



DOWNTOWN CHICO BUSINESS ASSOCIATION 18-Month Report . August 29, 2024



Table of Contents

Table of Contents	1
Letter from President	2
DCBA Board of Directors	2
Program/Project Updates	4
FOCUS AREA I: ORGANIZATIONAL STRUCTURE.....	4
FOCUS AREA II: EVENTS & PROMOTIONS.....	7
FOCUS AREA III: MARKETING & COMMUNICATION	11
FOCUS AREA IV. PLACEMAKING	14
Financial Report	15
Sales Tax.....	16
Appendix.....	17

Letter from President



City of Chico
c/o Jennifer Macarthy, Deputy City Manager
411 Main Street
Chico, CA 95928

Dear Council,

Subject: Submission of 18-Month Report, Chico Business District Enhancement Program

The Downtown Chico Business Association (DCBA) continues to thank and appreciate the Chico City Council for their continued support of DCBA and its mission to support and promote downtown businesses and downtown as a destination.

Per the Chico Professional Services Agreement, Budget No. 008-000-8801/50572-008-4800 entitled Downtown Chico Business District Enhancement Program dated March 22, 2023, I am pleased to submit the 18-Month Report on behalf of the Downtown Chico Business Association.

The purpose of the *Chico Business District Enhancement Program* is to support DCBA in securing a robust operational structure, enhancing placemaking activities, expanding marketing efforts, and ensuring the success of events bringing visitors, locals, and shoppers to downtown. These efforts aim to revitalize the downtown district and contribute to the prosperity of businesses within our community, particularly following the challenges posed by the COVID-19 pandemic.

DCBA Board of Directors

DCBA BOARD OF DIRECTORS

Greg Scott, President
Chris Daniels, 1st VP
Shari Anderson, 2nd VP
Liza Tedesco, Secretary
Nicole Johnston, Treasurer
Nick Andrew, 5th Street Steakhouse
Mary Hartley, Tom Foolery
Thomas Hightower, Pita Pit
Nicole Hill, Stoble
Michael Lee, Monoma
Julie Lengerich, Collier Hardware
Pat Macias, Arts Alliance
Ian Macmillan, Plumas Bank
Emma Martin, Allies Pub
Steven Stull, CalWater

ADVISORS

Mike Egbert, Chamber of Commerce
Nichole Farley, Explore Butte County
Megan Kurtz, Chico State
Jennifer Macarthy, City of Chico
Luis Moreno, Hispanic Chamber
Brenda Narayan, PG&E
Linda Zorn, Butte College

COUNCIL LIAISON

Dale Bennett, City Council Liaison

DCBA Mission

*Improve, promote and
enhance the experience,
image, arts, culture, place and lifestyle
in Chico's Downtown District.*

DOWNTOWN WELCOME CENTER

338 Broadway [office]
P.O. Box 3098 [mail]
Chico, CA 95928
(530) 345-6500

In accordance with the DCBA Business Plan, the Key Focus Areas are:

1. Organization: The DCBA Board of Directors and staff have diligently followed the DCBA Three-year Business Plan to restructure and rebuild the organization. This includes strengthening our internal operations and improving business assistance programs.
2. Events: DCBA has successfully organized and hosted several signature events, attracting visitors and promoting economic activity in downtown Chico. These events have significantly contributed to the vibrancy and vitality of our community.
3. Marketing: Our expanded marketing efforts have increased visibility for downtown businesses. We have utilized various channels, including social media, newsletters, and partnerships, to promote our events and initiatives.
4. Placemaking: Placemaking activities have been enhanced to create a more inviting and attractive downtown environment. As noted in the DCBA business plan, placemaking is an initiative to be started in Year 2 and includes work efforts on promoting arts, culture and heritage, physical art installations, and collaborative efforts with Butte College, Chico State and local schools, artists, and businesses.

Additionally, enclosed with this report is a review of the sales taxes for the year ending 2023 for downtown Chico. This data provides valuable insights into the economic health of our district and highlights the impact of our collective efforts for 2023. Also included are financial reports as of August 29, 2024.

The DCBA remains committed to fostering a thriving downtown district and ensuring the continued success of our local businesses. We appreciate the City of Chico's ongoing support and partnership in these endeavors.

Thank you for your attention to this report. Please do not hesitate to contact me if you have any questions or require further information.

Sincerely,



Greg Scott
President, Downtown Chico Business Association

Program/Project Updates

Since the 12-Month Report, 1st & 2nd Quarters of 2024, DCBA has been active in all four of DCBA's Business Plan Focus areas. Appendix¹ is Quarter 1-2024 report submitted to the City on April 30, 2024. The following report covers activities during Quarter 2-2024.

