



Huntington Beach Downtown
Business Improvement District
www.hbdowntown.com

2016 - 2017 BID BOARD MEETING MINUTES

Date: AUGUST 17, 2017
Location: International Surfing Museum
411 Olive Ave
Huntington Beach, Ca 92648

Day: THURSDAY
Time: 9:30AM

- **Call to order:** 9:34
- **Roll Call:** Present: Brett Barnes, Henry Carey, Matt Peterson, Susie Smith, Nicole Thompson, Dick Thorpe, and Bob Bolen. Absent: Keith Breiter, and Steve Daniel.
- **Public Comments:**
 - a. Patrick Brenden (City Council) would like the BID to support the “Dumpsters on Parade” event in October. Citizens Barbara Haines and Kim Kramer have started HB Public Art Alliance to help beautify Downtown. It will add a visual impact and beautify our community.
 - b. Pat Rogers (5th and PCH) would like to work with the BID / Surf City Nights to help with planned events on Tuesday “the 2nd and 4th on 5th”. Pat asked if Halloween and Old School Skate were still taking place on 5th. Need help to improve visibility from Main St to 5th St on Tuesday night’s.
- **Approval of the Minutes** – From BID Board Meeting – July 21, 2017 and August 3, 2017
 - a. Dick Thorpe motioned to approve both minutes, Henry 2nd. All in Favor. Susie abstain. Minutes filed as written.
- **President:**
 - a. Matt welcomed Mary Ann Senske who is acting as our interim BID manager through December 31, 2017 while we find a replacement. She will execute the Events on Calendar as well as day to day duties.
 - b. Matt is stepping in for Steve D as President.
 - I. IDA Report Executive Summary was reviewed by the Committee and recommendations are as follows: Susie Smith reported the *Committees Recommendations* from their meeting referencing pages 2-3 of IDA Executive Summary Report.
 - a. **Immediate IDA Recommendations (0-60 Days):**
 - i. • Proceed with renewal of the existing BID and election of BID board to maintain current services for the next year. Convene a town hall meeting to share findings of IDA Advisory Panel and help establish immediate trust for subsequent community visioning with increased transparency. **Yes is the recommendation. We would like the BID renewed.**
 - ii. • In addition to backfilling existing vacant manager position who will be responsible for carrying on day to day operations, BID board and city

staff should work with the IDA Advisory Panel to secure an interim CEO with specific downtown management experience. The interim CEO will serve as the organizations turnaround manager. Allocate up to \$100,000 for a one-year contract and empower the CEO to lead implementation of both the IDA Advisory Panel and the City Financial Commission recommendations as deemed appropriate. The position should be funded equally through BID and City resources and utilize a three to five person hiring committee with at least one representative from both the BID and the city. **No is the recommendation. The Board can find a suitable permanent replacement.**

- iii. • Cancel the three-year term of Surf City Nights manager and change the contract to month-to-month allowing for future leadership flexibility. **No is the recommendation. The SCN contract has a cancellation clause.**
- iv. • Create a one-year BID work plan consisting of: continuing current services and events, board responsibilities, evaluating the Downtown Huntington Beach 2015-2016 Strategic Plan, establish policies to satisfy Brown Act requirements, curating a social media and communications strategy, and establish a vision for Downtown Huntington Beach BID. **No is the recommendation. The current Board is doing this.**

b. Short Term Recommendations (30-120 Days):

- i. • Review existing stakeholder' vision, master or community plans to align priorities with partner organizations and reflect on the political climate to bridge divides and marginalize negative attitudes. **No is the recommendation. Not necessary at this time as we feel the negativity is behind us.**
- ii. • Take Action (rather than call on the city to act): be hands on, nimble and quick to respond to issues affecting downtown. If the downtown will benefit from immediate, small and actionable adjustments, make them happen. Determine the specific improvements needed in the downtown to support the vision and serve the local businesses. (ex. Directory signage and wayfinding). **Yes is the recommendation. Currently working on this.**
- iii. • Provide a goal statement and/or statement of purpose for each BID event and track all BID successes. **Yes is the recommendation. Office staff will execute this item.**
- iv. • Develop and define the brand narrative, marketing, and communications strategy for HBDBID, inclusive of the vision for Downtown. **Yes is the recommendation. Bob is currently working on this.**

c. In Parallel: Task Force Recommendations: (30 - 270 Days):

