



THIRD
STREET
PROMENADE

DTSM, INC. ANNUAL REPORT

FY22

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MESSAGE FROM THE CEO



Downtown Santa Monica, Inc. (DTSM, Inc.) is pleased to present the Fiscal Year 2021/2022 Annual Report. This report highlights the achievements of the organization.

2021/2022 was a year of transition for DTSM, Inc. Long-standing members of the Board of Directors termed off or left the Board. Staff members with deep histories in Santa Monica left the organization.

The year was economically challenging for Downtown businesses. COVID-19 restrictions persisted. Residents, office workers, and

tourists did not fully return to Downtown Santa Monica. The reputation of the community suffered.

Yet hope remained. Leadership worked to rebuild DTSM, Inc. and reestablish important partnerships with public and private stakeholders. New Board members were elected and appointed to serve and set the direction of DTSM, Inc. A search for a new CEO was completed, and investment in Downtown began to return.

DTSM, Inc. is focused on the future and delivering on the promise of our great community. On behalf of past, and present, Board members and Staff, I thank you for your support and I look forward to working with you.

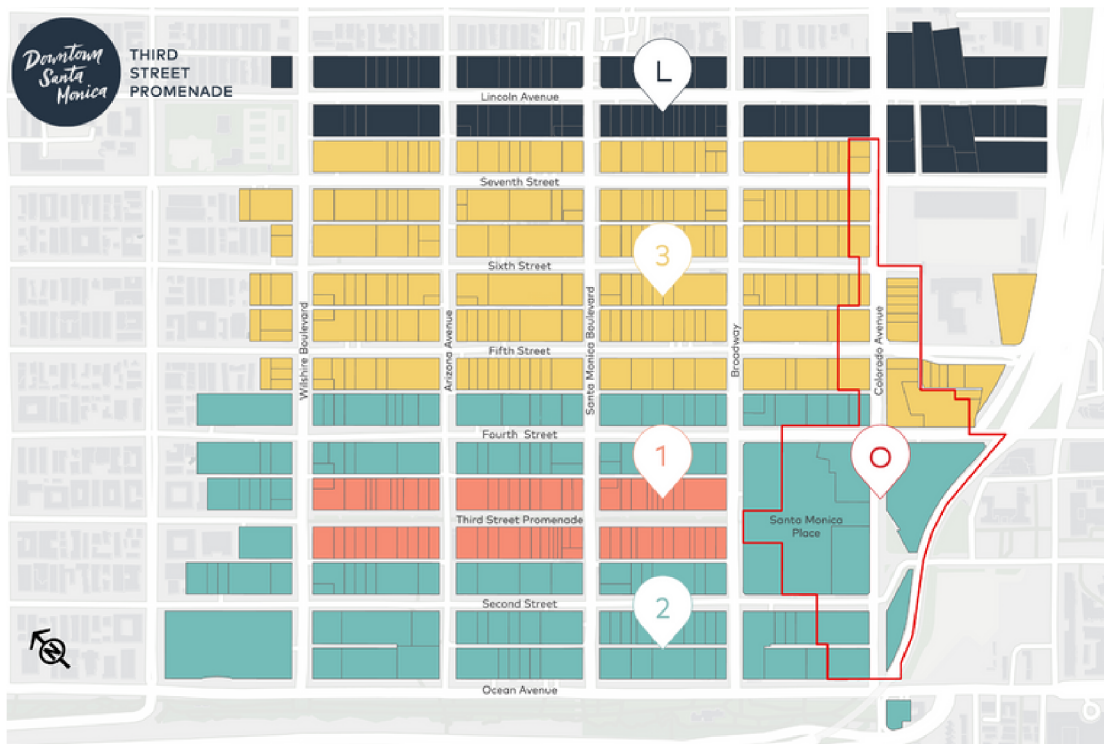
Sincerely,

Andrew Thomas,
CEO, Downtown Santa Monica, Inc.

ABOUT DTSM, INC.

Mission Statement

The mission of DTSM, Inc. is to work with the City of Santa Monica to promote economic stability, growth and community life within Downtown Santa Monica. Through responsible planning, development, management, and coordination of programs, projects and services, we benefit the community as a whole; including downtown businesses, property owners, residents & visitors.



