

From: [Caroline Torosis](#)
To: [Leo Pustilnikov](#); [Phil Brock](#); [Oscar de la Torre](#); [Lana Negrete](#); [Christine Parra](#)
Subject: Re: TIME SENSITIVE: follow-up re funding available to evaluate an EIFD and other special improvement districts for Santa Monica--
Date: Wednesday, February 22, 2023 9:23:31 AM
Attachments: [image001.png](#)
[image003.png](#)
[image004.png](#)

Thanks Leo. I know Larry and his team. We are applying to SCAG REAP money at the County for feasibility studies.

I've already been in contact with our City Manager about the City of Santa Monica being more assertive about EIFDs in the City. I don't want to violate the Brown Act so I will leave it at that as we have a majority of councilmembers on this email.

Caroline

From: Leo Pustilnikov <leo@slhinvestments.com>
Sent: Tuesday, February 21, 2023 5:09 PM
To: Caroline Torosis <Caroline.Torosis@santamonica.gov>; Phil Brock <Phil.Brock@santamonica.gov>; Oscar de la Torre <Oscar.delaTorre@santamonica.gov>; Lana Negrete <Lana.Negrete@santamonica.gov>; Christine Parra <Christine.Parra@santamonica.gov>
Subject: Fwd: TIME SENSITIVE: follow-up re funding available to evaluate an EIFD and other special improvement districts for Santa Monica--

EXTERNAL

Council Member,

Below is some information from Larry Kosmont of Kosmont Companies. It's effectively free money for the city which if the city doesn't have the staffing to apply can hire Larry's firm to do it. I have known Larry for over a decade and I don't think anyone is more in tune with the processes of the state than him. Let me know if you would like me to connect you with him?

Larry's firm also has significant experience in setting up EIFD's which could be beneficial for Downtown Santa Monica and potentially the airport. It locks in a baseline of revenue for the city and could alleviate future capital requirements (e.g. unfunded and underfunded CIP projects) that the City needs to fund but cannot currently afford to.

best,
leo

----- Forwarded message -----

From: Larry Kosmont <lkosmont@kosmont.com>
Date: Tue, Feb 21, 2023 at 4:40 PM
Subject: TIME SENSITIVE: follow-up re funding available to evaluate an EIFD and other special improvement districts for Santa Monica--
To: Leo Pustilnikov (leo@slhinvestments.com) <leo@slhinvestments.com>

Below is some information on the SCAG REAP 2.0 technical advisory grant program, which I think has a lot of potential benefit to Santa Monica for the Downtown area, any other transit-focused areas, the Airport, and any other housing element priority sites. Time is of the essence because essentially there is grant money available to the City if the Staff can make the timely effort to apply based on the following.

I have a consultant that has done the work for SCAG on multiple EIFD REAP applications which I will gladly share with the City if this is a priority, and it should be from my viewpoint. They can help.

Summary points:

1. The "PATH" category of funding is the bucket for evaluation and implementation of tools such as tax increment financing and housing trust funds.
2. \$45M in funding just for this category alone, and **applications for funding are expected to become available March /April 2023** for cities and counties to apply. Responses will be due within 45 days of the call for proposals. Draft application is linked below.
3. If someone wanted to chat directly with a SCAG person about any proposal questions, Jacob Noonan is the best contact: noonan@scag.ca.gov (otherwise, consider us at Kosmont available for any questions, as well).

SCAG REAP 2.0 website: <https://scag.ca.gov/reap2021>

Draft application to give cities and counties an idea of what to expect: https://scag.ca.gov/sites/main/files/file-attachments/draft_path_program_application_0.pdf?1674763954

Select slides for quick reference pasted below:
Select slides for quick reference pasted below:

Programs to Accelerate Transformative Housing (PATH) Program Structure

\$88,835,000



PATH Program – Draft Template Application

Timelines

Each Call Opened Separately	April 2023 (Anticipated)
Responses Due	45 days
Completeness review	Late May - Early June
Final Scores Determined	Mid-Summer
Conditional Awards Issued	60 days of response due date
Regional Council Considers Funding Awards	September

RUSH is expected to be released in late Spring 2023 following the Industry Forum.