FOCUS AREA I: ORGANIZATIONAL STRUCTURE

- The current operational structure of DCBA is working well in managing operations, programs, projects, and finances. Organizational structure is included in Appendix². DCBA has:
 - 1) 15 Directors
 - 2) 7 Advisors (non-voting)
 - 3) 5 Officers forming the Executive Committee
 - 4) Management Team includes President, General Manager, Events Manager, Treasurer, Bookkeeper and President Assistant.
- The President, Greg Scott, has a very active role in management of DCBA programs and projects, meeting bi-weekly with staff on operations and personnel, meeting weekly on administrative and financial oversight.
- The Management Team meets on a regular basis with General Manager Debbie LaPlant Moseley and Events Manager Lucia Mercado.
- The Board of Directors continues to be active meeting monthly and board members participate in planning, committees, and events. The Executive Committee, officers, and staff, also meet monthly prior to the Board Meetings.
- The Board appointed two new advisors: Luis Moreno, 3CORE and Linda Zorn, Butte College. DCBA has partnerships with all advisory member's organizations collaborating and coordinating on different projects and programs to enhance downtown and its economic impact for the City of Chico. The role of the advisors is to fully understand the Board of Directors priorities and DCBA program implementation to leverage resources, opportunities, and outcomes.
- Two City of Chico Arts Commissioners are attending the Board of Directors meetings, as well as working, and coordinating with staff and ARTober Fest committee and ARTS Placemaking initiative.
- The board continues to establish committees to provide oversight by board members to programs, project, and management:

¹ Appendix – Quarter 1-2024 Report to City

² Appendix – Organizational Structure

- 1) Treasurer Nicole Johnson has appointed Michael Lee, Momona's & Realtor, and Ian Macmillan, Plumas Bank as a **Finance Committee** with her for monthly and quarterly financial reviews.
 - 2) During August, the Finance Committee met with DCBA CPA Kevin Thomas to review policies and receive comments and recommendations on finance management and recordkeeping.
- The **Downtown Welcome Center**³ is complete, inviting businesses to participate in showcasing their products in the center. New restaurant maps are being distributed throughout Chico and a retail map is in the works. Staff worked closely with Chico State on Welcome Back Wildcats move-in week in August. The Welcome Center Open House is September 4, 5-7pm.
 - DCBA continues to update operating policies completing eight policies from fiscal operations to code of conduct. During the Quarter, the Board adopted a Fiscal Addendum, Auto Policies and the Executive Committee approved an updated Employee Handbook (last updated 2015).

Focus Area – Advocacy

- During Quarter 1, the board passed a resolution to be more involved with Advocacy as it relates to issues for downtown and business owners. During Quarter 2 DCBA has been active with **Advocacy** in the following areas:
 - 1) Target Team - Working closely with Lt. Ben Love on safety downtown and at downtown events particularly during Thursday Night Market, Friday Night Concert and Chico State's Choose Chico, one of the most successful Choose Chico events with estimated 4,500 parents, students, and families in town. Businesses are excited to see the return of the Target Team.
 - 2) De-escalation Training - DCBA, Plumas Bank and Butte College hosted De-escalation Training⁴ for thirty plus downtown business owners, employees, DCBA staff and Ambassadors. Positive response.
 - 3) Business Assistance - DCBA is promoting programs and grant opportunities to downtown businesses, Main Street \$10,000 grant program for small downtown businesses and a unique restaurant grant.
 - 4) Kiosks – a committee has been established being led by Muir Hughes, Bookstore, to identify where there may still be issues or problems with kiosks working and assisting individuals on how to use.

³ Appendix – ER Article

⁴ Appendix – De-escalation Training

- 5) Trash – working with public works to identify trash, street vendors without licenses and maintenance of the Parking Garage.
- 6) Building Vacancy – this is a new initiative for DCBA. Property ownership typically falls under the preview of the PBID. DCBA has done a first-round walking tour to identify vacancies and types of vacancies, recruited an active downtown broker and drafted a white paper⁵ regarding the challenges of building vacancies in the current economy as well as other factors that contribute to vacancies particularly retail and office. The President will be taking the white paper and recommendation to form a task force, working with the PBID, to the DCBA Board in September to begin to identify strategies for filling spaces.

