base Compensation: As full compensation for the services to be rendered by Contractor under this Agreement, DECBP shall pay Contractor an annual fee of **\$150,000** (One Hundred Fifty Thousand Dollars) for the first year, payable in equal monthly installments of \$12,500. Beginning with the second year of the contract, the annual base compensation shall be increased by five percent (5%) each year on the anniversary of the Commencement Date. Specifically, the base compensation (if this Agreement is extended) shall be: Year 2 – \$157,500; Year 3 – \$165,375; Year 4 – \$173,644; Year 5 – \$182,326 (and similarly 5% higher for any subsequent year if mutually extended month-to-month). These amounts are all-inclusive for the management and administrative services provided by Contractor, including all salaries, wages, benefits, and ordinary business expenses of Contractor's staff who

support the PBID, except as expressly provided otherwise in this Agreement. Contractor shall not be entitled to any additional compensation for services or expenses unless pre-approved in writing by the Board (for example, if DECBP requests Contractor to undertake a special project outside the normal scope that requires extraordinary expense).

3.2 Payment Schedule: Contractor shall submit an invoice to DECBP at the beginning of each month for that month's installment of the annual fee. For example, the installment for April 2025 (the first month of service) will be invoiced on April 1, 2025. Invoices shall be addressed to DECBP's Treasurer. DECBP shall pay each undisputed invoice within **10 days** of receipt. Payments made after 30 days from receipt of invoice may be subject to a late charge of 1% per month. In the event of any disputed invoice amount, DECBP will notify Contractor of the dispute within 10 days and the Parties will work in good faith to resolve it promptly; DECBP shall pay the undisputed portion of the invoice within the normal timeframe.

3.3 Bonus Compensation: As described in Section 1.1 (Resource Development), Contractor may be eligible for a discretionary annual bonus based on supplemental revenue generated. Any such bonus and its amount will be determined by DECBP in accordance with Section 1.1 and is not guaranteed. Aside from an approved performance bonus, Contractor shall not receive any commission or percentage of grants or sponsorship funds raised; rather, the base compensation is intended as a fixed fee for service. Contractor is also free to seek Board-approved reimbursement for large direct expenses incurred on DECBP's behalf (if outside the normal scope of overhead covered by the base fee), but only with prior Board authorization.

3.4 No Additional Benefits or Reimbursed Expenses: Contractor and its employees are not entitled to any benefits from DECBP such as health insurance, retirement, paid leave, or the like. DECBP shall not reimburse ordinary business expenses of Contractor (e.g. travel, phone, office supplies) as these are included in the base fee. If extraordinary out-of-pocket expenses are required (for example, travel beyond San Diego County at DECBP's request, or specialized equipment purchases), Contractor must obtain Board approval in advance to be reimbursed. Any approved expense reimbursements shall be paid in accordance with DECBP's expense reimbursement policies and upon submission of reasonable documentation.

3.5 Funding Source; Appropriation: Contractor understands that DECBP's payments to Contractor are funded from PBID assessment revenues. DECBP's obligation to pay is contingent on the City's disbursement of assessment funds to DECBP and the availability of funds in DECBP's approved budget for these services. DECBP shall use best efforts to include the payments under this Agreement in its annual budget and City Annual Report each year. In the unlikely event that expected PBID funds are not available or the PBID is not renewed, DECBP may terminate the Agreement for convenience as provided in Section 2.4. Contractor waives any right to compel assessment or appropriation of funds beyond those authorized by law and acknowledges DECBP is a small nonprofit reliant on assessment income.

4. Performance Standards and Oversight

4.1 Standard of Care: Contractor shall perform all services under this Agreement in a diligent, conscientious, and professional manner, consistent with the highest standards of practice for downtown management organizations. Contractor will ensure that its personnel exercise the degree of skill and care expected of experts in the field of business improvement district management, and that the PBID benefits from Contractor's specialized experience and innovative approach. Contractor shall at all times act in the best interests of DECBP and the Downtown El Cajon community in carrying out its duties, and shall do so in compliance with the policies and directives of the Board and in accordance with all applicable laws and regulations.

4.2 Key Performance Indicators (KPIs): The Board may establish specific performance metrics or goals for Contractor from time to time (for example, cleanliness ratings, number of events held, amount of grants obtained, etc.). Contractor agrees to use best efforts to meet or exceed any agreed-upon performance targets. Contractor shall track and report on relevant performance data as reasonably requested by the Board to facilitate evaluation of the PBID's impact and Contractor's effectiveness.

4.3 Hours and Presence: Contractor shall devote sufficient time and resources to properly perform the required services. At a minimum, Contractor shall ensure that the equivalent of a full-time on-site manager is dedicated to DECBP's operations, working approximately 40 hours per week on or in service of the District. Typically, office hours will be maintained Monday through Friday during normal business hours (approximately 9:00 a.m. to 5:00 p.m.). However, Contractor acknowledges that some evening or weekend work will be necessary (e.g. for events, stakeholder meetings, or responding to emergencies), and Contractor will adjust schedules accordingly to address the needs of the District. Contractor's principal personnel (see Section 5.3) shall be accessible to the Board and stakeholders via phone and email, and will respond promptly to communications. DECBP will provide Contractor with appropriate office space (or reimburse reasonable office rent) within the district so that Contractor's on-site personnel have a local presence.

