

The Public can join the CCBD Board Meeting via the following options

- Join Zoom Meeting via Computer

Link: <https://us02web.zoom.us/j/89734114044?pwd=aDNrUGVCdFhFTXg0Qm9XTIB3YXlrUT09>

- Meeting ID: 897 3411 4044 Passcode: 066404
- Mobile access Download Zoom App:
 - ❖ + 16699009128,,89734114044#
- Dial in option:
 - ❖ + 1 669 900 9128 ID: 897 3411 4044
- CCBD Meeting packet can be found at <https://downtownsandiego.org/build-your-business/bid/>

3:30 CALL MEETING TO ORDER | Greg Block - Chairperson

- Introductions
- Non-Agenda Public Comment
- Board Members Roll Call

DIRECTORS UPDATES | Alex Gutierrez

FY22 Narrative and Budget

- Introduction to City Center
- City Center Survey Review
- FY22 Narrative Review
- FY22 Budget Allocations
- FY20 BID Performance Metrics

ACTION

- Accept the FY22 Narrative and Budget | **ACTION** | Greg Block

CONCLUSION | Chairperson

- Agenda Public Comment
- CCBD Board Meetings (**All meetings are called to order at 3:30p.m.**)

FY21

- ❖ March 23, 2021

ADJOURN | Chairperson



Date: February 1, 2021

Narrative of Proposed Activities for FY2022

To: The Office of Small Business and Economic Development

From: Alex Gutierrez, Director of Special Districts, Downtown San Diego Partnership

RE: City Center Business District (Downtown BID) 2021-2022 Narrative

The mission of the City Center Business District is to invest in the vitality of the district by prioritizing marketing and economic development. This is done through a focused vision to continue thriving as Downtown San Diego's Economic Center.

The City Center Business District has felt a significant economic impact due to the COVID19 crisis. Based on an internal assessment of the Districts Master File; the Districts economic structure is made out of 82% enterprise, 15% storefronts, 2% theaters, and 1% hospitality. The economic engine of the district operates from 8am to 6pm, this is due to enterprise industry being the primary customer. The implementation of COVID workplace restrictions moved the districts primary customer to a remote workplace, outside of the district. This created a negative economic impact for ground floor businesses. The district also houses two important industries for Downtown San Diego: theaters, and hotels. These two industries infuse revenue for the sustainability of Downtowns economic structure. Between March and December of 2020, district businesses have reported revenue losses between 70% to 90%. Therefore, our primary objective for FY22 is to focus on reenergizing the economy of the City Center Business District. The following are our three focus areas for FY22.

Focus Areas

1. Reenergize City Center Business District Economy

To strategically invest our time and resources into the recovery by implementing a reopening plan that benefits business owners and their employees.

Outreach and Publications

The association's outreach and promotion activities include:

- Storefront Committee Publications and Marketing

- Storefront committee is tasked by the CCBD Board to engage storefront business owners and build a platform where their business needs are discussed. This committee will assist in event programming and material development to increase the footprint of Downtown residents, employees, and tourist into our CCBD ground level businesses.
- Production and Distribution of Annual Report Postcard
 - Postcard highlights some of the Districts streetscape improvements, such as placemaking, banners, events, and annual meeting, distribution takes place every November.
- City Center Business District Website (Downtown BID)
 - Manage updates and address issues with the site's information. This includes BID business directory and interactive map where the end user can find information regarding each business in the District.
- Social Media Promotion
 - Manage social media post and promotions to increase brand awareness, and audience engagement with District businesses.

2. Champion and Nurture the City Center Experience

Expand the communications of the District by marketing the rich history of BID businesses through programming and streetscape improvements.

Special Projects and Events

- New Business Support
 - Work with new ground level businesses by supporting grand opening ribbon cutting events and promotion.
- Banner and Branding Program
 - Update current banners, expand new installation footprint, and install seasonal banners to enhance the District brand.
 - District branding activities that include branding research and development.
- Business Networking Events
 - Create networking opportunities for ground floor business owners to network with the District enterprise companies.
 - Board Planning Sessions and Retreats
- Reopening Events
 - Manage events that will assist District businesses recover from the COVID financial impact.
 - Such as:
 - ✓ Summer Kickoff
 - ✓ Health and Wellness
 - ✓ Holiday Market

- ✓ Loyalty Program
- Streetscape Furnishing
 - Closely work and support partner organizations to ensure that PROW projects, in the District, represent the workplan the Board, Committees, and businesses have approved. This includes, but not limited to:
 - ✓ Downtown San Diego Partnership
 - ✓ DSDP Placemaking Committee
 - ✓ Clean and Safe
 - ✓ Civic San Diego
 - ✓ SANDAG
 - ✓ City of San Diego
 - ✓ Public Spaces Foundation

3. BID Excellence

Focus on staff development and maintaining a strong Board foundation to reach external initiatives for the building of the Districts business network and communications.

Personnel and Operating

Personnel and Operating expenses support the functioning of the Association including:

- Coordination of marketing, events, and programming
- Coordination of business mixers and trainings
- Preparation and noticing for Board meetings
- Staff salary/wage, benefits, taxes, and insurance
- Maintenance of office (and meeting space) and associated utility expenses
- Bookkeeping, bill-paying, and management of cash flow
- Preparation of required reports and reimbursement requests
- BID Insurance

Notes/Comments and Contribution for Other Sources

- The Downtown San Diego Partnership also oversees the operation of a Property Based Improvement District, known as Clean and Safe. This program supports the BID by providing enhanced maintenance, safety, and beautification services within the BID area.