⁵ Appendix – Downtown Building Vacancies White Paper & Background Information

FOCUS AREA II: EVENTS & PROMOTIONS

Quarter 2 kicks off the season of events starting with the opening of Thursday Night Market (TNM):

- TNM opened April 11 and has continued to have full venue of local vendors and high attendance. See Appendix for opening night report and visit statistics.⁶ The data provided by Placer AI shows a year over year increase of 26.4%, average dwelling time of 72 minutes with a peak 14,000 visits in mid-April, averaging 10,000 visits. See Letter from downtown business, Vang's (a TNM vendor).⁷
- Celebrating Small Business Month (May), TeamChico and 3CORE joined DCBA in offering a young entrepreneurs program providing booth space and mentoring to young entrepreneurs (under 18) to get their start in the market. There have been fifteen young entrepreneurs who signed up for the program (see Young Entrepreneur Feature) Special thanks to Councilmember Deepika Tandon for her leadership and guidance for TNM and this program.
- In addition to Empowering Young Entrepreneurs Program, DCBA promoted 25 Downtown Small Businesses throughout Small Business Month through social media with short videos and interviews.
- DCBA worked closely with Chico State to ensure a clean, safe, and robust Choose Chico Weekend.
- DCBA's first business meet-up of the year drew thirty businesses, city staff and others to discuss programs, projects and listen to businesses.
- Slice of Chico⁸, even with the extreme heat the event had a wonderful turnout for downtown.
- Partnership with CARD on promoting and coordinating the 4th of July parade.
- The Restaurant Committee has been meeting to organize the return of a popular event, Taste of Downtown. With participation of thirty plus restaurants in downtown, Taste of Downtown, a restaurant crawl (tasting passports) will be held Sunday, September 8, 11-4pm with a free concert in the Plaza 3-5pm.
- Committees have been formed for ARTober FEST, a month-long celebration of the arts, partnered with numerous arts organizations and members of the City Arts



⁶ Appendix - TNM Visit Statistics

⁷ Appendix – Letter from Vang's

⁸ Appendix – Slice of Chico

Commission. Also, a committee has been engaged to enhance the Tree Lighting event and Lighting Up Downtown.

- Upcoming events include
 - Taste of Downtown
 - Art & Wine Walk (kicking off ARTober Fest)
 - Harvest Sidewalk Sale
 - Treat Street
 - Christmas Preview
 - Small Business Saturday
 - Tree Lighting.

We thank the many sponsors who support these events and want to express our appreciation to key businesses in their support of providing services and volunteers for these events on behalf of Chico and Downtown:

- Waste Management
- Johnny on the Spot
- Kai Music
- All media partners – Billboards, Television, Radio, and Print

Lamar Advertising, Enterprise Record, Action New Now, Power 102.1, The Blaze 103.5, KZAP 96.7, Thunder 100.7, KPAY Sports 1290, Mix 95.1, KPAY Newstalk 93.9 FM, KZFR 90.1 FM, Bob FM 92.7, Z Rock 106.7 FM

- Chico State
- Chico VIPs
- California Climate Action Corps
- College Corps at Chico State

Stories – Meet the Young Entrepreneurs

Monica Kristiansen (17 years old) is owner of Carnation Crafts & Ceramics and attends Inspire High School.



Ivy Smith (18 years old) is owner of Ivy Made It and attends Inspire High School.



Elliot York (18 years old) is owner of Cappuchico Cafe. Just graduated from Chico High School and attending Butte College in the Fall!



FOCUS AREA III: MARKETING & COMMUNICATION

DCBA has a full calendar of marketing activities including billboards, TV, radio and print ads and a very robust communications strategy with social media, newsletters, and letters from the President⁹, such as introduction and welcoming the Target Team downtown.

- 1) Inbound Marketing - social media has been the main source of communication with continued growth in followers and users:
 - Facebook – 25,308 followers
 - Instagram – 13,119 followers
 - Newsletter – 7,180 subscribers
 - Website – 11,000 organic, 8,000 direct users, 22,000 event counts



Sampling of Posts:

- Downtown Businesses participating at the Thursday Night Market - Link to video here (<https://www.instagram.com/reel/C5Zel-3PGwS/?igsh=MzRIODBiNWFIZA==>)
- Vendor Highlights - Gold City Vintage (link to post: <https://www.instagram.com/p/C538JDcvN7P/?igsh=MzRIODBiNWFIZA%3D%3D>)
- Small Business Month Business Highlights - Link to post here (https://www.instagram.com/p/C6ozG6_Ola4/?igsh=MzRIODBiNWFIZA==)
- AAPI/Small Business Month: Bun Burger - Link to post here (<https://www.instagram.com/p/C7ADnFUPW4F/?igsh=MzRIODBiNWFIZA==>)
- Celebrating Young Entrepreneurs at the Thursday Night Market - Link to post here (<https://www.instagram.com/p/C7P8hJ1vHJy/?igsh=MzRIODBiNWFIZA==>)
- Father's Day promotions - Link to video here (<https://www.instagram.com/reel/C8NHlpcPo-A/?igsh=MzRIODBiNWFIZA==>)

