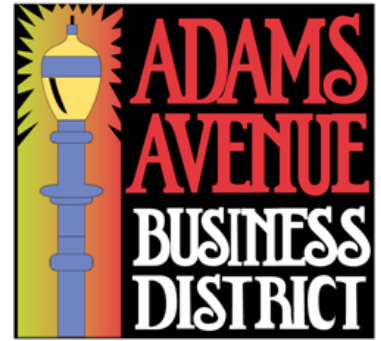


2018 Annual Report



of the Adams Avenue Business Association

You are invited to the AABA Annual Breakfast Meeting scheduled on Tuesday, January 29, from 8-9:30 AM at The Ould Sod, 3373 Adams Avenue. If you have received this annual report in the mail you are likely a member of the AABA 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 Hanna's Gourmet, Lestat's Coffee House and Senor Mangos inside the Ould Sod's newly built

-out event space. The AABA annual meeting is also the time when we elect the 2019 Board of Directors, review this past year's accomplishments and celebrate Adams Avenues ongoing revitalization. Council President Georgette Gomez, Councilmember Chris Ward & County Treasurer-Tax Collector Dan McAllister will address the gathering. Please RSVP by January 25th 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

The Ould Sod

3373 Adams Avenue

1/29/19 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 \$52,200 in annual BID assessments contributed by the Association's 600 business members in FY '18, were leveraged by the AABA to provide \$496,500 in AABA revenue. 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 \$56,500 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.

2019 Special Events Dates

Adams Avenue Street Fair

The Street Fair is the AABA's signature promotion and San Diego's largest free music festival. The 37th annual edition, held September 29th & 30th, 2018, featured 80 bands performing on six stages, 300 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 \$278,000 in FY '18. 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 Street Fair 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 2018, the event featured 75 musical performances inside 24 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 2.5 mile- long musical walkabout. A free trolley service whisked patrons up and down the Avenue. Unlike the Street Fair or the former Roots Festival, Unplugged does not utilize street closures or vendors.

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Taste of Adams Avenue

Foodies from throughout San Diego packed the sidewalks in Normal Heights, Kensington and University Heights for the 18th annual Taste of Adams Avenue, which expanded to 47 participating restaurants, coffee houses, breweries and pubs in 2018. The event sold out for the 6th year in a row and is now one of San Diego's largest and most popular "Taste" events. Attendees mostly walked a 2.5 mile event footprint but also had access to free trolley service. Samples ranged from savory to sweet, entrees to desserts, with international flavors and vegetarian options. Other businesses along the route took advantage of the increased foot traffic by offering specials and sales. Taste of Adams Avenue takes place the last Sunday in June.



Adams Avenue Spirit Stroll



The AABA held the 4th annual Adams Avenue Spirit Stroll that featured holiday themed cocktails handcrafted by mixologists from Adams Avenue's bars and restaurants, served in retail storefront 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 business.

This year's Spirit Stroll received rave reviews with the addition of 8 pop-up

locations offering sweet treats to participants in addition to the spirits served. Plans for 2019's Spirit Stroll include 13 spirit stops and 12 sweet-spot pop-up shops for a total of 25 participating locations...all for a \$20 ticket. The AABA would like to thank all the businesses and participants involved in the 4th annual Spirit Stroll, including this year's spirit sponsor: San Diego's Cutwater Spirits!

Holiday on Adams Avenue

Families came out in droves in December to see Santa Claus return to Kensington Park arriving in a Model T Ford pulled by reindeer. Pictures with Santa were taken as children shared their Christmas wish lists. This free Holiday gathering featured a snowfield which drew hundreds of neighborhood children. Ten tons of snow were provided this year to make-up for last year's global warming (snow-making mechanical breakdown). Everyone enjoyed hot chocolate and peppermint ice cream provided by Moosie's Ice Cream. Carolers from San Diego Creative Arts Project and candy cane-costumed stilt walkers entertained the crowds. A special shout-out to Ed Badrak, Jim Croff and Ponce's!