FY22 BID ASSESSMENT BUDGET WORKSHEET

Enter Nonprofit Management Organization Name Here

Enter BID Name Here

<u>Anticipated Available Assessment Revenue</u>	<u>Total</u>	<u>Anticipated Unreconciled FY21 Assessments</u>	<u>Projected FY22 Assessments</u>	<u>Carry Forward</u>
Anticipated Unreconciled FY21 Assessments (Unexpended as of June 30, 2021)	\$3,000	\$3,000	--	--
Projected FY22 Assessments	\$101,400	--	\$101,400	--
Anticipated FY21 Assessments Exceeding Approved Budget (Carry Forward / Residual Assessments)	\$0	--	--	\$0

<u>Anticipated Assessment Expenditures (QuickBooks Categories)</u>	<u>Total</u>	<u>Anticipated Unreconciled FY21 Assessments</u>	<u>Projected FY22 Assessments</u>	<u>Carry Forward</u>
Personnel/Staffing	\$41,000		\$41,000	--
Office/Operational	\$20,000		\$20,000	--
Communications/Website	\$8,000	\$3,000	\$5,000	--
Design/Improvements	\$3,500		\$3,500	--
Business Promotion/Development	\$7,000		\$7,000	--
Special Events	\$21,084		\$21,084	--
Other Activities	\$0			--
Contingency (Budgeted)	\$3,816		\$3,816	--
Anticipated Carry Forward	\$0		--	\$0
Total	\$101,400	\$3,000	\$101,400	\$0

<u>Organization's Budgeted FY22 Gross Revenue</u>	
Non City Administrated Funds	\$0
Private Fundraising / Sponsorships	
Donations	
Associate Membership	
Events	
Programming	
Other Local Government Funds	
State or Federal Grants	
Private Grants	
Other	
BID Assessment Funds	\$101,400
Other City Administered Funds	\$289,000
Maintenance Assessment District (MAD) Assessments	
Property & Business Improvement District (PBID) Assessments	\$89,000
Community Parking District (CPD) Revenues	\$200,000
TOT (EDD Funding or Arts & Culture) Grants	
Community Projects, Programs & Services (CPPS) Grants	
Small Business Enhancement Program (SBEP)	
Other	
Total	\$390,400

In the cell to the right, please enter the nonprofit

Key

- Beige cells indicate an opportunity to input information.
- Grey cells indicate that no input is needed / appropriate.
- White and blue cells are calculations or cells in which information has been input by Economic Development Department staff.
- Blue cells are only to help when reading across columns. They are not indicating a difference from white cells.

City Center Business District (Downtown BID)

***Data will reflect FY2020**

Performance Metric: Ratio of annual BID assessment amount to total annual operating budget

BID Assessments Only	Estimated Contribution from Association Activities	Ratio (Assessments : BID Activities)
\$ 107,400	\$ 0	0

Data Source: BID Annual Budget

[Table or another format](#)

Narrative

The annual budget was forecasted by reviewing two prior years.

Performance Metric: Net of all gains and losses in businesses

Number of Businesses	Business Losses	Business Gains	Net
959	NA	21	+21

Data Source: City of San Diego TTCS Report (July 1, 2019 and June 30, 2020)

[Table or another format](#)

Narrative

The above business metrics show that new businesses had been entering the district and assisting in recovering from the FY19 metric analysis that showed a decline. During the FY19 review, the District had seen a decline of 6.2% which took the numbers from 1,001 to 939. During the data pull for FY20 the District had a recovery of 2.1%, this could be contributed to some ground floor reconstruction like Tower 180, US Grant C Street office space, and CVS opening at Broadway and 4th.

Performance Metric: Net of all gains and losses in jobs

Number of Jobs	Job Losses	Job Gains	Net
8198	NA	221	+221

Data Source: City of San Diego TTCS Report (July 1, 2019 and June 30, 2020)

[Table or another format](#)

Narrative

Jobs in the City Center Business District (Downtown BID) saw a growth throughout FY20, it began with 7,877 on June 2019 and ended with 8198 on July 2020, this was a 4.1% growth. Job growth has been strong since FY19 data was analyzed with a total of 11.7% growth between both fiscal years (FY19 & 20). This growth could have also been contributed to some ground floor reconstruction like Tower 180, US Grant C Street office space, and CVS opening at Broadway and 4th.

Performance Metric: Ground floor vacancy rate

Ground floor vacancy rate may vary depending on property category, such as a retail, office or mixed-use commercial. Specify rates for as many categories as needed. (* if necessary)

Ground floor vacancy rate (Hospitality)	Ground floor vacancy rate (Office)*	Ground floor vacancy rate (Retail)*
3.8%	10.5 %	5.1 %

Data Source: CBRE | Pacific Southwest Research

[Table or another format](#)

Narrative

The data for these ground floor vacancy rate categories were generated by CBRE on behalf of the BID. Due to the dynamic nature of downtown’s mixed-use building product, the data can be inconsistent when differentiating the ground floor vacancy with the rest of the high-rise offices and retail component. In other words, 10.5% of first floor office space is vacant, but those spaces could be retail spaces or office spaces. The vacant suites are all offered as office/retail and often do not distinguish the space use. Additionally, the hospitality industry has a similar ground floor function when it comes to office, restaurants, and retail. These vacancy percentages are more defined once ground floor office spaces have been leased and a business is operating. We feel this will yield the most accurate and relevant data for review.

Performance Metric: Average rental rate per square foot

Average rental rate may vary depending on property category, such as a retail, office or mixed-use commercial. Specify rates for as many categories as needed. (* if necessary)

Average rental rate (Hospitality)	Average rental rate (Office)*	Average rental rate (Retail)*
\$ 2.29 per SF	\$ 2.47 per SF	\$ 2.80 per SF

Data Source: CBRE | Pacific Southwest Research

[Table or another format](#)

Narrative

The square footage rental rate is indicated by categories of industry. Each industry places the price off square footage based on the available space and type of allowed business in each category.

