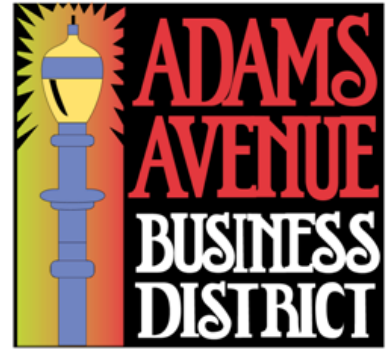


2017 *Annual Report*



of the Adams Avenue Business Association

2018 Annual Breakfast Meeting

As a member of the Adams Avenue Business Association (AABA), you are invited to our Annual Breakfast Meeting scheduled for Tuesday, Jan. 30 from 8-9:30 AM at El Zarape Mexican Restaurant, 3201 Adams Avenue. If you have received this annual report in the mail, you are likely a member of the association via payment of either a Business Improvement District (BID) or Maintenance Assessment District (MAD) fee. Please join us to socialize with your

neighboring business and property owners, and sample breakfast cuisine prepared by El Zarape. The annual meeting is also the time we elect the 2018 Board of Directors, review the past year's accomplishments, and hear from our elected officials. This year we will recognize two long time community activists, Lois Miller and Gary Weber, and SDPD Community Service Officer Jenny Hall, while celebrating Adams Avenue's ongoing revitalization.

Please RSVP as soon as possible for planning purposes by either calling (619)282-7329, or emailing craig@adamsavenuebusiness.com. A \$10 payment for the breakfast is due at the door. We hope to see you all there!

ANNUAL BREAKFAST

**El Zarape Mexican
Restaurant**

1/30/18 8-9:30am

Adams Avenue Business Association/Business Improvement District

The AABA was formed in 1985 for the purpose of revitalizing and marketing the Adams Avenue business corridor. The Association is a registered California nonprofit corporation. The AABA is under contract with the City of San Diego to administer a BID program. The City collects an annual BID fee from each registered business license holder within the Adams Avenue BID boundaries. The BID runs from Vista St. in Kensington through Normal Heights to Arizona St. in University Heights. These BID funds are invested in marketing and promotional activities by the AABA. The \$46,700 in annual BID assessments contributed by the Association's 600 business members in FY '17, were leveraged by the AABA to provide a \$525,000 operating budget. The AABA oversees a diverse work plan that includes special events, marketing & branding, avenue maintenance, weekly committee meetings, management of community assets, community planning, and advocacy. Partnering with local business operators, property owners, and government agencies, the AABA seeks to improve the economic and physical conditions of the business district. The Association is overseen by a 15-member Board of Directors selected from the membership.

Maintenance Assessment District

AABA property-owner members, are assessed an annual fee to fund physical improvements, maintenance and beautification activities. These are enhanced services beyond what the City normally provides. These MAD fees underwrite approximately \$60,000 of annual benefits. The MAD boundaries roughly correspond to the area's BID boundaries. The AABA is under contract with the City to administer the MAD services. MAD-funded activities include: sidewalk sweeping and power washing, banner programs, trash collection, graffiti control, and tree maintenance. The AABA uses a mix of contractors and employees to provide these MAD services. The AABA subsidizes the MAD with its own earned income and grant funds to further enhance Adams Avenue's physical environment. In 2017, the AABA eliminated 200 sidewalk trip hazards, thanks to a grant from Supervisor Ron Roberts. The Normal Heights CDC contributed \$4,500 towards the \$12,000 rehabilitation of the Normal Heights Neon sign.

Special Events

2018 Special Event Dates

Adams Avenue Unplugged	April 28
Taste of Adams Avenue	June 24
Adams Avenue Street Fair	Sept. 29 & 30
Adams Avenue Spirit Stroll	Nov. 24
Holiday on Adams	Dec. 9

Adams Avenue Street Fair

The Adams Avenue Street Fair is the AABA's signature promotion and San Diego's largest free music festival. The 36th annual edition, held September 30 and October 1 2017, featured 90 bands performing on six stages, 290 vendors spread along seven blocks of Adams Ave, with giant carnival rides and games filling Adams Avenue park. The Street Fair draws 100,000 weekend visitors and generates record amounts of publicity, marketing and branding for the business district. Many area storefronts experience record sales volumes. The Street Fair is also the AABA's largest fundraising activity, supporting the Association's year-round work. Event revenue from vendor booths, beer concessions, program ads, t-shirt sales, sponsorships and grants grossed \$292,000 in FY '17. The Street Fair was originally organized to celebrate the relighting and refurbishment of the Normal Heights neon sign and the initiation of commercial revitalization efforts. The event has grown from a neighborhood block party to a regionally recognized celebration.