4.4 Board Oversight and Direction: Contractor shall act under the direction of the DECBP Board of Directors. The Board may designate a liaison or point of contact (such as the Board Chair or the City's representative on the Board) to communicate regularly with Contractor and provide day-to-day guidance. Contractor shall consult with and report to the Board's Executive Committee and/or Chair between Board meetings as needed to keep DECBP leadership informed of significant issues in the District. In performing major activities (e.g., implementing a new program, hiring a key staff member, or issuing significant contracts), Contractor shall seek direction or approval from the Board or appropriate committee in accordance with DECBP policies and the Management District Plan. Contractor shall not have independent

authority to bind DECBP to contracts or expenditures beyond what is authorized in this Agreement or by Board resolution (see Section 5.2 for spending limits). DECBP, through its Board, retains ultimate decision-making authority over annual budgets, assessment levy recommendations, significant program changes, and positions on policy matters affecting the district.

4.5 Monitoring and Reporting: Contractor shall provide regular reports to the Board to facilitate oversight. At each Board meeting (at least bi-monthly or as often as required), Contractor shall report on recent activities, service levels, notable incidents or accomplishments, and upcoming plans. Contractor will provide the agreed monthly financial reports and any requested metrics (see Section 1.1). In addition, Contractor shall prepare a written Annual Report at the end of each fiscal year summarizing the PBID's activities and achievements during that year, including an accounting of revenues and expenditures, to assist DECBP in meeting its reporting obligations to the City and stakeholders. This Annual Report should be delivered to the Board in time for review and submission to the City within the timeframe required by the City contract or PBID Law (generally within 120 days after fiscal year-end). Contractor shall also assist the Board Chair and appropriate officers in presenting the annual report to the El Cajon City Council as may be required.

4.6 Performance Evaluations: The Board (or a committee designated by the Board) shall evaluate the performance of Contractor on at least an annual basis. This formal review will typically occur near the end of each contract year. The Board's evaluation may include feedback from Board members, City representatives, property owners, and other stakeholders regarding Contractor's effectiveness in fulfilling the Scope of Services and meeting the District's goals. Contractor agrees to cooperate in the evaluation process, which may include providing a self-assessment or other information requested by the Board. The Board shall share the results of the evaluation with Contractor and discuss any areas for improvement. Satisfactory performance, as determined by the Board in its sole discretion, is a condition for the Board's approval of any contract extension. The Board may also conduct more frequent or informal performance reviews or check-ins with Contractor as needed.

4.7 Correction of Deficiencies: If at any time the Board or its authorized delegate notifies Contractor in writing of any deficiency in performance, substandard service, or other concern, Contractor shall promptly take steps to investigate and correct the issue. Specifically, Contractor shall, within thirty (30) days of notice of a deficiency, cure or remedy the problem to DECBP's reasonable satisfaction. In urgent situations requiring immediate remedy (e.g. a critical service lapse), Contractor shall use best efforts to correct the issue as soon as possible, and not later than 7 days after notice. Contractor shall report back to the Board on the resolution of any reported deficiencies. Repeated or uncorrected deficiencies may constitute cause for termination as provided in Section 2.4.

4.8 Cooperation with Audits/Reviews: Contractor agrees to fully cooperate with any monitoring, audit or evaluation of the PBID or DECBP conducted by or on behalf

of the City of El Cajon, and with any independent audit or investigation authorized by the Board. Contractor shall make its records and staff available to answer questions and provide information as needed to satisfy City or Board inquiries into the PBID's management. This cooperation obligation applies during the term of this Agreement and survives its termination with respect to activities that took place during the term.

5. Independent Contractor; Personnel and Subcontractors

5.1 Independent Contractor Relationship: The Parties intend that Contractor's relationship to DECBP is that of an independent contractor. No employee-employer relationship is created by this Agreement. Contractor (including its owners, employees, and subcontractors) is not, and shall not be deemed, a DECBP employee, agent, joint venturer or partner for any purpose. Contractor shall have no authority to bind or obligate DECBP to any debt, contract, or liability except as expressly provided in this Agreement or as authorized in writing by the Board. Contractor acknowledges that neither it nor its personnel shall be entitled to any benefits that accrue to DECBP's employees (if any), and hereby waives any claim to such benefits. Contractor is solely responsible for paying all wages, benefits, and other compensation due to its employees or assistants in performing this Agreement, and for withholding and payment of all applicable payroll taxes and contributions (including federal, state, and local income taxes, Social Security, unemployment insurance, and workers' compensation). Contractor shall indemnify and hold harmless DECBP from any claims, liabilities or penalties arising out of Contractor's failure to fulfill its obligations as an employer or taxpayer (see also Section 7).

