

## DCBA Board of Directors

**Date: Thursday, September 12, 2024**

**Time: 8:00am – 9:30 am**

**Place: Hotel Diamond, Downstairs Conference Room**



## DCBA Board of Directors

Greg Scott, President

Chris Daniels, 1<sup>st</sup> VP

Shari Anderson, 2<sup>nd</sup> VP

Liza Tedesco, Secretary

Nicole Johnston, Treasurer

Nicole Hill, Marketing Chair

Pat Macias, Arts

Nick Andrew

Mary Hartley

Thomas Hightower

Michael lee

Julie Lengerich

Emma Martin

Ian Macmillan

Steve Stull

## ADVISORS

Mike Egbert, Chamber

Nichole Farley, EBC

Megan Kurtz, Chico State

Brenda Narayan, PG&E

## City of Chico

Dale Bennett, Chico City Council

Jennifer Macarthy, Chico Deputy  
City Manager

## DCBA Mission

Improve, promote, and enhance the experience, image, arts, culture, place while preserving the historic value of Chico's Downtown District.

## Downtown Welcome Center

**338 Broadway  
Chico, CA 95927  
530.345.6500**

## AGENDA

### Call to Order & Welcome, President Greg Scott (5 Mins)

- Roundtable Introductions

### 1.0 Guest Presentations

- Salvation Army, Kettle Kick-Off – Ian MacMillan introducing Lt. Jeffrey Boyd (bio attached)
- Board Member Julie Lengerich, Colliers Update

### 2.0 Collaborator Reports (10 Mins)

We appreciate all of our partners; at this we would like to hear updates from our partners and collaborators with a Q/A from the Board. Guests and collaborators are welcome to stay for our meeting, however, we know your time is valuable and we understand if you need to leave.

- City of Chico – Councilmember Dale Bennett
- Lt. Ben Love, Chico PBID – Downtown, Target Team
- City of Chico – Jennifer Macarthy
- Chico State – Megan Kurtz, Shari Anderson
- Butte College – Linda Zorn
- Chamber of Commerce – Mike Egbert
- Explore Butte County – Nichole Farley
- 3CORE – Luis Moreno
- MONCA - Pat Macias
- City of Chico – Arts Commissioner

## **2.0 Consent Agenda (10 mins)**

2.1 Executive Committee Minutes, August 2, 2024

2.2 August 30 Financial Reports - Treasurer Nicole Johnston to report on Finance Committee meeting with DCBA CPA.

2.4 Staff report: Marketing & Communication

**ACTION:** Pull any items for further discussion, if no questions call for motion/second and vote to accept consent agenda.

## **3.0 ACTION ITEMS (5 mins)**

There are no action items for the Board to vote on, however, several items for Board discussion:

3.1 Executive Committee actions September 9, 2024.

3.2 September 17, 2024 – City Council Meeting – Board Support in Attending (18-month report sent separately.

3.3 Restaurant Committee Report – Nick Andrew

3.4 Downtown Vacancies White Paper - Greg Scott

## **4.0 DCBA Event Update**

4.1 Events – Debbie LaPlant Moseley & Greg Scott

- Taste of Downtown
- ARTober Fest, Art & Wine Walk, Wildcat Weekend
- Harvest Sidewalk Sale
- Treat Street
- Small Business Saturday
- Holiday – Christmas Preview, Tree Lighting – Light Up Downtown – Greg Scott

4.2 Marketing – Debbie LaPlant Moseley

## **5.0 New Business – New business from the floor?**

## **6.0 Next Board Meeting**

- **October 3, 2024** Please send agenda items to Greg Scott/Audrey Taylor

## **Meeting Adjournment - Entertain motion to adjourn**



Lts. Jeff and Kristin Boyd are the Administrators of The Salvation Army Community Center. They were sent to Chico along with their 4 children 4 years ago to expand the programming at the community center. Before their work with The Salvation Army, Jeff and Kristin had a successful Real Estate career in Orange County California, where they were in the top 100 Realtors for all of Orange County. They decided to trade success for significance and pursued full-time ministry and social services careers with The Salvation Army.

The Salvation Army was established in Chico in 1888 and has been serving this community for over 135 years. The programs at the community center aim to break the cycles of generational poverty and generational addiction, through uniting families and giving youth equal opportunities to programs that give them a hand up.

The Salvation Army hosts a Kettle Kick-Off event each year to help educate the community on the programs currently carried out, share the vision for the future, and raise funds to help support the operational costs of the various programs. This fundraiser is critical to sustaining the current programs carried out. This year the event will be held at The Lakeside Pavilion, the headline entertainment will be the Kelly Twins Dueling Pianos. Tickets go on sale in October, and we are currently looking for event sponsors.

**Jeff Boyd, Lt**  
Corps Officer, Administrator

**Phone:** 530.776.1009

**Mobile:** 530.592.0632

567 E. 16<sup>th</sup> Chico CA 95928

[www.chico.salvationarmy.org](http://www.chico.salvationarmy.org)