Adams Avenue Unplugged

Adams Avenue Unplugged is the AABA's acoustic musical showcase and highlights Adams Avenue businesses to music aficionados. In 2017, the event featured 90 musical performances inside 29 restaurants, bars, coffee houses and retail establishments. The innovative festival format provides intimate performance settings while dispersing musical entertainment throughout the Adams Avenue business corridor: creating a two and a half mile long musical walkabout. A free trolley service is provided. Unlike the Street Fair or the former Roots Festival, Unplugged does not utilize street closures or vendor booths.

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Taste of Adams Avenue

Foodies loved 2017's Taste of Adams Avenue, which expanded to 45 participating restaurants and sold out at 1,000 tickets for the fifth year in a row. Attendees walked from venue to venue along a 2.5 mile footprint and also had access to a free trolley service. Samples ranged from savory to sweet, entrees to desserts, and international flavors including French, Italian, Thai, and Mexican, along with vegetarian options. Taste of Adams Avenue takes place the last Sunday in June.



CROWDS SAMPLE AT TASTE EVENT

Adams Avenue Spirit Stroll

The AABA held its third year of Adams Avenue Spirit Stroll that featured holiday themed cocktails handcrafted by mixologists from Adams Avenue's bars and restaurants, served in retail locations. The 500 paid attendees, sipped, shopped and strolled from Kensington through Normal Heights and into University Heights. The event falls on Small Business Saturday, a nationally coordinated effort to direct holiday shoppers to small businesses.

Participating businesses in this year's Adams Avenue Spirit Stroll included: Adams Avenue Bookstore, Back from Tomboctou, Cal Coast Bicycles, Heights Optometry, Home Start Thrift Boutique, Kiko and Sven, La Loupe Vintage, Liquid Eden Holistic Center, Maven/Little Dame Shop, MRH Interiors, Rove: Adventure Shop, Tibet Gift House, Zac's Attic, Air Conditioned Lounge, Beerfish, Cantina Mayahuel, Cucina Sorella, Di Milles Italian Restaurant, El Zarape Restaurant, Et Voila French Bistro, Kensington Club, Ould Sod, Polite Provisions, Ponce's Mexican Restaurant, Rabbit Hole, Rosie O' Gradys/Proprietor's Reserve and Sycamore Den. This year's Spirit Stroll received rave reviews from participating retail merchants and serving establishments. AABA would like to thank all the businesses and participants involved in the third annual Spirit Stroll.



Holiday on Adams Avenue

In December, families came out in droves to see Santa Claus return to Kensington Park arriving in a Model T Ford pulled by reindeer for this free Holiday gathering. Everyone enjoyed hot chocolate and peppermint ice cream provided by Moosie's Ice Cream, and children gave Santa their Christmas wish lists. Unfortunately, Santa's snow machine broke down en route, disappointing the children who came dressed in booties and gloves. However, Santa's forecast for next year's event is calling for record precipitation to make amends for this year's dry conditions. A special shout-out to Ed Badrak, Jim Croff and Ponce's Mexican Restaurant.

Holiday on Adams Avenue
Kensington Park
Sunday, Dec. 10, 2017, 1-4 pm



Children and their families are welcome to come play in the snow field from 1-4 pm

Santa will be available to hear wish lists and will be arriving in his reindeer-drawn carriage!