⁹ Appendix – Newsletters



- 2) Outbound Marketing – includes a marketing mix for different audiences including:
- Reprint of Downtown Restaurant Guide, distributed throughout downtown and to hotels.
 - Events Posters – distributed throughout Chico
 - TV commercials
 - DCBA - Thursday Night Market 15 <https://youtu.be/NJ1A9wwwuO9k>
 - DCBA - Dine Drink Dance 15 https://youtu.be/zngsVX3k_e4
 - FNC 2024 15 <https://youtu.be/gAI2Q-jfDBs>
 - Radio commercials
 - Billboards – which garner significant impressions



FRIDAY NIGHT CONCERT



THRU SEPT 27
CHICO CITY PLAZA
7:00PM-8:30PM

SUPPORTED BY:



FOCUS AREA IV. PLACEMAKING

In DCBA's business plan Focus Area Placemaking was to initiative in Contract Year 2. It began in the first quarter of 2024. Activities in placemaking are varied from physical improvements and business activity to arts – *the creation of place that excel through the right combination of physical attractiveness, safety, programs, people, activities, culture, and economic structure.*

- Welcome New Downtown Businesses:
 - Amy Waltz Design
 - Free Spirit Healing Center
 - Momo's Poke
 - Completion and opening of Westport
- Collaborate with TeamChico, on Chico Business Survey
- Collaboration with Butte College, Chico Arts & Culture Foundation, Chico Art Center, MONCA and engaging Chico Arts Commission on creating an Arts Placemaking Initiative to work with businesses and property owners on arts and murals created by students. Also involved are members of the ARTober FEST committee. The goal is to create a program of Placemaking for downtown focused on students.
- Continuing discussions with City on Complete Streets Program.

Financial Report

Included in the Appendix¹⁰ is Financial Statements, Income to Budget January to August 29, 2024 and Balance Sheet. Briefly:

- As of August 20, 2024, Balance Sheet:
 - \$71,134 cash on hand
 - \$23,598 accounts receivable
- As of August 29, 2024, Profit & Loss:
 - \$274,107 revenue, 60% of budget
 - \$242,143 expenses, 60% of budget
 - \$32,394 net review, 63% of budget

Other notes regarding the path to financial stability:

- Nicole Johnston, Treasurer has appointed a Finance Committee which will meet quarterly to review finances. Treasurer does a monthly review and reports to the Board of Directors as well as works directly with DCBA Bookkeeper in review financial transactions.
- A mid-year budget review and projections for July-December revenue and expenses with recommended budget adjustments (minor) were presented and approved by the Board July 18, 2024.
- Event sponsorships are critical to supporting the 10 Signature Events which have also become traditions in Chico. DCBA has created a sponsorship package¹¹ for businesses to select and support events.
- An **Assessment Review Committee** has been established including Greg Scott, President; Nick Andrew, 5th Street Steakhouse; Jennifer Macarthy, City of Chico; Nichole Fairly, Explore Butte County; Mike Egbert, Chico Chamber of Commerce; Nicole Hill, Stoble; and Audrey Taylor, volunteer. The committee has met once to discuss the process of requesting an increase the 1975 assessment to a 2024 assessment. Jennifer Macarthy reviewed with the City Attorney process and procedures and relayed it to the committee. The first thing to be completed was to create a master list of businesses in Zone A and Zone B. This is a missing piece for both the City and DCBA. DCBA staff have completed their first documentation of businesses in the downtown district by a walk/view inventory. That is now being reviewed to identify any missing businesses. Anticipate in September the committee

¹⁰ Appendix - Financial Reports Jan- August 2024

¹¹ Appendix - Signature Event Sponsorship Packet

will be reconvened to discuss the inventory, methodology and completion by end of year.

- **Fundraising Committee** headed by Ian Macmillan, Plumas Bank and involving Patty Hess, 3CORE has been reviewing the potential of structuring various Corporate Donor scenarios to help programs and projects. The committee will be working on programs for potential disruption during Complete Street construction as well as physical enhancements such as lights, awnings, building paint as a potential grant program.

Sales Tax

According to HdL Sales Tax Reports to the City of Chico, 4th Quarter sales tax in downtown was 2% higher than 3rd Quarter Sales Tax. Similar to the current state, national and global economic stress sales tax for the 1st Quarter 2024 was -8% of 1st Quarter 2023.

Appendix

1. Quarter 1-2024 Report to City
2. Organizational Structure
3. De-escalation Training, DCBA, Plumas Bank & Butte College
4. Downtown Building Vacancies – White Paper & Informational Background
5. Thursday Night Market – Article, Statistics
6. Business Letter from Vang's
7. Slice of Chico
8. Communications – Newsletters
9. Financial Report – Treasurer Nicole Johnston, TriCounties Bank
10. Signature Event Sponsorship Package