5.2 Method of Work; Assistants: Contractor shall have control over the means, methods, techniques, sequencing and procedures of performing the Services, subject to meeting the requirements and standards set forth in this Agreement. Contractor may, at its own expense, engage additional personnel, subcontractors, or consultants ("Assistants") to assist in carrying out the Services, provided that: (a) Contractor gives DECBP reasonable prior written notice of any key third-party Assistants performing significant portions of the work; and (b) all Assistants are qualified to perform the assigned tasks. Contractor shall ensure that any Assistants are bound to maintain confidentiality and comply with all pertinent provisions of this Agreement just as Contractor must. Contractor will be solely responsible for the direction and supervision of any Assistants and for compensating them. DECBP shall not be required to hire or pay any Contractor personnel.

5.3 Key Personnel: DECBP is contracting for the unique expertise and abilities of Contractor's team, and certain key personnel of Contractor are considered essential to this Agreement. In particular, the Parties agree that **Marco Li Mandri** (Contractor's President) shall serve in the role of Executive Director for the Downtown El Cajon PBID and will be principally responsible for carrying out the Services and overseeing Contractor's performance under this Agreement. In addition, Contractor will

designate a day-to-day District Manager for the PBID to be based in Downtown El Cajon. Contractor shall not substitute or replace **Marco Li Mandri** as the lead executive without the Board's prior written consent, except in the event of illness, incapacity, or separation from Contractor's employ. Contractor shall promptly notify the Board of any developments that would materially reduce the involvement of these key personnel in the PBID's management. The Board reserves the right to approve the qualifications of any replacement or additional key personnel that Contractor proposes to assign to the PBID. Contractor's other staff listed in its Proposal (such as personnel handling finance, marketing/events, and administration) will support the project as needed; Contractor will maintain continuity of these support personnel to the extent feasible and will inform DECBP of significant changes in its project team. Contractor's staffing plan is subject to review by the Board, and DECBP may request reasonable adjustments to ensure an appropriate on-site management presence.

5.4 Hiring of Additional Staff: If the Board determines, during the term of this Agreement, that additional on-site staff (such as maintenance personnel or administrative assistants) should be directly hired by DECBP rather than supplied by Contractor, the Parties will coordinate to facilitate such hiring. Similarly, if DECBP has existing contractors at the commencement of this Agreement, Contractor will work with the Board to integrate and supervise those contracts. Within the first 2-3 months of the Agreement, Contractor will evaluate any existing DECBP personnel to avoid duplication of roles and make recommendations to the Board regarding retention or reorganization, if applicable. Contractor may also offer to transition such contractors to Contractor's employment, subject to Board approval. The Parties recognize the importance of maintaining a well-coordinated team to deliver services effectively.

5.5 Procurement Authority: Contractor is authorized to make expenditures and enter into minor contracts on behalf of DECBP in furtherance of the PBID services, subject to DECBP's purchasing policies and budgetary limits. Specifically, in accordance with DECBP's bylaws, Contractor (acting as the President/CEO role) may purchase goods or services and execute contracts up to \$2,500 in value without prior Board approval, provided such expenditures are within the approved budget. For expenditures of \$2,500 or more but less than \$10,000, Contractor shall solicit at least three quotes or bids and obtain approval from the Board Chair or Executive Committee before proceeding. Any contract or purchase of \$10,000 or more requires formal Board approval (typically through a Board-issued RFP and Board vote to select a vendor). Contractor shall adhere to these thresholds and procedures (or any amended procurement policies the Board adopts) and shall not fragment or split contracts to evade approval requirements. Moreover, unless specifically authorized by the Board, Contractor shall not have authority to borrow money, lease office space, or purchase capital assets in the name of DECBP (any such needs should be presented to the Board for approval). All vendor contracts entered into by Contractor on DECBP's behalf shall be in DECBP's name (not Contractor's) and shall be terminable by or assignable to DECBP in the event this

Agreement is terminated. Contractor will use diligent care in selecting and overseeing vendors, and shall avoid any conflicts of interest in procurement (see Section 10.2).

6. Insurance Requirements

6.1 Liability Insurance: Contractor, at its sole cost and expense, shall procure and maintain throughout the term of this Agreement comprehensive general liability insurance *with a minimum coverage of \$1,000,000 per occurrence and \$2,000,000 aggregate*, covering bodily injury, personal injury, and property damage arising out of Contractor's work. The policy shall be obtained from an insurance carrier with an A.M. Best rating of A- or better and authorized to do business in California. The policy shall name **Downtown El Cajon Business Partners, Inc.**, its directors, officers, employees and agents, as **additional insureds**, as well as naming the **City of El Cajon** (and its officials, employees, and agents) as additional insured, with respect to liabilities arising out of the performance of this Agreement. The coverage shall be primary and non-contributory with any insurance maintained by DECBP.

6.2 Workers' Compensation Insurance: Contractor shall maintain workers' compensation insurance as required by California law for any employees engaged in performing work under this Agreement, and Employer's Liability insurance with limits not less than \$1,000,000 per accident. Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to carry workers' compensation or to undertake self-insurance, and Contractor agrees to comply with such provisions before commencing the Services. Contractor shall also ensure any subcontractors maintain equivalent coverage for their employees.