Peppermint ice cream and cocoa by Moosie's Ice Cream

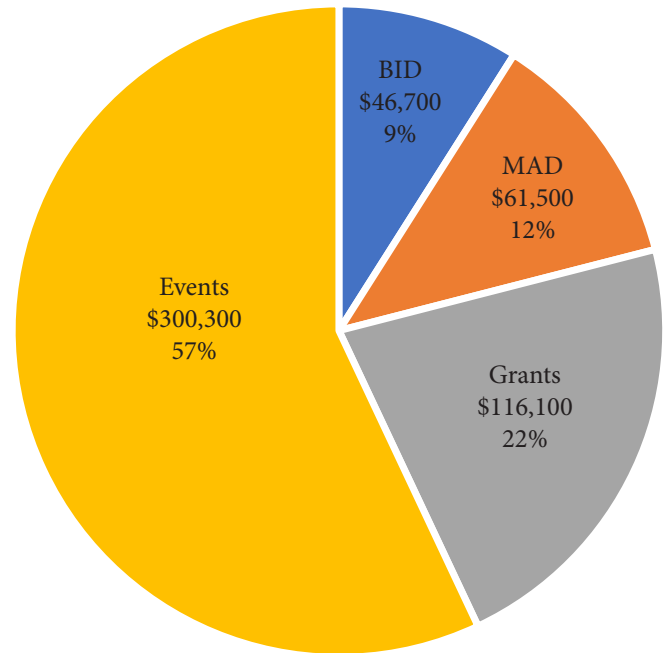


Financial Review

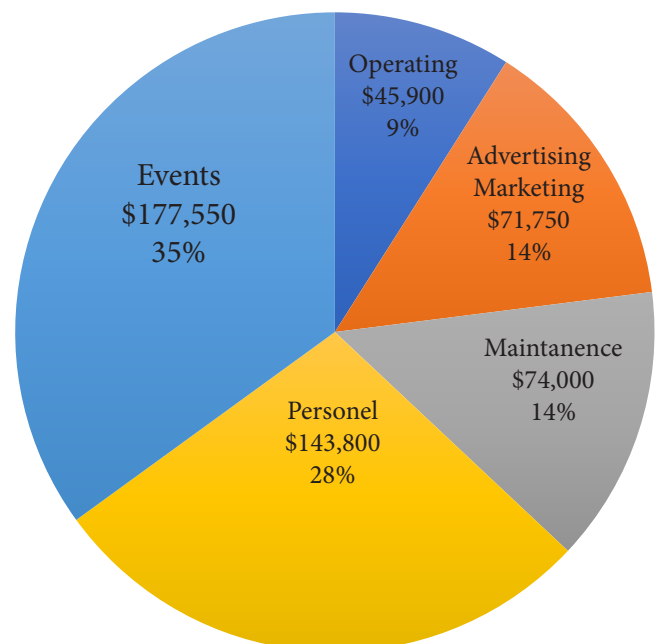
2017 Year End Balance Sheet*

	<u>Dec 31, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
10010 AABA Operating Accounts	
Checking 4572	28,616.98
Savings 4325	<u>55,880.81</u>
Total 10010 AABA Operating Accounts	84,497.79
10020 · Restricted Development Checking	<u>194,593.26</u>
Total Checking/Savings	279,091.05
Other Current Assets	
12375 · City of SD Tech Assist/Acctng.	730.00
10145 · Accrued Revenue	200.00
12345 · City EDTS	50,000.00
12320 · SBEP City Fees & Services	312.75
10140 · Prepaid Expense	3,197.78
12340 · MAD Receivable	<u>10,500.12</u>
Total Other Current Assets	<u>64,940.65</u>
Total Current Assets	<u>344,031.70</u>
TOTAL ASSETS	<u>344,031.70</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · 20270 Accounts Payable	<u>128.21</u>
Total Accounts Payable	128.21
Other Current Liabilities	
22065 · Deferred Unplugged Income	5,000.00
22050 · SBEP Advance	12,755.26
22040 · Sales Tax Payable	<u>1,753.00</u>
Total Other Current Liabilities	<u>19,508.26</u>
Total Current Liabilities	<u>19,636.47</u>
Total Liabilities	19,636.47
Equity	
30020 · Net Assets	
30025 · AABA Retained Earnings(Unrestr)	<u>130,873.01</u>
Total 30020 · Net Assets	130,873.01
3900 · 30015 Retained Earnings	181,933.28
Net Income	<u>11,588.94</u>
Total Equity	<u>324,395.23</u>
TOTAL LIABILITIES & EQUITY	<u>344,031.70</u>