Financial Review

2018 Year End Balance Sheet*

Dec 31, 18

ASSETS

Current Assets

Checking/Savings

10010 AABA Operating Accounts

Checking 4572 43,125.85

Total 10010 AABA Operating Accounts 43,125.85

10010 · Chase - Restricted Development 244,593.26

10020 · CB&T Restricted Development 50,000.00

Total Checking/Savings 337,719.11

Other Current Assets

10140 · Prepaid Expense 3,412.03

10145 · Accrued Revenue 400.00

12320 · SBEP City Fees & Services 12,291.84

12340 · MAD Receivable 11,560.08

12375 · City of SD Tech Assist/Acctng. 2,799.99

Total Other Current Assets 30,463.94

Total Current Assets 368,183.05

TOTAL ASSETS

368,183.05

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

22020 · Accrued Expenses 5,040.00

22050 · SBEP Advance 9,814.43

22065 · Deferred Unplugged Income 6,000.00

Total Other Current Liabilities 20,854.43

Total Current Liabilities 20,854.43

Total Liabilities 20,854.43

Equity

30020 · Net Assets

30025 · AABA Retained Earnings(Unrestr) 130,873.01

Total 30020 · Net Assets 130,873.01

3900 · 30015 Retained Earnings 193,522.22

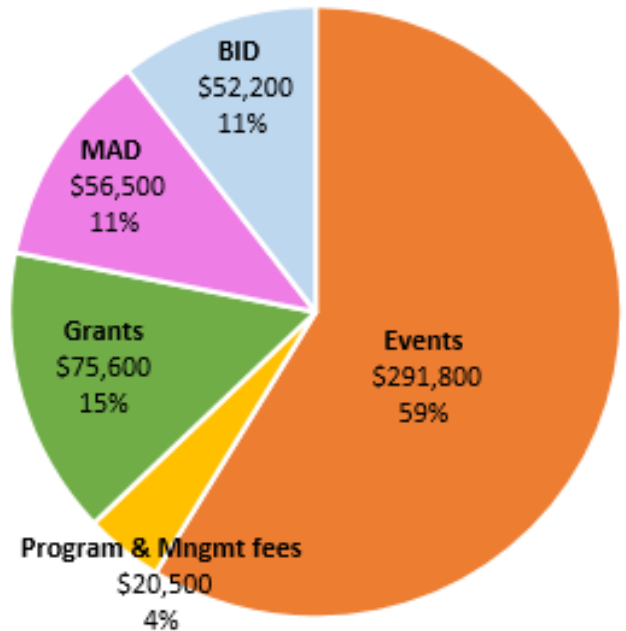
Net Income 22,933.39

Total Equity 347,328.62

TOTAL LIABILITIES & EQUITY

368,183.05

Total Income \$496,539



Total Expenses \$473,606



*Unaudited financial statement

2018 Year End Profit & Loss*

	<u>Jan - Dec 18</u>		
Ordinary Income/Expense		50020 · Personnel	
Income		50027 · Office Staffing	122,049.11
40020 · BID	52,185.41	50028 · Maintenance Staffing	7,515.00
40025 · Technical Assistance/Acctng.	6,704.99	50034 · Federal Payroll Taxes	10,042.13
40040 · Special Events.		50035 · State Payroll Taxes	456.60
150 · SBEP - City Fees & Services	12,291.84	50037 · Health Insurance	18,090.20
151 · City, County & State Grants	35,755.00	50038 · Workers Compensation	<u>1,523.00</u>
152 · Booth Rentals	159,646.00	Total 50020 · Personnel	159,676.04
153 · T.Shirt Sales	3,731.00	51510 · Marketing	
155 · Beer Garden	26,358.00	51530 · Website/Social Media	14,485.01
156 · Sponsorship	12,750.00	51535 · Advertising	175.00
158 · Program Ads	857.23	51550 · Promotion	1,655.80
159 · Carnival	16,000.00	51555 · Graphic Design	2,750.00
160 · Ticket	45,914.56	51560 · Holiday on Adams	3,211.93
162 · The VIP Lounge	9,975.22	51580 · Sponsorship Consultant	2,625.00
165 · Stage Host	5,830.37	51585 · HUD Loan Program	<u>1,161.12</u>
167 · Reserved Seating Tickets	2,743.77	Total 51510 · Marketing	26,063.86
170 · Craft Beer taste	<u>7,784.16</u>	52010 · Maintenance	
Total 40040 · Special Events.	339,637.15	52020 · Contract Labor	37,929.18
40050 · Program Income		52025 · Utilities(Water/Electricity)	4,028.12
40135 · Street Banner Sponsorship	<u>11,309.40</u>	52035 · Supplies	<u>266.41</u>
Total 40050 · Program Income	11,309.40	Total 52010 · Maintenance	42,223.71
40110 · Annual Meeting	510.00	53100 · Special Events	
41000 · SBEP Management Grant	20,839.83	53105 · Equipment Rental	36,082.73
42000 · MAD	56,540.12	53110 · Licenses and Permits	3,234.00
43000 · Tree Maintenance	1,700.00	53115 · Promotional	3,064.00
43210 · Interest/Dividend Income	16.31	53120 · Food + Beverage	7,487.00
43220 · N.H.C.C. Management	<u>7,095.88</u>	53125 · Contract Labor	64,742.13
Total Income	496,539.09	53135 · Cleaning Fee	1,200.00
Expense		53140 · Music & Entertainment	30,611.81
50040 Operating		53145 · Advertising	43,450.00
50045 · Bank & Credit Card Charges	472.63	53160 · Graphic Design	2,510.00
50060 · Dues and Subscriptions	1,063.28	53165 · Printing & Production	9,368.22
50065 · Contract Labor	5,519.00	53170 · Supplies	<u>4,152.76</u>
50070 · Postage and Delivery	3,675.98	Total 53100 · Special Events	<u>205,902.65</u>
50085 · Repairs(Computer/Building)	126.71	Total Expense	<u>473,605.70</u>
50090 · Telephone	2,972.82	Net Ordinary Income	<u>22,933.39</u>
50095 · Meetings+Conventions	3,107.89	Net Income	<u><u>22,933.39</u></u>
50110 · Insurance	3,680.00		
50120 · Office Supplies	1,909.63		
50125 · Accounting	<u>17,211.50</u>		
Total 50040 Operating	39,739.44		