- i. • Establish a Property Based Improvement District (PBID). **No is the recommendation. We would consider a Property Owner Association.**
- ii. • Establish a Downtown Visioning Task Force (separate and distinct from the BID board) consisting of downtown businesses, property owners, hoteliers, and city to review current and alternative governance structures and organizational framework. The taskforce will review the recommendation to move forward with the formation of a PBID and make the necessary changes for downtown. As a nonpolitical entity, the taskforce, appointed by the City Manager, will be comprised of major property owners in downtown. **No is the recommendation. We would allow a Residents Committee to report to the Board.**

- iii. • Create a Legacy Advisory Board for the PBID of long standing BID volunteers to ensure historical context and bridge political divides. **No is the recommendation. We do not want a Property BID.**
 - iv. • Develop a comprehensive business plan, organizational structure and long-term targets for capital resources needed to support a comprehensive vision of Downtown Huntington Beach to include current and future professional staff positions needed to implement a property based BID. **No is the recommendation. We do not want a Property BID.**
 - I. Susie added the report suggests the City should pay assessments for their property i.e.: library, museum, art center, parking garage. Matt agrees with having a Property Owners Association. Bob added he has spoken with some owners who like the idea. Matt was very clear that the IDA report are suggestions and we are addressing them appropriately and professionally. The BOD will decide what to implement and what to disregard.
 - a. Brett motioned to approve Committee Recommendations, Henry seconded. All in favor. Bob abstained. Motion passed.
- c. Town Hall Meeting.
- I. Kathleen from IDA will present the report to City Council on 21st. Matt stated we will hold off on halving our Town Hall Meeting until analysis is complete. Matt asked Kellee Fritzal (City of HB) in regards to what the city was looking for from the BID. Kellee stated the city would like to form a task force council and encourage the hiring of someone at a more executive (CEO) level as BID Manager. Someone with HB Main Street background type of experience in other cities. Matt replied that the BID would gladly listen to the City recommendation.
 - a. Susie Smith asked if the IDA report will be reviewed at City Council or if they will even look at our recommendations.
 - b. Kellee responded yes, that she will put them in as “late communications”.
- d. Dumpsters on Parade will be on Main Street in October with 30 rehabilitated dumpsters.
- I. Susie motioned to sponsor 3 dumpsters by donating 3k.
 - a. Brett voiced his concern that this could be viewed as buying silence based on negative comments from Kim Kramer over the last year. Bob agreed with Brett. Nicole inquired if HB Public Art Alliance is a 501c3. Patrick Brenden stated it is currently being processed. Matt suggested to remove history and personalities and just view as a good community project and the beginning of cooperation. Susie felt it was an olive branch and we should take it.
 - i. Susie again motioned to sponsor 3 dumpsters for 3k, Dick seconded. All in favor. Henry no. Motion passed.
- e. Add signers to bank account. Dick Thorpe and Matt Peterson have an additional year on the Board.
- I. At this time we have removed Susan Welfringer from being a signer on the account and cancelled her credit card. Matt stated moving forward the BID Manager should not be a signer on the account or have credit card privileges. Nicole added the bank is not liable when it's an employee. The bank does not verify signatures and it can lead to fraud.
 - a. Matt motioned to add Dick and himself as signers, Susie seconded. All in favor. Motion passed.