6.3 Automobile Liability: If Contractor or its personnel will utilize motor vehicles in performing services (other than commuting to the office), Contractor shall maintain automobile liability insurance for owned, non-owned and hired vehicles with a limit of at least \$1,000,000 per accident for combined bodily injury and property damage. (Contractor may satisfy this requirement via an endorsement to its general liability policy or a separate auto policy.)

6.4 Proof of Coverage: Prior to commencing services under this Agreement, Contractor shall provide to DECBP certificates of insurance evidencing all required coverages, along with endorsements naming DECBP and the City of El Cajon as additional insureds on the liability policy. Contractor shall also provide a copy of an insured status or waiver of subrogation endorsement on the workers' compensation policy if requested. Thereafter, Contractor shall furnish updated certificates *annually* and upon any change in coverage. All policies shall provide at least 30 days' advance written notice to DECBP in the event of cancellation or material reduction in coverage. If any required policy is due to expire during the term, Contractor shall renew or replace it and furnish a new certificate at least 10 days prior to expiration.

6.5 Insurance Requirements for Subcontractors: Contractor shall ensure that any subcontractors or vendors it engages for field services maintain insurance coverage appropriate to the work (including general liability and workers' compensation) in amounts reasonably required by DECBP. Contractor shall obtain certificates of insurance from significant subcontractors upon request and make them available to DECBP. DECBP's acceptance of insurance documentation shall not relieve Contractor of any obligations or liability under this Agreement.

6.6 Indemnification Not Limited: Contractor's insurance coverage and limits shall not be deemed to limit Contractor's liability or indemnification obligations under Section 7. DECBP's failure to enforce insurance requirements in any instance shall not constitute a waiver of those requirements.

7. Indemnification

7.1 Indemnity by Contractor: To the fullest extent permitted by law, Contractor shall indemnify, defend (with counsel reasonably acceptable to DECBP) and hold harmless **Downtown El Cajon Business Partners, Inc.**, its officers, directors, members, employees, and agents, and the **City of El Cajon**, its officers, employees, and agents (collectively, "Indemnitees"), from and against any and all claims, demands, liabilities, losses, damages, injuries, costs or expenses (including reasonable attorneys' fees and court costs) (collectively "Claims") which arise out of, pertain to, or relate to the acts or omissions of Contractor, its officers, employees, subcontractors or agents in the performance of this Agreement. This indemnity obligation includes, but is not limited to: (a) any Claim for injury to or death of persons, or damage to property, or economic loss, arising out of any negligent or wrongful act or omission of Contractor or its agents in connection with the Services; (b) any Claim that any person or entity was harmed by any unlawful discriminatory act, intentional misconduct, or breach of fiduciary duty by Contractor in the performance of this Agreement; and (c) any Claim arising from Contractor's failure to comply with any law or regulation. Contractor's duty to defend and indemnify applies regardless of whether the Claim is caused in part by an Indemnitee. However, if a Claim arises from the sole negligence or willful misconduct of an Indemnitee, then Contractor's obligation to indemnify that Indemnitee shall not apply. In the event a Claim is caused by the concurrent negligence of Contractor (or its agents) and an Indemnitee, Contractor's indemnification shall be comparative as to its degree of negligence.

7.2 Indemnity by DECBP: DECBP shall indemnify and hold harmless Contractor, its officers and employees, from and against claims arising from the gross negligence or willful misconduct of DECBP's Board or employees. DECBP, as a nonprofit corporation, is also subject to certain immunities under California law for discretionary board actions, but this provision is included to clarify that DECBP will not seek to hold Contractor responsible for matters under DECBP's sole control.

7.3 Defense and Cooperation: Contractor's duty to defend arises immediately upon presentation of a Claim by any third party and shall be independent of any determination of actual liability. If any Claim within the scope of the indemnities set forth in this Section is brought against an Indemnitee, Contractor shall upon written notice from DECBP timely furnish a competent defense (with counsel experienced in similar matters). The Parties shall cooperate reasonably in the defense of any Claim. Contractor shall have the right to control the defense of any Claim it is indemnifying, provided such defense is conducted diligently and using counsel reasonably satisfactory to DECBP and the City. The Indemnitee shall have the right, at its option, to participate in the defense at its own expense. Contractor shall not settle any Claim on any Indemnitee's behalf without that Indemnitee's prior written consent, unless the settlement fully releases the Indemnitee without admission of liability and does not impose any obligations on the Indemnitee.

7.4 No Limitation: The indemnification obligations hereunder are in addition to any rights or remedies that the Indemnitees may have under law or this Agreement. Approval of insurance by DECBP shall not relieve Contractor of its indemnity duties. The provisions of this Section 7 shall survive the expiration or termination of this Agreement.