Total Income \$524,620



Total Expenses \$513,000



*Unaudited financial statements

2017 Year End Profit & Loss*

		<u>Jan - Dec 17</u>		
Ordinary Income/Expense				
Income			53100 · Special Events	
40110 · Annual Meeting	720.00		53170 · Supplies	1,689.99
40025 · Technical Assistance/Acctng.	2,895.00		53165 · Printing & Production	9,080.75
40050 · Program Income			53160 · Graphic Design	4,410.00
40125 · Banners	1,500.00		53145 · Advertising	43,909.24
40070 · Other Income	<u>0.00</u>		53125 · Contract Labor	64,577.51
Total 40050 · Program Income	1,500.00		53105 · Equipment Rental	35,658.43
43210 · Interest/Dividend Income	16.55		53110 · Licenses and Permits	3,548.49
41000 · SBEP Management Grant	14,976.62		53115 · Promotional	1,000.00
42000 · MAD	61,514.93		53120 · Food + Beverage	8,179.44
43000 · Maintenance Grants	19,500.00		53135 · Cleaning Fee	4,475.00
40020 · BID	46,694.57		53140 · Music & Entertainment	<u>31,358.99</u>
40040 · Special Events.			Total 53100 · Special Events	207,887.84
170 · Craft Beer taste	11,555.00		50040 Operating	
165 · Stage Host	3,550.00		50065 · Contract Labor	420.00
162 · The VIP Lounge	5,380.80		50110 · Insurance	3,680.00
150 · SBEP - City Fees & Services	13,937.13		50045 · Bank & Credit Card Charges	9,110.47
160 · Ticket	48,492.50		50060 · Dues and Subscriptions	1,039.83
159 · Carnival	16,000.00		50120 · Office Supplies	1,799.40
158 · Program Ads	1,425.00		50125 · Accounting	16,240.75
156 · Sponsorship	1,500.00		50080 · Rent	2,600.00
155 · Beer Garden	20,048.00		50090 · Telephone	3,359.05
153 · T.Shirt Sales	3,203.00		50070 · Postage and Delivery	3,721.46
152 · Booth Rentals	172,971.89		50095 · Meetings+Conventions	<u>3,946.10</u>
151 · City, County & State Grants	<u>78,739.00</u>		Total 50040 Operating	45,917.06
Total 40040 · Special Events.	<u>376,802.32</u>		51510 · Marketing	
Total Income	524,619.99		51580 · Sponsorship Consultant	27,000.00
Expense			51560 · Holiday on Adams	762.19
50020 · Personnel			51535 · Advertising	3,100.00
50028 · Maintenance Staffing	13,427.50		51530 · Website/Social Media	8,053.07
50038 · Workers Compensation	3,150.00		51550 · Promotion	<u>2,457.00</u>
50037 · Health Insurance	18,878.52		Total 51510 · Marketing	<u>41,372.26</u>
50035 · State Payroll Taxes	869.89		Total Expense	<u>513,031.05</u>
50034 · Federal Payroll Taxes	10,573.80		Net Ordinary Income	<u>11,588.94</u>
50027 · Office Staffing	<u>113,420.94</u>		Net Income	<u><u>11,588.94</u></u>
Total 50020 · Personnel	160,320.65			
52010 · Maintenance				
52035 · Supplies	268.99			
52025 · Utilities(Water/Electricity)	4,989.37			
52020 · Contract Labor	<u>52,274.88</u>			
Total 52010 · Maintenance	57,533.24			

*Unaudited financial statements

Other Projects & Activities

Social Media, Website and Member Communications

The AABA continued updating its website with details on events, Board and committee meetings, blog articles, business directory listings and more. 110,000 individuals visited the site in 2017 with 40,000 of those visits occurring in the month of September during the Street Fair's promotional campaign. AABA increased its social media presence through daily promoted posts on Facebook and Instagram.

The AABA also utilizes Twitter and a free mobile app to drive its messaging. Type "Adams Avenue Business" into your App Store to download. Other forms of member communication include a monthly e-newsletter and periodic e-blasts. ***If you are currently not receiving electronic communication from the AABA, please contact the office with your email!!***

SOCIAL MEDIA SITES

Facebook: www.facebook.com/adamsavenuebusiness

Instagram: @AdamsAveSD

Twitter: @AdamsAveSD

Website: www.adamsavenuebusiness.com



New Valet Parking at 30th & Adams– The AABA planned and initiated a new valet parking service that started operations in September. The valet stand is located near the intersection of 30th and Adams in front of Air Conditioned Lounge and Jayne's Gastropub and is open on Friday and Saturday nights from 5-11pm. The Valet service charges \$7.00 per car and is operated by Preferred Valet and underwritten by funds from the Mid City Community Parking District, Et Voila, Jayne's Gastropub and the Walsh ownership group..

Sidewalk Repair– The AABA hired Precision Concrete Cutting to eliminate 200 trip hazards on Adams Avenue sidewalks in 2017, thanks to a \$15,000 grant awarded by County Supervisor Ron Roberts in 2016. The AABA contributed \$10,000 to the job order.

Rehabilitation of the Historic Normal Heights Neon Sign- In September the AABA hired Jackson Electric to manage improvements to the iconic community sign; repairing the neon letters and repainting the metal sign and poles. The Normal Heights CDC contributed \$4,500 to the effort.

Discount Fabrics Marquee Management– For more than 20 years, the AABA has managed the messaging on the marquee at Discount Fabrics to keep the community informed and updated on Adams Avenue happenings.

PROW– Adams Avenue merchants are allowed limited use of their sidewalks through the Public Right-of-Way (PROW) permit program administered by the AABA and other BIDs in the City of San Diego. Contact the Adams Avenue Business office for more info.

Normal Heights Community Center- The AABA manages the Normal Heights Community Center's hall reservations, which are available to the general public and utilized by approximately 1,000 people a month.