# **EXECUTIVE COMMITTEE REPORTS**

## DCBA EXECUTIVE COMMITTEE MEETING MINUTES

Date: July 25, 2024, → rescheduled to August 2, 2024

Time: 8:00 am

Place: Hotel Diamond Downstairs Conference Room



### Attendees:

Directors: Greg Scott, Shari Anderson, Liza Tedesco, Nicole Johnston

Directors Absence: Chris Daniels

Advisor: David Halimi

Staff & Volunteers: Debbie LaPlant Moseley & Audrey Taylor

Call to Order – President Greg Scott called the meeting to order 8:01am

## AGENDA

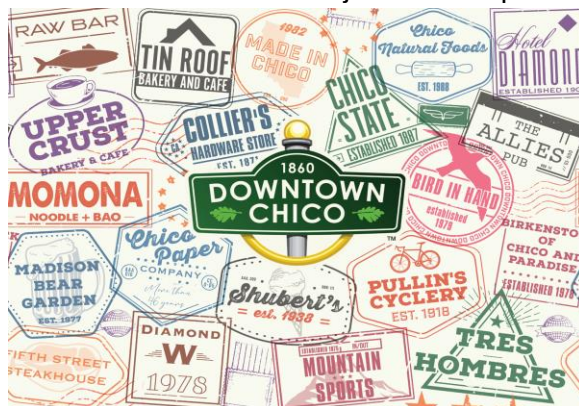
### 1.0 President's Report

- 1) Greg updated Executive Committee on his meeting with Explore Butte County President Tamba Sellu regarding EBC's sponsorship of events and that follow-up communications had not happened. He would reach out to Tamba to find out if there had been a decision by EBC to sponsor DCBA events with knowledge that the cost of a formal audit is an expense that DCBA could not incur (cost is twice as much as sponsorship) and the Executive Committee recommended to the Board a process for financial oversight including scheduling audit after completion of City Contract in 2025-26 fiscal year.

### 2.0 Merchandise

Concept - Brian Curtis & Audrey Taylor – Audrey Taylor presented two "DCBA merchandise and promotion concepts."

- 1) DCBA Klean Kanteen. Working with Klean Kanteen, Brian Curtis volunteered to design a Klean Kanteen promoting businesses that appear to be passport stamps on the Klean Kanteen. Visual below is just a concept:



- a. The concept is to have merchandise that represents downtown and promote downtown businesses (not DCBA) which could be bought at the Welcome Center.
  - b. Costs: Klean Kanteen would give DCBA discount cost for design and production at \$17 a piece and retail at \$29-\$31 similar to all KK retail pricing
  - c. Raising Funds for production: Encourage downtown business to participate in the first 100 KK, cost of their passport logo on the Kanteen \$50. These funds would pay for the production.
  - d. Final design: Outreach to eighteen businesses to participate in the first 100. When those are secured finalize passport designs.
  - e. David Halimi asked why not have downtown businesses participate in selling in their stores. Executive Committee agreed that could be looked at once program was ready. Great idea. Does it require board approval? Self-funded, so likely not. Shirts are worn by staff
- 2) Staff T-shirts and shirts. A second design to promote businesses in downtown was a T-Shirt for staff to wear to help promote businesses using the tagline Love Downtown Chico. This design was initially designed for staff. Asking staff to wear as much as possible to promote downtown and businesses. Visual concept:



- a. The Executive Committee felt the T-shirts should be available for sale as merchandise. The original intent was for staff not as merchandise. EC asked that costs for production of T-Shirt merchandise and sales prices be collected and sent to the EC.

Moved/seconded by Liza Tedesco/Nicole Johnston approve DCBA Klean Kanteen promotional merchandise as presented. Gather further information on costs for T-Shirts as DCBA merchandise (beyond staff T-Shirts) and bring back to EC. All in favor - yes

### 3.0 Financial Items

- 1) *Financial Committee* – Nicole Johnston reported she has formed a finance committee with DCBA Directors Ian MacMillan and Michael Lee. They are reviewing management policies and will be meeting with DCBA's CPA.
- 2) *Current Profit/Loss, Balance Sheet* – Attached
- 3) *SBA Loan Agreement*
  - a. Audrey reported they are having difficulty in accessing the SBA Loan Portal and have been receiving notices of unpaid loan payments. The challenge is Melanie Bassett is the holder of the account. SBA wants a person SS# on file and will not take the DCBA EIN number. No Director is willing to provide their SS# so it remains in Melanie's name which means she is the only one SBA will talk with. Have reached out to Melanie to contact SBA to get Martha Threewit on the account and to verify that they have received monthly payments at the address provided since early 2023. Melanie has agreed to work on that.
  - b. Discussed that it was important for DCBA to have agreement with Melanie Bassett regarding this loan taken out in 2020 during her term, that the loan would remain with her SS# and she may need to provide access to DCBA to check on loan, DCBA will continue to pay the loan down monthly as is occurring and also provide indemnification with Melanie. This needs to be documented.
  - c. Nicole Johnston was on board and treasurer in 2020 and has a copy of the loan agreement which she will forward.
  - d. An agreement needed to be drafted between DCBA and Melanie Bassett – request attorney to draft?
- 4) *Financial Reimbursement Request from Tom DiGiovanni*
  - a. DCBA has received a letter from Tom DiGiovanni regarding personal contributions he made to DCBA from 2020 to 2022 with documentation of funds given to DCBA to assist with cash and funding shortfalls.
  - b. Staff did a thorough review of the financial records including 2020 which were on the DCBA desktop and moved to QuickBooks online in 2022. During this period, the bookkeeper were staff (Kathleen) and then Tom's bookkeeper took over 2020-21 until April of 2022 (Tom covered the cost of the bookkeeper through his company). The current staff's investigation included history of income, accounting, and documentation (notes on paperwork). The challenge is no documentation or loan agreements were prepared and monies that were deposited were noted as contributions except for a Note Payable and an Ice Rink deposit amounting to \$2050.
  - c. EC agreed there was clear documentation on a note payable for \$2050
  - d. EC is sensitive to following management policy and with managing city funds that any reimbursement must be from general operations funds not tied to city funding.
  - e. David Halimi who worked closely as past President with Tom during this time thought that both undocumented contributions were both donations. David agreed to draft a letter and meet with Tom to review the findings and find a solution.

- f. David to report back to the EC.
- 5) *Sponsorship & Donor Fundraising* –
  - a. Audrey Taylor on behalf of Ian Macmillan - sponsorship program with Plumas Bank - working with 3CORE to set up the program next year. CRA did not work out for downtown.

### 3.0 Operations

- 1) *By Laws Update* – anticipate DCBA attorney to have draft bylaws in late August
- 2) *Personnel* – further discuss items recommended at Board Meeting to be considered for the Employee Handbook – Liza Tedesco ICHRA, Compensation Policy, 32 vs 39 hours
- 3) *Assessment Fee – Master List Update* - finalizing review and understanding business sales level (gross sales) vs employees' formula. Establish a proposal. Public hearing. Send out to all businesses and campaign to businesses the value of DCBA and increasing the assessment. To pass the city there must be less than 50% written objections from business. DCBA will need to coordinate with City on process for collection, current process is not working. Draft coming 2-3 weeks.
- 4) *DCBA & PBID Employee Appreciation Lunch* – set date - end of market season. Invite board and executive committee. Invite Target Team.