8. Compliance with Laws and PBID Requirements

8.1 Compliance with PBID Law and City Agreement: Contractor acknowledges that DECBP operates the PBID subject to the requirements of the "Property and Business Improvement District Law of 1994" (California Streets and Highways Code §36600 *et seq.*) and under the terms of a formal agreement with the City of El Cajon. Contractor agrees to conduct all PBID management services in compliance with the PBID Law and the provisions of the City agreement, to the extent those provisions apply to the services Contractor is providing. This includes (but is not limited to) adhering to the Management District Plan (as incorporated into the City's resolution of formation) regarding the use of assessment funds, following the budget categories and service levels approved by the property owners and City Council, and assisting DECBP in preparing the Annual Reports or other documents required by Streets & Highways Code §36650 and the City. Contractor shall not cause or permit DECBP to expend funds on any services outside the PBID's authorized special benefit services. Contractor shall also comply with any specific performance metrics or provisions set forth in the City agreement (e.g., maintenance standards, reporting deadlines, coordination requirements) to ensure that DECBP remains in good standing with the City.

8.2 Laws and Regulations: In performing this Agreement, Contractor at all times shall observe and comply with all applicable federal, state, county and city laws, ordinances, and regulations. This includes, but is not limited to, laws relating to employment, labor, worker safety, non-discrimination, harassment, immigration (Contractor shall only employ persons authorized to work in the U.S.), accessibility

(ensuring programs are ADA-compliant), and privacy. Contractor shall ensure that PBID services are conducted in accordance with any required permits or licenses. For example, if Contractor manages events in the public right-of-way, it must obtain any necessary City event permits; if Contractor oversees sidewalk maintenance, it must comply with City standards for debris disposal, etc. Contractor is responsible for any fines or penalties incurred due to its failure to comply with applicable laws in its performance of this Agreement, and shall indemnify DECBP for any liability resulting from such noncompliance (per Section 7).

8.3 Open Meetings and Public Records: DECBP has a practice of conducting its business in an open and transparent manner. Contractor shall assist DECBP in complying with all open meeting requirements that apply to DECBP's Board and committee meetings, including the Ralph M. Brown Act (California Government Code §54950 et seq.) and any open meeting provisions required by the City of El Cajon. Contractor's duties in this regard include posting meeting notices and agendas in the manner prescribed by law, keeping minutes, and facilitating public attendance and participation at meetings as required. Contractor shall also maintain DECBP's records in an organized fashion such that, if DECBP receives a request under the California Public Records Act or a request from a member for inspection of records, Contractor can promptly assist DECBP in locating and producing non-exempt records. *Confidential records* shall be handled in accordance with Section 9 below, but Contractor acknowledges that certain DECBP records (such as budgets, Board minutes, annual reports, etc.) are intended to be public or available to members, and Contractor will not unnecessarily impede access to those.

8.4 Work Limitations (Prevailing Wage): Contractor shall not undertake any public works construction activity on behalf of DECBP that would cause DECBP or Contractor to become subject to the prevailing wage requirements of California Labor Code §1720 et seq. unless specifically authorized in writing by DECBP after consultation with legal counsel. In particular, unless otherwise agreed, Contractor shall not initiate any single construction project or installation (funded by PBID assessments) with a cost in excess of \$25,000, nor any alteration, demolition, repair or maintenance work (other than routine cleaning) costing in excess of \$15,000, in order to avoid triggering certain public contracting mandates. If the Board wishes to pursue a project that exceeds these amounts or otherwise triggers prevailing wage law, the Parties will confer on how to bid and manage that project in compliance with applicable law. Contractor is responsible for informing the Board if it believes a desired project may be subject to public works laws. All work performed under this Agreement, including by subcontractors, shall comply with any applicable wage and hour laws.

8.5 Non-Discrimination: Contractor shall not unlawfully discriminate against any person in the provision of services or in its employment practices on the basis of race, religion, creed, color, national origin, ancestry, sex, sexual orientation, gender identity, age, medical condition, disability, marital status, or any other characteristic protected by law. Contractor shall ensure that its own employment and contracting

practices are in compliance with all anti-discrimination and equal opportunity laws, and that it takes affirmative steps to provide equal opportunity in hiring and advancement. Any allegation of discrimination by Contractor related to this Agreement shall be cause for investigation and may be considered a material breach if substantiated.

8.6 Conflict of Interest Laws: Contractor shall comply with any applicable conflict of interest laws or regulations, including Government Code §1090 and the Political Reform Act to the extent they apply. Contractor shall not permit any officer or director of DECBP to have a financial interest in this Agreement in violation of those laws. Contractor confirms that, to its knowledge, no DECBP board member or City official has any ownership interest in Contractor or will receive any compensation from Contractor under this Agreement. If any conflict of interest or potential for conflict arises, Contractor shall immediately disclose it to the Board. Contractor and its personnel may attend DECBP Board meetings and committee meetings, but obviously shall not participate as voting members of the Board. Contractor will adhere to DECBP's bylaws provisions regarding conflicts of interest and ethical conduct. Contractor shall not provide any gift or economic benefit of more than nominal value to any DECBP director or City official that could be construed as intended to influence the award or administration of this Agreement.