Support to Community Events and Local Non-Profits– The AABA supported a variety of other local non-profits and their community activities in 2017 including: Rock 'n' Roll Marathon, Art Around Adams, Normal Heights Movies in the Park, Normal Heights Holiday Decorating Tour, KSOC & Kensington Memorial Day Parade, Mid-City Little League, Our Lady of Peace Academy, Adams Elementary, Normal Heights United Methodist Church.

Election Ballot

If you have received this AABA Annual Report in the mail, you are a member of the Association and may vote in our Board of Director elections. You may either return the ballot in person at the Annual Breakfast Meeting or mail this ballot by cutting along the dotted lines, marking the ballot, and posting to 4649 Hawley Blvd, SD CA 92116. Please do not remove the preprinted address label on the reverse side of the ballot as this allows us to authenticate receiving the ballot from an official AABA member. If mailing, the AABA must receive the ballot prior to Jan. 30, 2018.

You may also RSVP for the Annual breakfast meeting by checking the appropriate box below and mail-in or, RSVP by phone, 619-282-7329, or email:

Craig@adamsavenuebusiness.com .

Below is the slate of nominees forwarded by the AABA's Board of Directors. You may cast up to 6 votes, but only one per candidate. Nominations may also be taken from the floor at the Annual Meeting provided the nominees meet the membership and attendance requirements.

Mikey Knab, Ponce's Mexican Restaurant

Dave McPheeters, Zac's Attic

Doug Generoli, Adams Car Wash

Phil Linssen, Kensington Veterinary

Michael Rammelsberg, Rosie O' Grady's

Russ Vuich, Property Owner

vacant

vacant

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<input type="checkbox"/>
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___ Yes, I/we will attend	___ Number of persons RSVPing for breakfast
___ No, I/we will not attend	

Other Projects & Activities continued



Street Banner Sponsorship Opportunity– A newly designed street banner series (two of six images shown here) will be installed after rotating-out the holiday banners, late January '18. The AABA is offering a limited banner sponsorship opportunity to Adams Avenue storefronts by placing their business name on the banner. **Please call the office immediately if interested!!**

Tree maintenance– Underwritten by the MAD contract and property owner assessments, the AABA maintains over 400 street trees that were first planted during the revitalization campaigns of the 80's and 90's. Maintenance includes periodic trimming and replacement of dead or non-thriving trees.

Power washing– Select blocks received power washing and gum removal treatments during the year.

Board & Committee Meetings– The AABA holds monthly Board of Director meetings as well as four monthly committee meetings open to the general public. See back page or website for details.

Community Planning– Board members and staff take part in community planning meetings by attending the planning groups whose boundaries overlap the BID including; Normal Heights, North Park and Ken-Tal Community Planning Groups.



Adams Avenue Business Association

4649 Hawley Boulevard

San Diego, California 92116

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2017 Board Members:

Mikey Knab, President, *Ponce's Mexican*
Dave McPheeters, Vice President, *Zac's Attic* *
Alison Flynn, 2nd Vice President, *Villainous Lair Comics & Gaming*
Doug Generoli, Treasurer, *Adams Car Wash* *
Shayna Roberts, Secretary, *House of Imago* *
Ryan Altman, *Adams Ave Integrative Health*
Ed Badrak, *Badrak Services* *
Tony Carrillo, *Carrillo Auto Body & Collision* *
Phil Linssen, *Kensington Veterinary* *
Michael Rammelsberg, *Rosie O' Grady's*
Guy Hanford *
Peggy Rose Levin, *Joe Carta Realty*
Russ Vuich *

* signifies property owner

Committees:

Board Meeting - 1st Tuesday of each month at 8 am.

Promotions - 2nd Thursday after the Board Meeting each month at 8 am. Tasks include special events, member mixers, and general marketing.

Business Planning & Development - 3rd Tuesday each month at 8 am. Tasks include support of public improvements, promote new development, expand and diversify economic base, banner projects, maintenance, storefront improvement projects, and public right-of-way issues.

Finance - 3rd Friday of each month at 8 am. Tasks include fiscal oversight of the AABA, ensure compliance of financial reporting requirements with regular and periodic review of financial documents.

Executive - Wednesday before Board Meeting at 8 am. Tasks include preparing for the Board Meeting, direct monetary and human resources (staff) to events and tasks.

Committee meetings are held at the AABA office, 4649 Hawley Blvd, and are open to the public.



Staff Contacts

Scott Kessler- Executive Director

Craig Burns-Office Manager

Mysti Schubert -Maintenance Worker

Normal Heights Community Center, 4649 Hawley Blvd, 92116

P- (619) 282-7329

www.adamsavenuebusiness.com