



DOWNTOWN ACTION ORGANIZATION (DAO)

Board Meeting

October 20, 2021

9am

Virtual Meeting

Zoom Meeting ID: 806 654 7370

Passcode: Downtown

Phone: 669-900-9128, Meeting ID: 806 654 7370, Passcode: 93058399

AGENDA

- 1.0 CALL TO ORDER** Natalie Balfour
- 2.0 PUBLIC COMMENTS ON NON-AGENDA ITEMS (limited to two minutes each)**
Comments from the public will be allowed on all agenda items at the time each item is called.
- 3.0 CONFLICTS OF INTEREST OR ABSTENTIONS** Natalie Balfour
- 4.0 CONSENT ITEMS** Natalie Balfour
4.1 September 15 Meeting Minutes
- 5.0 FINANCIAL REPORT** Joe Dietzen
Board will review and approve DAO financial statements ending September 30
- 6.0 EXECUTIVE DIRECTOR REPORT** Cadance Hinkle Allinson
Update provided on StreetPlus, Downtown Subcommittee, Courthouse Square activities and beautification efforts
- 7.0 IMPACTS OF HOTEL AZURA / MICKEY ZANE PLACE** Hugh Futrell
Discussion about potential negative impacts of Mickey Zane Place on Downtown District
- 8.0 DISCUSSION AND POSSIBLE ACTION REGARDING PROPOSED All
POTENTIAL PARKING LOT / GARAGE CONVERSIONS**
Discussion and possible action around future City projects for development of
garage/parking lots that could impact Downtown
- 9.0 ADJOURNMENT** Natalie Balfour

DOWNTOWN ACTION ORGANIZATION (DAO)
Board Meeting
September 15, 2021, 9am
Zoom Meeting ID: 806 654 7370, Password: Downtown
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Present: Leeanna Ausiello-Kane, Natalie Balfour, Zach Berkowitz, Pauline Block, Sonu Chandi, Raissa de la Rosa, Joe Dietzen, Hugh Futrell, Caitlin Kurasek, Bernie Schwartz, Steven Stankovich

Absent: Charles Evans, Tom Robertson, Peter Stanley, Doug Van Dyke

Santa Rosa Metro Chamber Staff: Cadance Hinkle Allinson

MINUTES

1.0 CALL TO ORDER

Chair Natalie Balfour called the meeting to order at 9:02am.

2.0 PUBLIC COMMENTS ON NON-AGENDA ITEMS (limited to two minutes each)

There were no public comments at this time.

3.0 CONFLICTS OF INTEREST OR ABSTENTIONS

There were no conflicts of interest or abstentions.

4.0 CONSENT ITEMS

4.1 Motion to approve consent item, August 18, 2021 Board Meeting Minutes was unanimously passed.

5.0 FINANCIAL REPORT APPROVAL

Joe Dietzen shared that the budget is tracking well. Expenses look better than budgeted but that's primarily due to staffing with StreetPlus contract.

Motion to approve the financial report as presented was unanimously passed.

6.0 EXECUTIVE DIRECTOR REPORT

Cadance Hinkle Allinson shared the following updates:

The StreetPlus team is still short two staff members, but they are interviewing and beginning to discuss alternative plans and schedules should they be unable to hire.

There have been some very positive steps forward with the Downtown Enforcement Team trying to address the concerns around the homeless population, but it remains a difficult and ongoing issue.

New lighting has been installed across 4th Street at the intersection of B. The Design & Improvement Committee will determine if additional installations across 4th will happen later this year.

Plants have been updated and StreetPlus has committed to maintaining them.

Parklets on the 500 Block should be reduced by the end of the month, but all parklets will be allowed to remain until the permanent program goes into place later this year. They will either have to completely remove the parklets or comply with the new regulations.

Raissa shared that she thought the parklet program was going to council in November.

Over the next month, Cadance will be working to address the media boxes and clearing out the unused ones. She is also working to set a meeting with the Mayor and Councilmember Tibbets about parking in 2022.

The Community Engagement Committee is looking for a new meeting date and time. Cadance will share once confirmed.

The End of Summer Block Party is taking place on Saturday and a lot of businesses are involved, which has been a positive. Volunteers are still needed if anyone is available.

The Fall Fun Fest on October 29 will include business trick or treating, carnival games and inflatables, a costume contest with Amber & Tanner and a movie night featuring Hocus Pocus.

The Synthetic Ice Rink, part of the Chamber's Winter Lights event, will be operating from November 18 through January 9. There are great sponsorship opportunities if anyone is interested in learning more.

Pauline shared that the Selection Committee for the 5th Street Garage installation is recommending Rough Edge Collection's artwork to be the chosen piece. The Art in Public Places committee will review and hopefully approve at their next meeting and the project will get underway in 2022.

7.0 APPROVAL OF BYLAW REVISIONS

Cadance shared the primary changes to the bylaws were to make clear the connection to the 1994 Act, bring in previously approved language around the Board member nomination process and clarify the Conflict of Interest policy. She read through all the proposed changes provided in the agenda packet.