9. Confidentiality; Ownership of Work Product

9.1 Confidential Information: In the course of performing services, Contractor may receive, have access to, or generate certain non-public information that is confidential or proprietary to DECBP. This may include, for example, personnel records, payroll data, personal information of property owners or stakeholders, financial account information, vendor contract terms, or other business records that are not publicly disclosed. Contractor agrees that all information it obtains from DECBP or produces on DECBP's behalf shall be kept private and confidential to the maximum extent permitted by law. Contractor shall not disclose any confidential or proprietary information to any third party without the prior written consent of the Board, except: (a) information that is publicly available or required to be made public by law (such as records subject to the Brown Act or public records law); or (b) information requested by governmental authorities pursuant to an audit or subpoena, in which case Contractor shall promptly notify DECBP of the request (unless legally prohibited) to allow DECBP to seek protective measures. Contractor shall use at least the same degree of care to protect DECBP's confidential information as it uses to protect its own confidential information, but in no event less than reasonable care. These confidentiality obligations apply during the term of this Agreement and survive after its termination.

9.2 Ownership of Work Product: All reports, documents, presentations, databases, drawings, plans, studies, surveys, photographs, videos, logos, graphics, website content, social media accounts (including followers obtained on DECBP's behalf),

and any other creative works or materials prepared or developed by Contractor in the performance of this Agreement (collectively, "Work Product") shall be the property of DECBP upon creation and payment. DECBP shall have the sole and exclusive right to use, publish, distribute, or modify such Work Product as it sees fit. To the extent any Work Product may be subject to copyright, Contractor hereby agrees to assign (or cause to be assigned) and does assign all right, title and interest in the copyright to DECBP. Contractor may retain copies of Work Product for its records and may use non-confidential materials for demonstration of its experience (e.g., in proposals for other projects), but may not sell or use the Work Product in a manner adverse to DECBP's interests. If any Work Product incorporates pre-existing materials or intellectual property owned by Contractor (or third parties) that are not created for DECBP hereunder, Contractor shall ensure DECBP has a perpetual, royalty-free license to use those elements as part of the Work Product.

9.3 Return of Property: Upon termination of the Agreement or upon DECBP's earlier request, Contractor shall promptly deliver to DECBP all DECBP property, including documents and media containing confidential information, and any Work Product whether finished or in progress. Contractor may retain a copy of certain records if required for legal compliance or its insurance, but may not use DECBP's confidential or proprietary information for any purpose after the Agreement ends.

9.4 Privacy Laws: Contractor shall maintain any personal information (such as contact information for property owners or members) in confidence and in compliance with applicable privacy laws. If Contractor maintains any personal data files for DECBP (e.g., member mailing lists), it shall implement reasonable security measures to protect that data from unauthorized access. Contractor will also assist DECBP in any needed compliance with laws such as the California Consumer Privacy Act (CCPA) if they apply, by facilitating access or deletion requests as directed by DECBP.

10. Additional Covenants

10.1 No Conflicting Obligations: Contractor represents and warrants that it is not party to any agreement or under any obligation that would conflict with its obligations under this Agreement. Contractor further represents that its performance of the services and duties hereunder will not breach any contract or duty to keep in confidence proprietary information acquired by Contractor in confidence or in trust prior to this Agreement. Contractor shall not disclose to DECBP, or use in the performance of the Services, any confidential information of others (including any former client of Contractor) in violation of any obligation of confidentiality. Contractor has no outstanding agreement or obligation that is in conflict with any of the provisions of this Agreement, or that would preclude Contractor from complying with the provisions hereof, and Contractor will not enter into any such conflicting agreement during the term of this Agreement.

10.2 No Kickbacks or Self-Dealing: Contractor and its agents shall not engage in any self-dealing or conduct that gives rise to a conflict of interest in connection with the PBID management. Contractor shall not solicit or accept any monetary remuneration or gifts from PBID vendors or contractors as an inducement to obtain PBID business. Any discounts or rebates offered by vendors as a result of PBID purchases shall be credited to DECBP. Contractor shall abide by DECBP's conflict of interest policies and Article XI of the bylaws concerning transactions with directors. The fact that a Board member may also be an owner of a business providing goods or services to DECBP does not automatically disqualify that vendor (per the bylaws), but all such relationships must be disclosed and approved by the disinterested directors with the contractor providing the best value. Contractor shall avoid hiring or contracting with any immediate family members of key Contractor personnel for PBID work without Board approval. Any violation of this subsection shall be considered a material breach.

10.3 Intellectual Property Infringement: Contractor warrants that none of the work or materials produced or provided by Contractor will infringe on any copyright, patent, trade secret or other intellectual property right of any third party. Contractor shall not incorporate any third-party materials into the Work Product without securing all necessary rights. If any claim of intellectual property infringement arises related to Contractor's work, Contractor shall defend and indemnify DECBP against such claim (this falls under Section 7.1).

10.4 Assignment and Delegation: Contractor may not assign any rights or delegate any duties under this Agreement (other than to its qualified employees or subcontractors as permitted herein) without the prior written consent of DECBP. Any attempted assignment or delegation without consent shall be void. DECBP may withhold consent in its sole discretion, except that DECBP will not unreasonably withhold consent if, for example, Contractor undergoes a corporate merger or transfer of all assets and the successor entity is capable of performing the Agreement and agrees in writing to be bound by its terms. DECBP may assign its rights and obligations hereunder to a successor entity (such as a new nonprofit managing the PBID) or to the City of El Cajon if required, upon written notice to Contractor.