The district encompasses the area bounded by Ocean Avenue (W), Wilshire Boulevard (N), Lincoln Boulevard (E) and the Santa Monica Freeway (S).

Property owners within the district boundaries are assessed annually based on the zone in which their property is located. The map above illustrates the five assessment zones. In FY22, each zone paid the following:

Zone 1: \$1,004,204.35
Zone 2: \$2,691,526.43
Zone 3: \$1,007,905.09

Zone L: \$505,925.11
Zone O: \$406,937.56

Total: \$5,616,498.54

FINANCIAL OVERVIEW

July 2021 - June 2022

Statement of Activities

Property Assessments	\$ 5,219,944
Business Assessments	\$ 1,112,826
Enterprise Programs	\$ 1,971,476
Total Revenues	\$ 8,304,246
Personnel	\$ 1,464,852
Organizational Management	\$ 596,925
Economic Development	\$ 600
Marketing, Comms & Events	\$ 744,648
Planning, Design & Infrastructure	\$ 364,010
Policy & Advocacy	\$ 61,105
Public Space Management	\$ 5,136,732
Total Expenses	\$8,368,873

Statement of Financial Position

Cash/ Cash Equivalents	\$ 3,812,414
Accounts Receivable	\$ 293,298
Other Assets	\$ 600,115
Total Assets	\$ 4,705,827
Liabilities	\$ 1,480,547
Total Net Assets	\$ 3,225,280
Total Liabilities & Net Assets	\$ 4,705,827

OPERATIONS

Ambassador Program

Launched in 2007, the ambassador program functions as the on-the-ground team for DTSM, Inc. During the 2022 fiscal year there were four types of ambassadors: Hospitality, Maintenance, Safety, and Outreach.

Hospitality ambassadors were responsible for visitor assistance. Maintenance ambassadors were responsible for custodial services. Safety ambassadors responded to non-emergency requests for help and reported safety concerns. Outreach ambassadors supported City efforts to engage unhoused residents and connect them with local services.



AMBASSADOR PROGRAM BY THE NUMBERS

317,640

lbs. of trash
removed

4,230

graffiti tags
removed

321

social services
referrals

17,658

street resident
interactions

11,390

business contacts

61K+

pedestrian
assists

1,552

hospitality escorts

MARKETING, EVENTS & COMMUNICATIONS

The marketing department works to promote Downtown Santa Monica as a welcoming and inviting place to shop, play and do business. Marketing programs include advertising, public relations, events, and activations. The department manages DTSM, Inc.'s website, social media and e-newsletters. Staff also oversees filming within the district.

DTSM, Inc. hosts a variety of events and activations on Third Street Promenade and Lot 27 (5th Street and Arizona Avenue). Some are produced in-house and others in partnership with local groups.



Marketing & Events Highlights

Website Visitors

135k

E-newsletter Subscribers

2.6k+

Facebook Followers

18k+

Instagram Followers

13k+

Twitter Followers

13k+

Filmings

34

Media Impressions

10 Billion

Media Impressions Value

\$5.8 Million

Events

62

Brand Activations

27

Stage Bookings

300

Community Activations

12

MARKETING, EVENTS & COMMUNICATIONS

On Third Street Promenade, staff works to attract and secure a variety of brand activations. These are promotional pop-ups looking to capitalize on foot traffic and typically offer freebies or a fun activity for the general public. During the 2022 fiscal year, staff also managed and programmed a stage on Third Street Promenade with local acts.

As a community space, the Promenade welcomes local non-profits and community organizations year-round to host their own events and activations.