### 4.0 City

- 1) Quarterly Report - City of Chico 1975 agreement - quarterly financial report and submit annual plan/budget and report. ARP money - 6m, 12m, 18m Resubmitting report at end of August for 18-month update.
- 2) City Survey- not much traction with DT businesses will continue to push out.
- 3) Updates – Trash - Skyler Lipski idea of Third St/adjacent to parking. Build enclosure for trash aggregation of regional businesses = city management.
- 4) Kiosks - PBID report - assistance requested is down = more positive interactions with use of parking kiosks
- 5) Target Team – Positive reception to see the Target Team on the streets, in the business and at Thursday Night Market.

### 5.0 Events, Marketing & Promotions Update

- 1) Taste of Downtown - Restaurant Crawl - exceeding budgeted ticket sales to date. Going great!
- 2) ARTober Fest – tied to Placemaking initiative meeting with Linda Zorn to move forward. \$5000 grant City Arts Commission for marketing. Looking for business and artist collaboration.
- 3) Christmas Preview & Tree Lighting - extending down to eighth. Lights at Junction and Lost Park. CP- tree lighting with mayor (scripted ceremony) music, carolers = festive environment. Nick working with Steve Perez to activate Greek community to decorate downtown.
- 4) Welcome Center - Sept 4th grand opening/open house; Shubert's offered serve ice cream. New displays

- 5) Maps - updated retail guide (similar to restaurant guide) will be completed within next few weeks

6)

#### **5.0 Other Business - Debbie**

- Nick is working with Chico State on two concerts “chico live” wants DCBA support (define) - Shari outlined Chico State logistics endemic with a campus orientated event. Sept & Oct. Free concert - who is paying for the production?
- Chico ER- proposal for Wildcat Weekend DT business feature (2022 DCBA asked ER to feature). Who develops the content? Cannot sell ads on behalf of DCBA.
  - Also received invitation to provide monthly content featuring what is happening downtown

#### **6.0 Meeting Adjourn**

Moved/Seconded Shari Anderson/Liza Tedesco to adjourn EC meeting. Meeting adjourned 9:58.

# DCBA FINANCIAL REPORTS

# Downtown Chico Business Association

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## Budget vs. Actuals: Budget\_FY24\_P&L - FY24 P&L

January - December 2024

|                                            | TOTAL            |                   |                 |
|--------------------------------------------|------------------|-------------------|-----------------|
|                                            | ACTUAL           | BUDGET            | % OF BUDGET     |
| Revenue                                    |                  |                   |                 |
| DIRECT PUBLIC SUPPORT                      |                  |                   |                 |
| City of Chico - Member Assess              | 13,296.67        | 20,000.00         | 66.48 %         |
| City of Chico-Ice Rink                     |                  | 0.00              |                 |
| City of Chico-Planters                     | 4,000.00         | 8,000.00          | 50.00 %         |
| City of Chico-Rebuilding Fund              | 70,400.00        | 140,800.00        | 50.00 %         |
| <b>Total DIRECT PUBLIC SUPPORT</b>         | <b>87,696.67</b> | <b>168,800.00</b> | <b>51.95 %</b>  |
| DOWNTOWN EVENTS - INCOME                   |                  |                   |                 |
| Art & Wine Walk (AWW)                      |                  | 10,000.00         |                 |
| AWW Operations                             |                  | 5,000.00          |                 |
| AWW Sponsors                               | 5,400.00         | 15,500.00         | 34.84 %         |
| <b>Total Art &amp; Wine Walk (AWW)</b>     | <b>5,400.00</b>  | <b>30,500.00</b>  | <b>17.70 %</b>  |
| ChicoLive                                  |                  |                   |                 |
| CL Booth Rental/App                        | 50.00            | 50.00             | 100.00 %        |
| CL Operations                              | 2,319.00         | 1,401.00          | 165.52 %        |
| CL Sponsors                                | 4,500.00         | 4,500.00          | 100.00 %        |
| <b>Total ChicoLive</b>                     | <b>6,869.00</b>  | <b>5,951.00</b>   | <b>115.43 %</b> |
| Christmas Preview (CP)                     |                  | 2,500.00          |                 |
| CP Booth Rental/App                        | 150.00           |                   |                 |
| CP Sponsors                                | 250.00           |                   |                 |
| <b>Total Christmas Preview (CP)</b>        | <b>400.00</b>    | <b>2,500.00</b>   | <b>16.00 %</b>  |
| Community Tree Lighting (CTL)              |                  | 2,200.00          |                 |
| CTL Sponsors                               | 250.00           |                   |                 |
| <b>Total Community Tree Lighting (CTL)</b> | <b>250.00</b>    | <b>2,200.00</b>   | <b>11.36 %</b>  |
| Friday Night Concert (FNC)                 |                  |                   |                 |
| FNC Operations                             | 2,618.00         | 3,500.00          | 74.80 %         |
| FNC Sponsors                               | 8,000.00         | 8,000.00          | 100.00 %        |
| <b>Total Friday Night Concert (FNC)</b>    | <b>10,618.00</b> | <b>11,500.00</b>  | <b>92.33 %</b>  |
| Harvest Sidewalk Sale (HSS)                |                  | 2,500.00          |                 |
| HSS Sponsors                               | 400.00           |                   |                 |
| <b>Total Harvest Sidewalk Sale (HSS)</b>   | <b>400.00</b>    | <b>2,500.00</b>   | <b>16.00 %</b>  |
| Slice Of Chico (SOC)                       |                  | 2,500.00          |                 |
| SOC Sponsors                               | 2,300.00         |                   |                 |
| <b>Total Slice Of Chico (SOC)</b>          | <b>2,300.00</b>  | <b>2,500.00</b>   | <b>92.00 %</b>  |
| Small Business Saturday (SBS)              |                  | 4,000.00          |                 |
| Taste of Downtown                          |                  |                   |                 |
| TOD Operations                             | 14,317.30        | 31,000.00         | 46.18 %         |
| TOD Sponsors                               |                  | 5,000.00          |                 |
| <b>Total Taste of Downtown</b>             | <b>14,317.30</b> | <b>36,000.00</b>  | <b>39.77 %</b>  |
| Thursday Night Market (TNM)                |                  | 132,500.00        |                 |
| TNM Booth Rental/App                       | 109,660.31       |                   |                 |
| TNM Operations                             | 110.00           |                   |                 |