10.5 Amendments: This Agreement (including its Exhibits) may be modified or amended only by a written instrument executed by both Parties. No oral modifications shall be effective. No waiver of any right or remedy on one occasion shall be deemed a waiver on any future occasion.

10.6 Entire Agreement: This Agreement, including the attached Exhibit A and the incorporated documents (RFP and Proposal) by reference, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior negotiations, proposals, understandings, and representations, whether written or oral, relating to the provision of PBID management services. In the event of any conflict between the terms of this Agreement (including Exhibit A)

and the terms of the incorporated RFP or Proposal, the terms of this Agreement shall control.

10.7 Notices: All notices or other communications required or permitted under this Agreement shall be in writing and shall be given by (a) personal delivery, (b) certified or registered mail, (c) a nationally-recognized overnight courier, or (d) email *with confirmation of receipt*, addressed to the parties at the addresses set forth below (or to such other address as a Party may designate by notice to the other):

- **If to DECBP:** Downtown El Cajon Business Partners, Inc., c/o Board Chair (or City Rep), 200 Civic Center Way, El Cajon, CA 92020, Email: cberg@downtownelcajon.com.
- **If to Contractor:** New City America, Inc., 710 West Ivy Street, San Diego, CA 92101, Attn: Marco Li Mandri, Email: marco@newcityamerica.com.

Notices shall be deemed received upon actual delivery if by personal delivery; three days after mailing if by certified mail; on the next business day if sent by overnight courier; or on the same day if sent by email before 5:00 pm recipient time (or the next business day if emailed after 5:00 pm or on a non-business day), provided that an email notice shall not be effective unless the sender receives confirmation (by reply email or otherwise) that the notice was received or viewed.

10.8 Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its choice of law principles.

10.9 Dispute Resolution: In the event of any dispute, claim, or controversy arising out of or relating to this Agreement or the breach thereof, the Parties shall first attempt in good faith to resolve the matter through informal discussions. If such discussions do not resolve the dispute, the Parties agree to submit the matter to binding arbitration in San Diego County, California, administered by Judicial Arbitration and Mediation Services, Inc. (JAMS) or a mutually agreed alternative, in accordance with JAMS' streamlined arbitration rules. The arbitration shall be conducted by a single neutral arbitrator selected by the Parties (or, if they cannot agree, selected pursuant to JAMS rules). Each Party shall bear its own costs and attorneys' fees, and the arbitrator's fees shall be split equally, provided that the arbitrator shall award the prevailing party its reasonable attorneys' fees and costs except where prohibited by law. The arbitrator's award shall be final and may be entered as a judgment in any court of competent jurisdiction. This clause shall not preclude the Parties from seeking provisional remedies or injunctive relief in aid of arbitration from a court of law (e.g., to prevent irreparable harm pending the outcome of arbitration). The venue for any court proceedings (including to compel arbitration or to confirm or vacate an arbitral award) shall be in the state or federal courts located in San Diego County, California.

10.10 Attorneys' Fees: In any dispute arising out of this Agreement, whether resolved by arbitration or court action, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs in addition to any other relief to which it is entitled. "Prevailing party" shall include a party who dismisses an action in exchange for performance substantially equal to the relief sought, or who obtains a net positive recovery.

10.11 Severability: If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way, *provided* that if the deletion of the invalid provision materially frustrates the purpose of this Agreement, the Parties shall meet and confer in good faith on a mutually agreeable modification to restore the original intent.

10.12 Counterparts & Signatures: This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A signed copy delivered by facsimile or email/pdf shall be deemed an original. The Parties agree to accept electronic signatures as legally binding.

10.13 Authority to Execute: Each person signing this Agreement represents and warrants that he or she has full authority to do so, and that upon execution by both Parties, this Agreement shall be binding upon and enforceable against the Party on whose behalf they signed.

IN WITNESS WHEREOF, the Parties hereto have executed this Management Services Agreement as of the dates indicated below, to be effective as of the Effective Date first written above.

Downtown El Cajon Business Partners, Inc.

By: ***Ron Nevels*** – Board Chair

Date: _____ 2025

(Signature)

New City America, Inc.

By: ***Marco Li Mandri*** – President

Date: _____ 2025

(Signature)

Exhibit A: Scope of Services

This Exhibit A outlines the duties and expectations of New City America, Inc. in managing the Downtown El Cajon PBID under the terms of the Management Services Agreement with the Downtown El Cajon Business Partners, Inc. (DECBP).

1. PBID Program Implementation

- Manage and oversee the day-to-day implementation of all PBID special benefit services as outlined in the PBID Management District Plan.
- Supervise the public right-of-way maintenance, ensuring cleanliness, landscaping, and infrastructure upkeep.
- Develop and implement strategies to enhance security and hospitality services in coordination with stakeholders.
- Ensure strict compliance with Proposition 218 and PBID Law in the allocation of funds for special benefit services.
- Monitor and improve the economic vitality of the district by assessing business trends and property values.

2. Oversight of Personnel and Vendors

- Supervise and direct all personnel and subcontractors performing PBID-related services.
- Ensure that all maintenance, security, or service contractors are performing effectively.
- Conduct routine site visits and service inspections to maintain high operational standards.