* Unaudited Financial Statements

Other Projects & Activities

Website, Member Communications and Social Media

The AABA is currently updating its website with a fresh new look. The website has details on our events, Board and committee meetings, blog articles, business directory listings and more. 110,000 individuals visited the site in 2018 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 a free mobile app to drive its special events 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

Website: www.adamsavenuebusiness.com



The San Diego Small Business Collaborative Loan program–

Need a small business loan? The AABA is marketing a new loan program in conjunction with the City of San Diego, CDC Small Business Finance Corporation and HUD. The San Diego Small Business Collaborative Loan program is available to businesses in (or in close proximity to) the Adams Avenue business corridor. 50,000—\$300,000 loans with 5% fixed interest, up to 10yr amortization and no prepayment penalty. Obtain working capital for job retention or creation, capital equipment or business expansion and other uses. Available to start-up ventures. Easy one page application to start the process. Call the AABA or email Ray Hivoral, program loan officer at rhivoral@cdcloans.com for more info.

Valet Parking at 30th & Adams– The AABA's valet program continues to be a great success. 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 parking 150 cars monthly. Operated by Preferred Valet and underwritten by funds from the Mid City Community Parking District, Et Voila and Jayne's Gastropub.

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' and its hall reservations. The community hall is available to the general public and utilized by approximately 1,000 people a month. The hall includes a full kitchen, stage, front and rear patios and is located at 4649 Hawley Blvd. Low rates between \$25-50 per hour make it affordable to the community.

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, and John Adams Elementary.

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 vote 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, 2019.

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.

Shayna Roberts, House of Imago

☐

Ed Badrak, Badrak Services

☐

Guy Hanford, Property Owner

☐

Ryan Altman, Adams Ave Integrative Health

☐

Tony Carrillo, Carrillo Auto Body & Collision

☐

Jana Rieger, Konrad & King

☐

vacant

☐

vacant

☐

___ Yes, I/we will attend

___ Number of persons RSVPing for breakfast

___ No, I/we will not attend

Other Projects & Activities continued



New banners on Adams- The AABA installed 145 new banners on the decorative acorn lamp posts along Adams Avenue in 2018. Business members were offered the opportunity to sponsor banners which sold out within two weeks.

Tree maintenance- Underwritten by the MAD contract and property owner assessments, the AABA maintains 430 street trees that began being planted during the revitalization campaigns of the 80's and 90's. Maintenance includes periodic trimming and replacement of dead or non-thriving trees. The AABA and City contractors joined forces in 2018 to trim every tree on Adams.

Power washing and refuge collection- Select blocks received power washing and gum removal treatments during the year. The AABA services 40 trash cans located on the Avenue.

Utility box art- The AABA and the Normal Heights CDC worked with the Normal Heights Urban Arts Group to commission artwork by local artists on 25 utility boxes on the Avenue. Look for the new artwork between Iowa Street to the I-15 Adams Avenue overpass.



Adams Avenue Business Association

4649 Hawley Boulevard

San Diego, California 92116



2018 Board Members:

Mikey Knab, President, *Ponce's Mexican*
Dave McPheeters, Vice President, *Zac's Attic* *
Alison Flynn, 2nd Vice President, *Villainous Lair*
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 *
LT Lanham, *Dink's Barber Shop*
* 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-Exec. Director: scott@adamsavenuebusiness.com
Craig Burns-Assoc. Director: craig@adamsavenuebusiness.com
Mysti Schubert -Maintenance Worker
Normal Heights Community Center, 4649 Hawley Blvd, 92116
P- (619) 282-7329
www.adamsavenuebusiness.com