# Downtown Chico Business Association

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## Budget vs. Actuals: Budget\_FY24\_P&L - FY24 P&L

January - December 2024

|                                          | TOTAL               |                     |                 |
|------------------------------------------|---------------------|---------------------|-----------------|
|                                          | ACTUAL              | BUDGET              | % OF BUDGET     |
| TNM Sponsors                             | 6,050.00            |                     |                 |
| <b>Total Thursday Night Market (TNM)</b> | <b>115,820.31</b>   | <b>132,500.00</b>   | <b>87.41 %</b>  |
| Treat Street (TS)                        |                     | 1,000.00            |                 |
| TS Sponsors                              | 1,350.00            |                     |                 |
| <b>Total Treat Street (TS)</b>           | <b>1,350.00</b>     | <b>1,000.00</b>     | <b>135.00 %</b> |
| <b>Total DOWNTOWN EVENTS - INCOME</b>    | <b>157,724.61</b>   | <b>231,151.00</b>   | <b>68.23 %</b>  |
| OPERATIONS INCOME                        |                     |                     |                 |
| Annual Meeting Income                    | 780.00              | 780.00              | 100.00 %        |
| Donors                                   | 12,500.00           | 35,000.00           | 35.71 %         |
| <b>Total OPERATIONS INCOME</b>           | <b>13,280.00</b>    | <b>35,780.00</b>    | <b>37.12 %</b>  |
| PROGRAM INCOME                           |                     |                     |                 |
| Gift Card Revenue                        |                     | 2,500.00            |                 |
| Sponsors                                 | 6,300.00            | 6,300.00            | 100.00 %        |
| Website Sponsors                         |                     | 2,000.00            |                 |
| <b>Total PROGRAM INCOME</b>              | <b>6,300.00</b>     | <b>10,800.00</b>    | <b>58.33 %</b>  |
| Sales of Product Revenue                 | 9,025.45            | 4,525.00            | 199.46 %        |
| Unapplied Cash Payment Revenue           | 81.25               |                     |                 |
| <b>Total Revenue</b>                     | <b>\$274,107.98</b> | <b>\$451,056.00</b> | <b>60.77 %</b>  |
| <b>GROSS PROFIT</b>                      | <b>\$274,107.98</b> | <b>\$451,056.00</b> | <b>60.77 %</b>  |
| Expenditures                             |                     |                     |                 |
| BANK CHARGES                             |                     |                     |                 |
| Bank Charges-Other                       | 177.10              | 230.00              | 77.00 %         |
| Interest Expense                         | 19.60               | 50.00               | 39.20 %         |
| Merchant Fees                            | 910.04              | 51.24               | 1,776.03 %      |
| <b>Total BANK CHARGES</b>                | <b>1,106.74</b>     | <b>331.24</b>       | <b>334.12 %</b> |
| CONTRACT SERVICES                        |                     |                     |                 |
| Accounting                               | 10,245.00           | 10,000.00           | 102.45 %        |
| Consultants                              | 29,400.00           | 49,800.00           | 59.04 %         |
| Security Staff                           |                     | 1,000.00            |                 |
| <b>Total CONTRACT SERVICES</b>           | <b>39,645.00</b>    | <b>60,800.00</b>    | <b>65.21 %</b>  |
| DOWNTOWN EVENTS - EXPENSE                |                     |                     |                 |
| Art & Wine Walk                          |                     |                     |                 |
| Advertising (AWW)                        |                     | 5,350.00            |                 |
| Event Contract Services (AWW)            |                     | 2,100.00            |                 |
| Other (AWW)                              | 469.00              | 8,500.00            | 5.52 %          |
| Permits/Fees/Licenses (AWW)              |                     | 1,400.00            |                 |
| <b>Total Art &amp; Wine Walk</b>         | <b>469.00</b>       | <b>17,350.00</b>    | <b>2.70 %</b>   |
| Artober Fest                             |                     |                     |                 |
| Event Contract Services (AF)             | 350.00              |                     |                 |
| <b>Total Artober Fest</b>                | <b>350.00</b>       |                     |                 |
| ChicoLive                                |                     | 0.00                |                 |

# Downtown Chico Business Association

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## Budget vs. Actuals: Budget\_FY24\_P&L - FY24 P&L