Discussion ensued around Santa Rosa being a Charter City and the DAO operating under the 1994 Act.

Hugh clarified that the DAO, the nonprofit organization that serves as management group of the District, is not the same as the District. He reiterated that the board is a self-interested entity that falls under the 1994 Act, which makes specific reference to owners associations and is the reason why the DAO does not operate like a typical nonprofit organization. The changes to the bylaws are meant to provide further clarity to that topic.

Hugh also clarified that there is an existing conflict of interest policy requiring no self dealing, in the Bylaws and the additions to the policy in Section 13.5 are meant to ensure complete transparency. DAO Board members are not public officials so the conflict of interest rules that apply to public officials, are not relevant to the DAO board.

Due to the self-interested nature of the organization, the additional conflict of interest policy addresses very specific circumstances when a single member/property owner benefits from a potential decision that could also cause detriment to another member/property owner. Under those specific circumstances, board members should recuse themselves from taking any action, but the Chair can request information from the recused party. When no action is being taken, no recusal is needed.

This language was added in respect to Simon's involvement in the Civic Center relocation, but is relevant for any member of the board participating in future decisions under which the specific conditions are met.

There is no suggestion that Simon has interfered with the process in any way to this point. Discussion around the Civic Center moving forward will likely be purely informational and no recusal would be required unless specific action is taken.

Cadance talked through Section 7.2 which references the nomination process that will take place in the coming months. Natalie will select a nominating committee of at least three people, one of whom must be on the Executive Committee. The nominating committee, through Cadance, will solicit nominations to join the board and will review the candidates before making a recommendation to the board at the first meeting of the year. The specific approval process that will take place during that meeting has been included as Exhibit B.

A motion was made to accept the Bylaw changes as presented and was passed by all members present except for Stevan Stankovich who abstained from voting.

8.0 ADJOURNMENT

Chair Natalie Balfour adjourned the meeting at 9:48am.

Downtown Action Organization Incorporated

Balance Sheet

As of September 30, 2021

	Sep 30, 21
ASSETS	
Current Assets	
Checking/Savings	
1000000 · DAO OPERATING FUNDS	
1000100 · Earmarked Project Cash-Poppy	149,192.45
1001000 · District Funds Savings-Poppy	273,552.22
1010000 · DAO Operating-Poppy	3,533.91
Total 1000000 · DAO OPERATING FUNDS	426,278.58
Total Checking/Savings	426,278.58
Other Current Assets	
1100000 · District Revenue Receivables	343,475.20
Total Other Current Assets	343,475.20
Total Current Assets	769,753.78
TOTAL ASSETS	769,753.78
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	36,021.38
Total Accounts Payable	36,021.38
Other Current Liabilities	
2300000 · Deferred Revenue - District Rev	133,256.25
Total Other Current Liabilities	133,256.25
Total Current Liabilities	169,277.63
Total Liabilities	169,277.63
Equity	
32000 · Unrestricted Net Assets	519,759.63
Net Income	80,716.52
Total Equity	600,476.15
TOTAL LIABILITIES & EQUITY	769,753.78

2021 DAO Budget and Cash Flow Projection															
Income	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total	YE Projection	\$ From Budget
Starting cash at 1/1/21	\$42,799														
District Assessments	\$347,663	\$0	\$0	\$0	\$181,968	\$0	\$0	\$7,582	\$0	\$0	\$0	\$0	\$537,213	\$537,213	\$0
Events/Programming	\$0	\$0	\$0	\$0	\$12,500	\$0	\$30,000	\$1,500	\$5,757	\$0	\$0	\$0	\$49,757		
Interest Income	\$0	\$0	\$0	\$0	\$0	\$443	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$0
Sub Total	\$390,462	\$0	\$0	\$0	\$194,468	\$443	\$30,000	\$9,082	\$5,757	\$0	\$0	\$0	\$587,970	\$587,970	\$0
Cash at Beginning of Month	\$390,462	\$351,780	\$314,741	\$273,912	\$429,601	\$388,733	\$374,955	\$330,324	\$297,504	\$252,758	\$204,683	\$155,608			
Expense															
StreetPlus Contract	\$26,166	\$23,023	\$27,800	\$26,189	\$24,209	\$24,889	\$21,917	\$19,801	\$19,243	\$27,083	\$27,083	\$27,083	\$325,000	\$294,487	\$30,513
Santa Rosa Metro	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$150,000	\$150,000	\$0
Insurance/Taxes	\$0	\$0	\$31	\$74	\$0	\$0	\$0	\$0	\$0	\$2,500	\$5,000	\$2,500	\$10,000	\$10,105	-\$105
Annual Priorities	\$0	\$0	\$0	\$0	\$195	\$2,400	\$0	\$0	\$3,820	\$3,750	\$3,750	\$3,750	\$45,000	\$17,665	\$27,335
Project Maintenance	\$0	\$1,500	\$450	\$0	\$0	\$0	\$0	\$0	\$0	\$417	\$417	\$417	\$5,000	\$3,200	\$1,800
Website/Marketing	\$0	\$0	\$0	\$0	\$48	\$0	\$0	\$107	\$279	\$125	\$125	\$125	\$1,500	\$809	\$691
Events/Programming	\$0	\$0	\$0	\$0	\$4,343	\$3,973	\$19,140	\$5,657	\$8,740	\$1,500	\$0	\$0	\$43,354	\$43,354	\$0
Misc. Direct Expense	\$16	\$16	\$48	\$16	\$16	\$16	\$157	\$512	\$163	\$200	\$200	\$200	\$2,400	\$1,559	\$841
Contingency (6% - \$31,776)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,781	\$0	\$32,000
Sub Total	\$38,682	\$37,039	\$40,829	\$38,779	\$41,311	\$43,778	\$53,713	\$38,577	\$44,745	\$48,075	\$49,075	\$46,575	\$614,035	\$521,179	\$92,856
Account Balance	\$351,780	\$314,741	\$273,912	\$235,133	\$388,290	\$344,955	\$321,242	\$291,747	\$252,758	\$204,683	\$155,608	\$109,033			