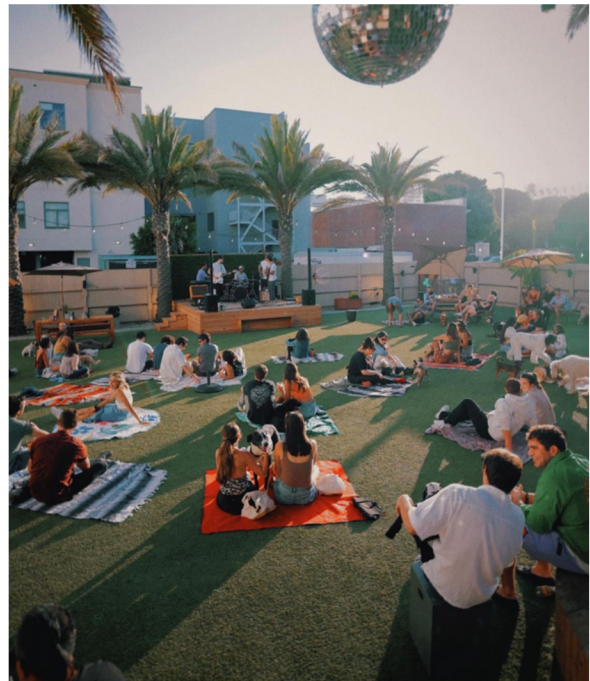
ECONOMIC DEVELOPMENT

DTSM, Inc. continued to support local businesses through the Covid-19 pandemic and post-pandemic recovery by advocating for business-friendly programs and providing supplemental assistance navigating the various City of Santa Monica permitting processes. In response to business feedback, staff also focused on facilitating information regarding the City of Santa Monica's permitting process by creating a Permitting Assistance portal on the DTSM, Inc. website. The portal highlights all of the information businesses need to know to pull various permits at the City. It can be accessed at downtownsm.com/permitting-assistance.

Economic Development Highlights

Dog PPL Pop-up

DTSM, Inc., in partnership with the City of Santa Monica, worked with REEF Technology to help transform an empty downtown parking lot into a pop-up dog park. Dog PPL managed the park, located at 1338 Fifth Street, which offered a spacious and attractive antimicrobial turf landscape with built-in seating and a café & bar.



Images via Dog PPL Instagram, @dogppl



Outdoor Dining

Staff worked closely with businesses across the district to guide them through the Santa Monica Outdoors temporary permit renewal process. This allowed business owners to continue utilizing the public right of way for outdoor dining, which has been critical for the economic recovery in Downtown Santa Monica.

DTSM, Inc. successfully advocated for the City to extend the outdoor dining fee waivers, which gave businesses more time to recover financially from the impacts of the Covid-19 pandemic.

On the Promenade, staff worked directly with restaurant owners to develop an outdoor dining map recommendation that maximized the seating capacity on the sidewalk and roadway. Staff continues to work towards making outdoor dining a more permanent feature of the Promenade.

DOWNTOWN DATA

Third Street Promenade Pedestrian Impressions



84.9k

Weekend
Average

53.3k

Weekday
Average

62.3k

Daily
Average

22.744M

Total Pedestrian Impressions

Busiest Day: 110,924 pedestrian impressions
on December 26, 2021

DTSM SALES TAX REVENUE

3.9%

YoY Increase

\$908M

Sales Revenue
generated by Downtown Santa Monica

Sources: Springboard, City of Santa Monica

DTSM DEMOGRAPHICS

4,960

Residents

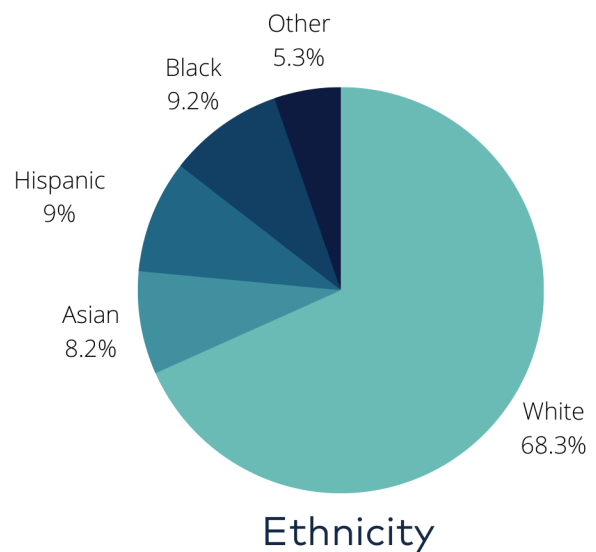
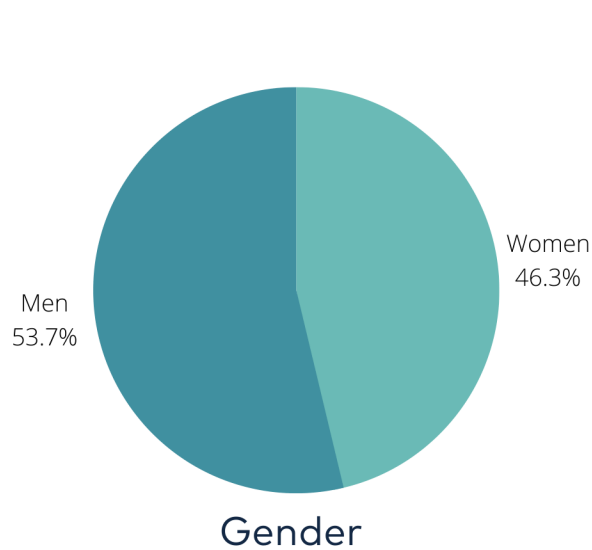
.77%