January - December 2024

|                                      | TOTAL           |                 |                 |
|--------------------------------------|-----------------|-----------------|-----------------|
|                                      | ACTUAL          | BUDGET          | % OF BUDGET     |
| Advertising (CL)                     | 240.32          | 240.32          | 100.00 %        |
| Event Contract Services (CL)         | 0.00            |                 |                 |
| <b>Total ChicoLive</b>               | <b>240.32</b>   | <b>240.32</b>   | <b>100.00 %</b> |
| Christmas Preview                    |                 |                 |                 |
| Advertising (CP)                     |                 | 50.00           |                 |
| Event Contract Services (CP)         | 384.35          | 450.00          | 85.41 %         |
| Other (CP)                           | 38.84           | 700.00          | 5.55 %          |
| <b>Total Christmas Preview</b>       | <b>423.19</b>   | <b>1,200.00</b> | <b>35.27 %</b>  |
| Community Tree Lighting              |                 |                 |                 |
| Advertising (CTL)                    | 1,000.00        | 1,000.00        | 100.00 %        |
| Event Contract Services (CTL)        |                 | 250.00          |                 |
| Other (CTL)                          |                 | 1,500.00        |                 |
| <b>Total Community Tree Lighting</b> | <b>1,000.00</b> | <b>2,750.00</b> | <b>36.36 %</b>  |
| Events Expense Other                 | 5,010.73        |                 |                 |
| Friday Night Concert                 |                 |                 |                 |
| Advertising (FNC)                    | 3,723.44        | 3,500.00        | 106.38 %        |
| Event Contract Services (FNC)        | 3,000.00        | 3,500.00        | 85.71 %         |
| Other (FNC)                          | 614.08          | 1,400.00        | 43.86 %         |
| Permits/Fees/Licenses (FNC)          | 828.00          | 700.00          | 118.29 %        |
| <b>Total Friday Night Concert</b>    | <b>8,165.52</b> | <b>9,100.00</b> | <b>89.73 %</b>  |
| Harvest Sidewalk Sale                |                 |                 |                 |
| Advertising (HSS)                    |                 | 2,456.00        |                 |
| Event Contract Services (HSS)        |                 | 650.00          |                 |
| Other (HSS)                          |                 | 300.00          |                 |
| <b>Total Harvest Sidewalk Sale</b>   |                 | <b>3,406.00</b> |                 |
| Slice Of Chico                       |                 |                 |                 |
| Advertising (SOC)                    | 1,956.58        | 1,806.00        | 108.34 %        |
| Event Contract Services (SOC)        | 400.00          | 400.00          | 100.00 %        |
| Other (SOC)                          | 333.04          | 400.00          | 83.26 %         |
| Permits/Fees/Licenses (SOC)          | 262.00          | 262.50          | 99.81 %         |
| <b>Total Slice Of Chico</b>          | <b>2,951.62</b> | <b>2,868.50</b> | <b>102.90 %</b> |
| Small Business Saturday              |                 |                 |                 |
| Advertising (SBS)                    | 2,000.00        | 2,500.00        | 80.00 %         |
| Event Contract Services (SBS)        |                 | 150.00          |                 |
| Other (SBS)                          |                 | 900.00          |                 |
| Permits/Fees/Licenses (SBS)          |                 | 250.00          |                 |
| <b>Total Small Business Saturday</b> | <b>2,000.00</b> | <b>3,800.00</b> | <b>52.63 %</b>  |
| Tast of Downtown                     |                 | 9,000.00        |                 |
| Advertising (TOD)                    | 1,084.58        |                 |                 |
| Permits/Fees/Licenses (TOD)          | 444.00          |                 |                 |
| <b>Total Tast of Downtown</b>        | <b>1,528.58</b> | <b>9,000.00</b> | <b>16.98 %</b>  |
| Thursday Night Market                |                 |                 |                 |

# Downtown Chico Business Association

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## Budget vs. Actuals: Budget\_FY24\_P&L - FY24 P&L

January - December 2024

|                                        | TOTAL             |                   |                |
|----------------------------------------|-------------------|-------------------|----------------|
|                                        | ACTUAL            | BUDGET            | % OF BUDGET    |
| Advertising (TNM)                      | 4,749.75          | 7,402.00          | 64.17 %        |
| Event Contract Services (TNM)          | 432.00            | 1,500.00          | 28.80 %        |
| Other (TNM)                            | 963.36            | 5,000.00          | 19.27 %        |
| Permits/Fees/Licenses (TNM)            | 237.00            | 2,500.00          | 9.48 %         |
| Rentals (TNM)                          |                   | 500.00            |                |
| <b>Total Thursday Night Market</b>     | <b>6,382.11</b>   | <b>16,902.00</b>  | <b>37.76 %</b> |
| Treat Street                           |                   |                   |                |
| Advertising (TS)                       |                   | 1,000.00          |                |
| Event Contract Services (TS)           |                   | 200.00            |                |
| Other (TS)                             |                   | 450.00            |                |
| <b>Total Treat Street</b>              |                   | <b>1,650.00</b>   |                |
| <b>Total DOWNTOWN EVENTS - EXPENSE</b> | <b>28,521.07</b>  | <b>68,266.82</b>  | <b>41.78 %</b> |
| FACILITIES AND EQUIPMENT               |                   |                   |                |
| Repairs & Maintenance                  | 433.16            | 1,500.00          | 28.88 %        |
| Storage Rental                         | 1,160.00          | 1,695.00          | 68.44 %        |
| Transportation                         | 403.51            | 900.00            | 44.83 %        |
| <b>Total FACILITIES AND EQUIPMENT</b>  | <b>1,996.67</b>   | <b>4,095.00</b>   | <b>48.76 %</b> |
| OPERATIONS                             |                   |                   |                |
| Advertising & Marketing                | 9,776.07          | 13,500.00         | 72.42 %        |
| Annual Meeting Expense                 | 4,984.90          | 4,984.90          | 100.00 %       |
| Equipment/Materials/Supplies           | 2,319.27          | 5,000.00          | 46.39 %        |
| Insurance                              | 10,516.77         | 13,750.00         | 76.49 %        |
| Meals                                  | 156.00            | 275.00            | 56.73 %        |
| Office Expense                         | 1,368.85          | 3,500.00          | 39.11 %        |
| Other Expenses                         | 1,470.13          | 5,000.00          | 29.40 %        |
| Postage                                | 668.97            | 700.00            | 95.57 %        |
| Printing/Copying                       | 1,463.13          | 3,000.00          | 48.77 %        |
| Social Media Reimbursables             | 186.36            | 600.00            | 31.06 %        |
| Taxes/Licenses/Fees                    | 3,346.96          | 2,700.00          | 123.96 %       |
| Technology & Website Services          | 13,323.34         | 16,000.00         | 83.27 %        |
| Telephone                              |                   | 1,000.00          |                |
| Utilities                              |                   | 1,000.00          |                |
| <b>Total OPERATIONS</b>                | <b>49,580.75</b>  | <b>71,009.90</b>  | <b>69.82 %</b> |
| Payroll Expenses                       |                   |                   |                |
| Taxes                                  | 9,215.12          | 15,000.00         | 61.43 %        |
| Wages                                  | 102,426.45        |                   |                |
| Wages Permanent                        |                   | 162,344.00        |                |
| <b>Total Wages</b>                     | <b>102,426.45</b> | <b>162,344.00</b> | <b>63.09 %</b> |
| Wages Seasonal                         |                   | 0.00              |                |
| <b>Total Payroll Expenses</b>          | <b>111,641.57</b> | <b>177,344.00</b> | <b>62.95 %</b> |
| PROGRAM EXPENSES                       |                   |                   |                |
| Business Meet Up                       | 88.50             | 125.00            | 70.80 %        |