3. Community and Stakeholder Relations

- Serve as the primary liaison between DECBP, property owners, business owners, residents, and government agencies.
- Conduct outreach programs to educate stakeholders on the benefits and progress of the PBID.
- Develop and maintain relationships with City of El Cajon officials to advocate for district improvements.
- Coordinate community engagement initiatives, including meetings, forums, and feedback sessions.

4. Board and Corporate Support

- Attend and actively participate in all DECBP Board meetings, Executive Committee meetings, and other relevant committees.
- Prepare Board agendas, meeting packets, and minutes in compliance with California open meeting laws.

- Provide governance support, ensuring adherence to DECBP bylaws and best practices in nonprofit management.
- Assist in the recruitment and orientation of new Board members.

5. Financial Management

- Oversee the PBID's financial health, including budget preparation, tracking, and compliance with fiscal policies.
- Work with the Treasurer and financial team to produce monthly and annual financial reports for Board review.
- Ensure timely and accurate submission of required reports, including IRS filings, financial audits, and City reports.
- Monitor assessment revenue collection and ensure proper fund allocation per the Management District Plan.

6. District Identity and Improvement Programs

- Create and execute a comprehensive marketing and branding strategy to promote Downtown El Cajon.
- Oversee the development and distribution of promotional materials, social media campaigns, and business recruitment efforts.
- Facilitate events and activations that enhance the district's visibility and attract foot traffic.
- Identify and pursue grants, sponsorships, and alternative funding sources to supplement PBID revenue.

7. Performance Monitoring and Reporting

- Provide the Board with bi-monthly reports on PBID activities, accomplishments, and upcoming initiatives.
- Prepare an Annual Report summarizing PBID performance, including financials, project outcomes, and stakeholder impact.
- Ensure compliance with City reporting deadlines and assist in presenting annual updates to the El Cajon City Council.
- Establish key performance indicators (KPIs) to track program success and identify areas for improvement.

8. Compliance and Governance

- Ensure full compliance with the PBID Law, City of El Cajon agreements, and DECBP bylaws.
- Maintain transparency by adhering to open meeting and public records requirements.
- Implement and enforce risk management policies, including insurance coverage, liability mitigation, and contract oversight.

- Conduct periodic assessments to ensure all PBID-funded initiatives align with district goals and legal requirements.

Downtown El Cajon Business Partners, Inc.

By: ***Ron Nevels*** – Board Chair

Date: _____ 2025

(Signature)

New City America, Inc.

By: ***Marco Li Mandri*** – President

Date: _____ 2025

(Signature)

2025 Budget**Income**

PBID Tax Income	\$415,000.00
PBID Direct Tax Income	\$155,000.00
Reserves	\$10,000.00
Total Income	\$580,000.00

Cajon Classic Cruise

Car Show Organizer (Steve)	-\$7,310.00
Printing	-\$2,500.00
City Permit	-\$4,250.00
City Insurance	-\$2,000.00
Total Expense	-\$16,060.00

Dinner and a Concert

Sound and Booking	-\$15,000.00
Bands	-\$40,000.00
Restrooms	-\$12,000.00
Security	-\$3,000.00
City Permit	-\$3,500.00
City Insurance	-\$3,850.00
Total Expense	-\$77,350.00

America on Main Street

Sponsorship	-\$16,800.00
Sound and Booking	-\$1,200.00
Bands	-\$2,000.00
Total Expense	-\$20,000.00

Hauntfest on Main

Candy	-\$5,000.00
Sponsorship	-\$10,500.00
Sound and Booking	-\$4,500.00
Total Expense	-\$20,000.00

Holiday Lights on Main

Santa	-\$200.00
Ice Rink	-\$5,500.00
Restrooms	-\$2,000.00
Tree Security	-\$12,000.00
City Permit	-\$561.00
City Insurance	-\$1,750.00
Advertising	-\$2,000.00
Signage	-\$3,000.00
Total Expense	-\$27,011.00

Artival	
Bands	-\$6,000.00
Sound	-\$1,500.00
Security	-\$600.00
Stage	-\$5,000.00
Canopies	-\$2,758.00
Restrooms	-\$1,363.00
Fencing	-\$1,250.00
City Permit	-\$1,200.00
City Insurance	-\$1,750.00
Advertising	-\$5,000.00
Signage	-\$1,500.00
Total Expense	-\$27,921.00

Management Fees	
Audit & Tax Prep	-\$5,500.00
Nonprofit Liability Insurance	-\$3,500.00
Legal Fees	-\$4,500.00
Constant Contacts	-\$4,080.00
Social Media and Web	-\$4,500.00
Executive Director	-\$150,000.00
Total Expense	-\$172,080.00

Clean & Safe	
ECTLC Clean	-\$120,000.00
Light House Security	-\$80,000.00
Total Expense	-\$200,000.00

Beautification	
Changing String Lights	-\$5,000.00
Installing Christmas Wreaths	-\$2,500.00
Seasonal Plants	-\$12,000.00
Total Expense	-\$19,500.00

Total Expenses	-\$579,922.00
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