- f. Marketworks videos are being produced at 5 per month for 1k.
 - l. Nicole is concerned as to the amount completed and invoiced per month. She wants to insure the contract is being fulfilled.
 - a. Mary Ann will review invoices and pull contract. Update next month.
 - g. Surf-O-Rama:
 - l. Bob is doing a Surf-O-Rama Event on 5th St October 21st. The Shorebreak Hotel has joined the Event. It will include shaping demos, the Van Klan Buses, Woody Club, music and more. He would like to use the BID umbrella for insurance and street closure. Mary Ann stated there are costs to do that.
 - a. Susie motioned to donate 2k for the event, Bob second. All in favor. Nicole and Brett abstained. Motion passed.
 - h. Air Show Exhibition on Main Street-
 - l. Matt Peterson proposes spending up to 15K to create an event on Main St during the Air Show weekend.
 - a. Matt stated the flight box will be 5000 feet closer this year to the Pier and Main St. Matt proposes a 2 day event to bring people up Main St. to include entertainment, static military displays, and security. Nicole added to spin the negative \$35 parking fee into a plus "includes event on Main". Henry shared a list of military items and experiences that could be included. Board discussion continued and the concern was if we still had time to book all aspects for the event. It was agreed to approve the funds up to 15k only if all aspects discussed can be executed. Susie motioned to approve up to 15k for the proposed event, Henry/ Matt seconded. All in favor. Motion passed.
 - i. Susie proposed a budget change to set up a 3 year plan to utilize the Surf City Nights surplus account. Allocating 50K each year for the next three years for special added events, marketing, and beautification costs.
 - l. Brett stated the Finance & Governance committee did this months ago. Brett suggested reviewing the minutes from that meeting.
 - a. Susie motioned to approve the budget change. The 2017-2018 budget cannot be changed. Recommended to include in 2018-2019 budget moving forward. Table voting for future board.
- **Treasurer's Report:**
 - a. Brett presented financials for June and July 2017. Stated there is nothing out of the ordinary just behind in some assessments.
 - l. Brett motioned to accept financials, Henry seconded. All in Favor. Financials filed as reported.
 - **Committees & Updates:**
 - a. Finance Committee – nothing to report
 - b. Beautification Committee – nothing to report
 - c. Surf City Nights – nothing to report
 - d. Nominating Committee- see minutes for election timeline
 - l. Susie does not agree with the last paragraph. Nicole explained it refers to the Bylaws. Susie feels it's only fair to use the next in line off the ballot to replace a BOD. Nicole replied it will be up to the next President on how to handle in the event of replacing Board member.
 - **Staff Reports:**
 - a. **BID Manager, Mary Ann Senske**, Art in the Park on the 26th of this month. LuAnn and Kate Hoffman are a big help. The Aloha Festival, and the Air Show plus the Dumpsters on Parade will create a lot of buzz for downtown and we will be very busy the next few months. Matt Peterson stated in the future there needs to be a master binder in office of all events with a budget for each event. We need to see if these events are beneficial to the BID and to our businesses. It's important that each event have a

ROI so the board can assess each event before we commit to another year". Mary Ann agreed that moving forward she will keep an updated budget list for each event and present to the board for review.

- b. Surf City Nights Manager, Mary Ann Senske**, Mary Ann commented that Surf City Nights is doing well and that summer is coming to an end. She stated the budget is on track. Surf City Night Taco challenge is coming soon. National Taco day is October 5th. Mary Ann is planning on having this finished and promoted by that date.

- **City of HB Business Development Update:**

- a.** Kellee Fritzal suggested Dan Ole give a presentation to BID BOD Review Brown Act procedures. We asked to wait until October for the new Board. Kellee stated the BID is on the Agenda for Monday night's City Council Meeting. She added Kathleen from IDA will present their findings of the Executive Summary Report.

- **City Council Comments: Councilpersons Brenden, Peterson & Posey** – no comments

- **Old Business:** 4th of July chalk STILL remains on the street. One issue is ABC used paint on the street. This continues to be a lingering issue year after year. Matt wants to be clear for next year what the expectations from the 4th of July committee and the City are for cleanup regarding the chalk for the 4th of July parade.

- **New Business:** Mary Ann has found a storage option that is closer and larger than the BID current storage. She wants to do this immediately before it's gone. The board agreed and Mary Ann will move forward.

- **Board Comments/Announcements:** Brett wants include on the next Agenda to discuss Mary Ann's compensation. It is not standard business practice to receive two salaries.

- **Adjournment – Meeting adjournment**

- a.** Next meeting: Thursday, September 14th, 9:30 AM at the HB International Surfing Museum.

In accordance with the Ralph M Brown Act, Huntington Beach Downtown BID agendas are available for public review outside the City of Huntington Beach Council Chambers at 2000 Main Street at least 72 hours prior to each meeting. Questions on agenda items may be directed to Mary Ann Senske, BID Manager, at 714-536-8300.