# Downtown Chico Business Association

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## Budget vs. Actuals: Budget\_FY24\_P&L - FY24 P&L

January - December 2024

|                                               | TOTAL               |                     |                |
|-----------------------------------------------|---------------------|---------------------|----------------|
|                                               | ACTUAL              | BUDGET              | % OF BUDGET    |
| Gift Card Fees                                |                     | 250.00              |                |
| Gift Card Purchases                           | 256.89              | 1,500.00            | 17.13 %        |
| Kiosk Concierge                               |                     | 0.00                |                |
| Other                                         | 1,816.80            | 2,000.00            | 90.84 %        |
| Planters Landscaping/Maintenance              | 4,796.00            | 7,000.00            | 68.51 %        |
| Stewardship                                   |                     | 2,500.00            |                |
| <b>Total PROGRAM EXPENSES</b>                 | <b>6,958.19</b>     | <b>13,375.00</b>    | <b>52.02 %</b> |
| QuickBooks Payments Fees                      | 2,693.22            | 3,300.00            | 81.61 %        |
| Reimbursements                                |                     | 1,500.00            |                |
| Unapplied Cash Bill Payment Expenditure (Old) | 0.00                |                     |                |
| <b>Total Expenditures</b>                     | <b>\$242,143.21</b> | <b>\$400,021.96</b> | <b>60.53 %</b> |
| NET OPERATING REVENUE                         | <b>\$31,964.77</b>  | <b>\$51,034.04</b>  | <b>62.63 %</b> |
| Other Revenue                                 |                     |                     |                |
| Interest Earned                               | 429.81              |                     |                |
| <b>Total Other Revenue</b>                    | <b>\$429.81</b>     | <b>\$0.00</b>       | <b>0.00%</b>   |
| NET OTHER REVENUE                             | <b>\$429.81</b>     | <b>\$0.00</b>       | <b>0.00%</b>   |
| NET REVENUE                                   | <b>\$32,394.58</b>  | <b>\$51,034.04</b>  | <b>63.48 %</b> |

# Downtown Chico Business Association

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## Balance Sheet As of August 29, 2024

|                                        | TOTAL              |
|----------------------------------------|--------------------|
| <b>ASSETS</b>                          |                    |
| Current Assets                         |                    |
| Bank Accounts                          |                    |
| Checking (8207)                        | 66,633.41          |
| Gift Card Checking (3885)              | 3,471.98           |
| NVCF Fund                              | 928.40             |
| Taste of Chico - Savings               | 100.00             |
| <b>Total Bank Accounts</b>             | <b>\$71,133.79</b> |
| Accounts Receivable                    |                    |
| Receivables                            | 23,598.00          |
| <b>Total Accounts Receivable</b>       | <b>\$23,598.00</b> |
| Other Current Assets                   |                    |
| Petty Cash                             | 301.54             |
| Undeposited Funds                      | 2,570.50           |
| <b>Total Other Current Assets</b>      | <b>\$2,872.04</b>  |
| <b>Total Current Assets</b>            | <b>\$97,603.83</b> |
| Fixed Assets                           |                    |
| Accumulated Depreciation               | -5,889.99          |
| Furniture & Fixtures                   | 3,389.99           |
| Vehicles                               | 2,500.00           |
| <b>Total Fixed Assets</b>              | <b>\$0.00</b>      |
| <b>TOTAL ASSETS</b>                    | <b>\$97,603.83</b> |
| <b>LIABILITIES AND EQUITY</b>          |                    |
| Liabilities                            |                    |
| Current Liabilities                    |                    |
| Accounts Payable                       |                    |
| Payables                               | -731.00            |
| <b>Total Accounts Payable</b>          | <b>\$ -731.00</b>  |
| Credit Cards                           |                    |
| TCBK- 2662                             | -5,943.90          |
| TCB-Scott(Greg)-9269                   | 5,891.59           |
| <b>Total TCBK- 2662</b>                | <b>-52.31</b>      |
| <b>Total Credit Cards</b>              | <b>\$ -52.31</b>   |
| Other Current Liabilities              |                    |
| EBT Deposits/Checks                    | -1,589.00          |
| Payroll Liabilities                    | 0.00               |
| CA PIT / SDI                           | 177.77             |
| CA SUI / ETT                           | 194.22             |
| Federal Taxes (941/943/944)            | 1,285.75           |
| <b>Total Payroll Liabilities</b>       | <b>1,657.74</b>    |
| <b>Total Other Current Liabilities</b> | <b>\$68.74</b>     |
| <b>Total Current Liabilities</b>       | <b>\$ -714.57</b>  |

# Downtown Chico Business Association

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## Balance Sheet As of August 29, 2024

|                                     | TOTAL                |
|-------------------------------------|----------------------|
| Long-Term Liabilities               |                      |
| 3CORE Loan                          | 8,080.68             |
| EIDL Loan Payable                   | 136,742.00           |
| <b>Total Long-Term Liabilities</b>  | <b>\$144,822.68</b>  |
| <b>Total Liabilities</b>            | <b>\$144,108.11</b>  |
| Equity                              |                      |
| Retained Earnings                   | -105,450.39          |
| Net Revenue                         | 58,946.11            |
| <b>Total Equity</b>                 | <b>\$ -46,504.28</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b> | <b>\$97,603.83</b>   |