Population Increase

3,271

Households

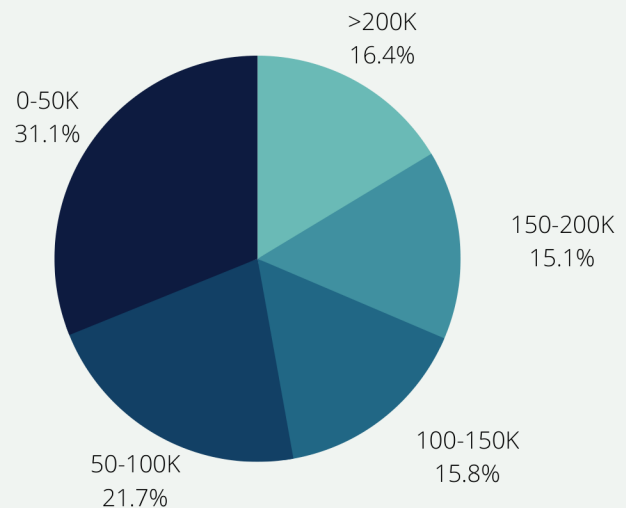
AVERAGE AGE: 40.08



INCOME DISTRIBUTION

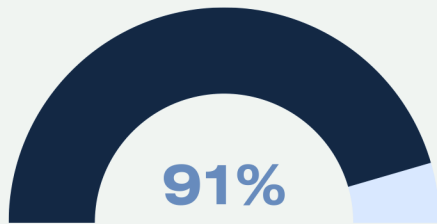
129K
AVERAGE INCOME

75K
MEDIAN INCOME



DTSM REAL ESTATE

MULTI-FAMILY



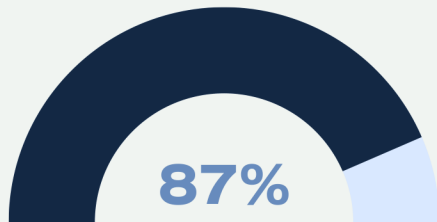
Occupancy Rate

3,689 Units
188 Units Under Construction

\$5.63 Avg. Rent SF/Month
\$4,396 Effective Rent/Unit

3.4% Market Cap Rate

RETAIL

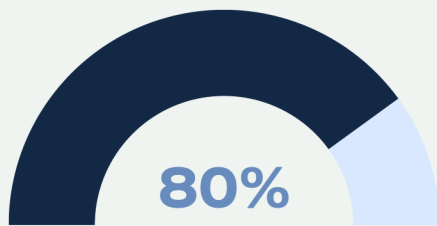


Occupancy Rate

2.6M SF Inventory
3.2% YoY Decrease

\$77.73 Annual Market Rate/SQ FT
1.49% YoY Increase

OFFICE



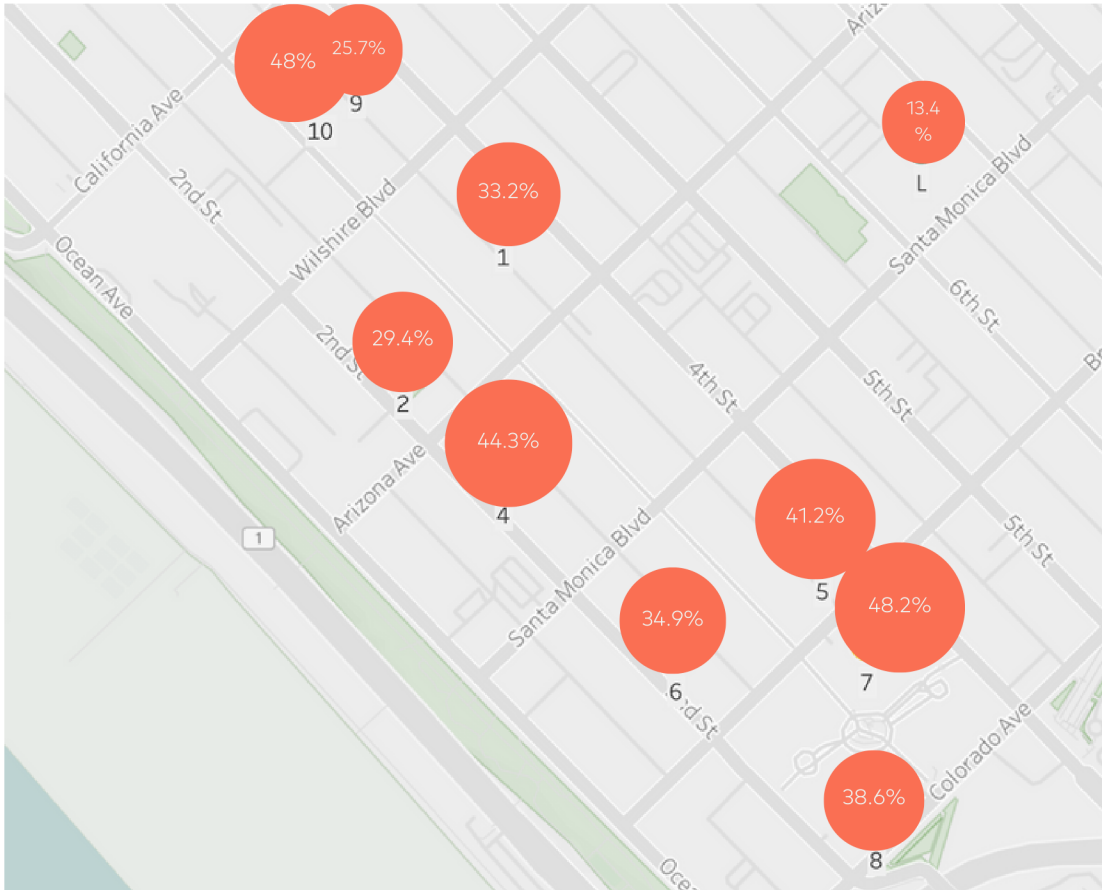
Occupancy Rate

41.M SF Inventory

\$65.37 Market Rate per SF
5.8% YoY Decrease

6% Decrease in Occupancy

PARKING OCCUPANCY



Sources: Smarking, City of Santa Monica

Total Spaces

5,857

Peak Parking Capacity

Weekend: 51%

Weekday: 33%

(Not including Library Lot)

LEADERSHIP

STAFF

Kathleen Rawson, Chief Executive Officer
Mackenzie Carter, Director of Marketing & Partnerships
Rich Mongarro, Director of Operations
Laura Borsecnik, Special Events Manager
Martin Ronzio-Garcia, Operations Supervisor
John McGill, Public Space Supervisor
Kevin Herrera, Sr. Communications Manager
Jamison Hayward, Data and Research Manager
Yuriko de la Cruz, Accounting Specialist

BOARD OF DIRECTORS

Rob Rader | Ovation, LLC.
Juan Matute | UCLA
Barry Snell | Accounting Firm of Barry A. Snell
Tara Barauskas | Community Corp of Santa Monica
Julia Ladd | Vice President of Property Management, Macerich
Johannes Van Tilburg | VTBS Architects
Eric Sedman | Independent Real Estate Professional
Peter Trinh | Entertainment Industry Executive & Hospitality Industry Investor/Proprietor
Michele Aronson | Senior Vice President, Douglas Emmett
Joshua Gilman | Walter N. Marks, Inc.
Anuj Gupta | Deputy City Manager, City of Santa Monica
Ericka Lesley | Entrepreneur
Scott Schonfeld | Principal, Linwood Ventures



1351 Third Street Promenade | Santa Monica, CA | 90401