Downtown Action Organization Incorporated

Profit & Loss Budget Performance

Accrual Basis

September 2021

	Sep 21	Budget	\$ Over Budget	% of Budget	Jan - Sep 21	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense									
Income									
4100000 · District Assessments	44,418.75	44,418.75	0.00	100.0%	399,768.75	399,768.75	0.00	100.0%	533,025.00
4100002 · Interest Income	399.67	250.00	149.67	159.9%	1,298.30	750.00	548.30	173.1%	1,000.00
4200000 · DAO Activities									
4200001 · Earmarked Project Funding	0.00	0.00	0.00	0.0%	5,250.00	0.00	5,250.00	100.0%	0.00
4200002 · Events/Programming	757.00				49,757.00				
Total 4200000 · DAO Activities	757.00	0.00	757.00	100.0%	55,007.00	0.00	55,007.00	100.0%	0.00
Total Income	45,575.42	44,668.75	906.67	102.0%	456,074.05	400,518.75	55,555.30	113.9%	534,025.00
Expense									
5100000 · PRIMARY DISTRICT SERVICES									
5100001 · Street Plus Contract	19,234.43	27,083.33	-7,848.90	71.0%	213,427.66	243,750.01	-30,322.35	87.6%	325,000.00
Total 5100000 · PRIMARY DISTRICT SERVICES	19,234.43	27,083.33	-7,848.90	71.0%	213,427.66	243,750.01	-30,322.35	87.6%	325,000.00
5200000 · DISTRICT IMPROVEMENTS									
5200001 · Annual Priorities	3,820.00	3,750.00	70.00	101.9%	6,415.00	33,750.00	-27,335.00	19.0%	45,000.00
5200002 · Project Maintenance	0.00	416.67	-416.67	0.0%	1,950.00	3,749.99	-1,799.99	52.0%	5,000.00
5200003 · Website/Social Media	278.95	125.00	153.95	223.2%	433.80	1,125.00	-691.20	38.6%	1,500.00
5200004 · Fountain Expenses	0.00	0.00	0.00	0.0%	190.00	0.00	190.00	100.0%	0.00
Total 5200000 · DISTRICT IMPROVEMENTS	4,098.95	4,291.67	-192.72	95.5%	8,988.80	38,624.99	-29,636.19	23.3%	51,500.00
5300000 · MARKETING									
5300001 · Events/Programming	8,739.88				39,352.10				
Total 5300000 · MARKETING	8,739.88				39,352.10				
5400000 · DISTRICT MANAGEMENT									
5400001 · SR Metro Chamber Contract	12,500.00	12,500.00	0.00	100.0%	112,500.00	112,500.00	0.00	100.0%	150,000.00
5400003 · Insurance/Taxes	0.00	0.00	0.00	0.0%	104.86	0.00	104.86	100.0%	10,000.00
5400004 · Misc Direct Expenses	163.12	200.00	-36.88	81.6%	984.11	1,800.00	-815.89	54.7%	2,400.00
Total 5400000 · DISTRICT MANAGEMENT	12,663.12	12,700.00	-36.88	99.7%	113,588.97	114,300.00	-711.03	99.4%	162,400.00
5500000 · CONTINGENCY									
5500001 · Contingency - Misc Expense	0.00	2,666.67	-2,666.67	0.0%	0.00	23,999.99	-23,999.99	0.0%	32,000.00
Total 5500000 · CONTINGENCY	0.00	2,666.67	-2,666.67	0.0%	0.00	23,999.99	-23,999.99	0.0%	32,000.00
Total Expense	44,736.38	46,741.67	-2,005.29	95.7%	375,357.53	420,674.99	-45,317.46	89.2%	570,900.00
Net Ordinary Income	839.04	-2,072.92	2,911.96	-40.5%	80,716.52	-20,156.24	100,872.76	-400.5%	-36,875.00
Net Income	839.04	-2,072.92	2,911.96	-40.5%	80,716.52	-20,156.24	100,872.76	-400.5%	-36,875.00