# **DCBA STAFF REPORTS**

# Monthly Report to the Board of Directors

Area of Focus: *Marketing & Communication*

DCBA Staff Lead: Jasmine Garcia

Reporting Period: 8/1 to 8/30



## 1. Ongoing Projects and Progress:

### Project 1 – Taste of Downtown: Digital Marketing Campaign

- This campaign is a continuous promotion maintaining engagement leading up to the day of the event (September 8th) highlighting the restaurant and pub crawl, and free concert. Increasing visibility and brand awareness for participating businesses. Digital promotions commenced on July 8<sup>th</sup>, whereas other marketing efforts such as billboard, tv, etc began until August 5<sup>th</sup>. Within the 4- week period 315 tickets were sold as a direct result of our digital marketing initiatives.
- **Responsibilities:**
  - Content Creation: Crafted compelling visuals and stories to showcase the unique offerings of participating businesses.
  - Social Media Engagement: Ignited meaningful conversations and engagement across our platforms, amplifying participating in the crawl to support downtown merchants.
  - Local Partnerships: Fostered impactful collaborations with local organizations (Explore Butte County, Travel Chico, Discover Chico) to expand our reach and support network.
- **Results achieved:**
  - Impressions: 53,583+
  - Engagement metrics: 3,271+ likes, 918+ shares
- **Businesses featured:** All participating businesses

### Project 2 – Back-to-school/Welcome Wildcats: Digital Marketing Campaign

- This campaign highlighted the downtown businesses and sales in our downtown community with the use of digital marketing strategies. Increasing visibility and brand awareness for businesses.
- **Responsibilities:**
  - Content Creation: Crafted compelling visuals and stories to showcase the unique offerings and events of participating businesses.
  - Social Media Engagement: Ignited meaningful conversations and engagement across our platforms, amplifying downtown merchants' sales and promotions.
  - Local Partnerships: Fostered impactful collaborations with businesses to expand our reach and support network.

- **Results achieved:**
  - Impressions: 19,754+
- Engagement metrics: 1,228+ likes, 88+shares
- **Businesses featured:** Chico Free Spirit Healing, For Elyse, Gentlemen's Barbershop, Hydration Happens, Kat's Meow, Madison Bear Garden, Pita Pit, The Blue Room Theatre, The Outlet by Lulus, The Winchester Goose, etc.

### **Project 3 – ARTober FEST: Digital Marketing Campaign**

- This campaign is a continuous promotion maintaining engagement leading up to events to highlight art, music, and communal celebration in our community with the use of digital marketing strategies. Increasing exposure for participating artists, downtown businesses, and community partnerships.
- **Responsibilities:**
  - Content Creation: Craft compelling visuals and stories to showcase the artistic and cultural diversity.
  - Social Media Engagement: Ignited meaningful conversations and engagement across our platforms, drawing visitors to the downtown area benefiting local businesses and artisans.
  - Email Marketing: Create well-crafted email newsletters that highlight the benefits of participating in ARTober FEST, including key dates, submission guidelines, and any incentives.
  - Local Partnerships: Fostered impactful collaborations (Museum of Northern California Art - MONCA, local educational institutions such as Butte College and Chico State, and diverse array of local artists and organizations) to expand our reach and support network.
- **Results achieved for Social Media:**
  - Impressions: 7,714
  - Engagement metrics: 386+ likes, 90+shares

## **2. Miscellaneous**

- On August 15th, I presented to the Chico State Associated Students Marketing department at the invitation of Anna Paladini, their Marketing Manager, who had been using my social media storytelling strategies for her students. During the presentation, the students were engaged and asked questions about my marketing journey and work with the DCBA. Anna introduced me to CAVE director Katey Vonmosch, whom I had met previously, and we discussed volunteer opportunities with the DCBA. Touring the new office and seeing my name on the Community Affairs Recognition Scholarship Award plaque made the experience feel full circle. I am happy to have opened doors for the DCBA; to promote our events here in downtown, showcase local businesses, and volunteer opportunities.

## **3. Next Month's Priorities**

- Young Entrepreneurs & Thursday Night Marketing Promotion

- Business Highlights - Promotions, grand openings, etc
- Friday Night Concert Promotion
- ARTober FEST/ Fall Events Promotion
- Art & Wine Walk Promotion
- Constant Contact: important reminders/events to shareholders and monthly event guide to the general public

# **BACKGROUND INFORMATION**

# DRAFT DOWNTOWN VACANCY WHITE PAPER & INFORMATION



**Purpose of speaking points/white paper:** The following speaking points/white paper was created in response to DCBA's interest in assisting with the vacant buildings downtown and recent media coverage. Buildings and building vacancies would typically fall under the PBID, building owner organization.

**Recommendation:** The Board at its annual planning meeting discussed the vacant building situation but did not prioritize an action item. However, there has been more media and attention regarding the vacancies in downtown which DCBA should respond and take action where they can. The speaking points/white paper outlines the challenges not just in downtown Chico but nationally regarding retail and office vacancies – there are circumstances beyond building owners that are creating vacancies.

However, it is recommended that DCBA organize an ad hoc task force to include Carrie Welch, Capital Rivers Commercial, an active broker in downtown and others to take action:

1. Present to Board, form a small ad hoc committee re downtown buildings and vacancy,
2. Do a good inventory of the vacant buildings (in process of doing a master list of businesses which has most of the vacant spaces),
3. Strategize what we need to do to fill these spaces,
4. Address issues important to regional or national credit tenant regarding parking,
5. Create DCBA message and story of Why Downtown Chico.