PATH Program Milestones



Ongoing Community Engagement

- Ongoing, Region-wide, and Inclusive*
- SCAG Staff Available to Discuss Potential Proposals*
- Funding Application Information Sessions – Upcoming in 2023*

Jacob Noonan, Housing Program Manager
Email: noonan@scag.ca.gov

Jessica Reyes Juarez, Associate Regional Planner
Email: juarez@scag.ca.gov

From: [Leo Pustilnikov](#)
To: [Lana Negrete](#); jesse.zwick@santamonica.gov; barry.snell@santamonica.gov; natalya.zernitskaya@santamonica.gov; [Barry Snell](mailto:Barry.Snell); ellis.raskin@santamonica.gov; dan.hall@santamonica.gov; caroline.torosis@smgov.net; [Luke Cain](mailto:Luke.Cain); [Michele Aronson](mailto:Michele.Aronson); [Eric Sedman](mailto:Eric.Sedman); [Lucian Tudor](mailto:Lucian.Tudor); [Jon Farzam](mailto:Jon.Farzam); [Bruce Fairty](mailto:Bruce.Fairty); stanley@downtownsm.com; negari@downtownsm.com; [Susan Cline](mailto:Susan.Cline); galindo@downtownsm.com; [Joshua Gilman](mailto:Joshua.Gilman); cardiel@downtownsm.com
Cc: [Andrew Thomas](mailto:Andrew.Thomas); [Douglas Sloan](mailto:Douglas.Sloan)
Subject: DTSM Board Meeting
Date: Thursday, August 14, 2025 4:55:29 AM

EXTERNAL

Dear DTSM Board Members, Santa Monica Council Members and Honorable Mayor Negrete,

Please take note that the actions of the City Council on July 29, 2025 were illegal. The reason given for these actions was the “resignation” of the CEO. Anyone following the situation, however, would know that the CEO’s contract expires later this month and the Board determined that for the price and terms requested, a significantly more qualified and competent candidate could be retained. In fact, the alleged resignation happened after an interim contract was agreed upon until a new CEO was selected, so no “resignation” ever took place in spite of the erroneous statements indicating otherwise.

Coincidentally, the Council Member who pushed for this concocted emergency Special Council meeting was the same individual who, as the Board Chair of DTSM, illegally hired the outgoing CEO. To provide color to those unfamiliar with that situation, the current contract was voted on July 7, 2022 by a board that was no longer as six new board members were appointed as of July 1, 2022 and were neither consulted nor invited to vote on the contract. In other words, the expiring contract was questionable in the first place.

The Council action was merely another preposterous effort by the banana republic of Santa Monica to impede all efforts of salvaging its tarnished reputation. The so-called emergency was in response to events that transpired, by that particular Council members own admission, July 11, 2025 and prior. And somehow this Special meeting, which was too urgent to properly agendize, coincided with a two-week period in which there were 6 applications for DTSM Board seats by city insiders including former Council Members and an interim City Manager. For reference, there were only 2 in the six months prior and only 4 in the two weeks since it was announced there are 6 permanent seats to fill.

Based on the above, it seems clear how planned this effort was, to the smallest detail of waiting for the Mayor to be out of the country so the Pro Tempore could call a Special meeting. These draconian changes were intended to make the Board subservient to, instead of independent of, the City as clearly and openly discussed during the deliberations.

The impending Council vote posed an existential threat to the Board. A threat to its independence. A threat to its very purpose. A clear emergency situation pursuant to the Brown Act. If the City took control, it would continue with the same failing policies that have led the City to the brink of insolvency and resulted in lower hotel occupancy last month than during the heights of the Covid 19 lockdowns. It would render the Promenade, once the lifeblood and darling of the beach city, a ghost town.

Thus, the Board undertook an emergency meeting to make sure Board members can only be removed for cause, not conjecture and incorporated an honest, public process for such removal.

I therefore request the Council acknowledge its actions were invalid and for the DTSM Board to adjourn its proceedings until these issues are resolved to avoid the need for legal action requiring the courts to compel the City and Board to do the same.

Sincerely,

Leo Pustilnikov

DTSM Board Member