# Downtown Chico's Recovery, Resilience and Revitalization

## 1. Factors Affecting Downtowns and Businesses in the Current Economy

- **Economic Challenges Nationwide:** It is important to recognize that Downtown Chico is not unique in facing challenges; these are issues being experienced across the country. The current economy has put pressure on all downtown areas, particularly those dependent on small businesses. Economic uncertainties, rising costs, and changing consumer habits have made it difficult for many businesses to sustain themselves whether downtown or anywhere in Chico.
- **Vacancy and Downtown Trends:** National trends show an increase in commercial vacancies, especially in downtown areas. This trend is not isolated to Chico but reflects broader economic conditions. Downtowns across the nation are dealing with shifts in retail patterns, with many consumers favoring online shopping or large chain stores over small, local businesses.

There are retail vacancies throughout Chico with a 4-7% vacancy rate depending on the specific center. Downtown stands out as it always has and will continue to be the heart of Chico. National trends are indicating shifts in the types of stores downtown moving from retail to entertainment and services. Chico is fortunate to have a diversity of businesses downtown, over 400 in the core, 70 foodie businesses, and 25+ legacy iconic stores that have been in downtown 20- 30 – 40 and 50 years.

- **Actual Downtown Vacant Buildings:** During July and August 2024 DCBA has been doing a walking survey of Downtown businesses and downtown vacant buildings:

Vacant Buildings in the Downtown core, Broadway & Main include:

- 1) 7 Storefronts on Broadway
- 2) 3 Office spaces on Broadway
- 3) 8 Storefronts on Main Street
- 4) 3 Office space

Vacant spaces off the downtown core:

- 1 Storefront
- 11 Office space

The estimated number of spaces downtown is well over 400 (number of office spaces is not known at this time, some buildings have multiple offices). Appears Downtown is similar to Chico's overall vacancy rate but lower vacancy rate in retail. However, some larger buildings are vacant with some under renovation as well as plans for several vacancies.

- **Comparison of Rental Rates:** Downtown rental rates are competitive to the Chico Marketplace Mall and Meriam Park:
  - 1) Downtown Chico – range \$1.15/SF/Mo to \$1.55/SF/Mo, NNN depending on the building. Restaurant fully turn-key \$2.26/SF/Mo
  - 2) Chico Marketplace – Small specialty space \$1.50/SF/Mo + NNN, larger permanent deals and space \$2.75/SF/Mo + NNN
  - 3) Meriam Park – start at \$2.25/SF/Mo + NNN, higher profile corner buildings start at \$2.75/SF/MO – NNN.<sup>1</sup>

## 2. Other Challenges Faced by Downtown Businesses (not faced by other small businesses)

- **Survival During the Pandemic:** Businesses in Downtown Chico, like many across the nation, faced unprecedented challenges during the COVID-19 pandemic. The lockdowns and restrictions severely limited foot traffic, causing significant revenue losses. Many small businesses struggled to keep their doors open, with some barely surviving, while others, unfortunately, had to close permanently.
- **Shift in Consumer Behavior:** The pandemic accelerated the shift towards online shopping and home delivery services, making it harder for brick-and-mortar stores to compete. Small businesses in downtown areas were especially vulnerable because they rely heavily on local customers and foot traffic.
- **Impact of Homelessness and Public Safety Concerns:** Downtown Chico has faced significant challenges related to homelessness, which has disproportionately impacted the area compared to other parts of the city. The presence of unsheltered individuals in key areas like the plaza can deter customers and create public safety concerns. Businesses have had to invest time and resources into keeping their premises clean and safe to maintain customer confidence.
- **Transition to Parking Kiosks:** The introduction of parking kiosks downtown has been another hurdle. While intending to modernize parking management, the transition has caused confusion and frustration among customers, contributing to a decline in foot traffic. For some businesses, this was the tipping point that led to closures or relocations.
- **Business Transitions:** Despite these challenges, some businesses have successfully transitioned to new ownership, such as Campus Bicycles, Magna Carta, and Bills Town Lounge. These transitions represent resilience and a continued belief in the potential of Downtown Chico.

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<sup>1</sup> Real Estate rents provided by Carrie Welch, CCIM

### 3. Good News and Positive Developments

- **Business Turnover as a Natural Process:** It is important to understand that turnover is a natural part of any downtown ecosystem. While some businesses close, new ones take their place, bringing fresh energy and offerings to the area. This cycle is happening in Chico as well, with several new businesses setting up shop downtown.
- **Chico State Enrollment Rebound:** The return of Chico State students is a positive sign for downtown businesses. As enrollment increases, so does the number of potential customers, which will likely lead to a revitalization of foot traffic and sales.
- **New Businesses and Renovations:** Downtown Chico has seen the arrival of new businesses, which is a testament to its ongoing appeal and potential. Several buildings have undergone renovations to accommodate these new ventures, signaling investment and confidence in the future of the area.
- **Increased Sales Tax Revenue:** Despite the challenges, sales tax data shows that Downtown Chico outperformed other parts of the city in recent periods. This is a strong indicator that there is still significant economic activity in the area and that consumers continue to support downtown businesses.

### 4. Always a Challenge will be the Competition with Big Box Stores and Online Retailers

- **Challenges for Small Businesses:** Downtown Chico's retail environment is primarily composed of small, locally owned businesses. These establishments face stiff competition from big box stores and online retailers, which often offer lower prices and greater convenience. This competition makes it imperative for residents and visitors to prioritize shopping locally to help sustain these small businesses.
- **Shop Small, Shop Local:** Supporting local businesses is more than just a purchase; it is an investment in the community. When consumers shop locally, they help keep money in the community, support jobs, and contribute to the vibrancy and uniqueness of downtown areas like Chico's.

### Call to Action – how the Chico Community can be a part of resiliency:

1. **Community Responsibility:** The future of Downtown Chico is a shared responsibility. For downtown to thrive, it needs the support of the local community. Residents and visitors must choose to shop locally and support small businesses, as these establishments are the backbone of the downtown economy. By doing so, Chicoans can help create a vibrant and sustainable downtown that benefits everyone.
2. **Limit Online Shopping:** Online shopping may be convenient, but it often comes at the expense of local businesses. By limiting online purchases and choosing to buy from downtown retailers, the community can help ensure that these businesses continue to operate and serve as an integral part of Chico's character.