



**DOWNTOWN ACTION ORGANIZATION (DAO)**

Board Meeting

January 19, 2022

9am

Virtual Meeting

Zoom Meeting ID: 806 654 7370

Passcode: Downtown

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

**AGENDA**

- |            |  |                         |
|------------|--|-------------------------|
| <b>1.0</b> | <b>CALL TO ORDER</b>   | Natalie Balfour         |
| <b>2.0</b> | <b>PUBLIC COMMENTS ON NON-AGENDA ITEMS (limited to two minutes each)</b><br>Comments from the public will be allowed on all agenda items at the time each item is called.  |                         |
| <b>3.0</b> | <b>CONFLICTS OF INTEREST OR ABSTENTIONS</b>  | Natalie Balfour         |
| <b>4.0</b> | <b>CONSENT ITEMS (ATTACHMENT 1)</b><br>4.1 December 15 Meeting Minutes   | Natalie Balfour         |
| <b>5.0</b> | <b>FINANCIAL REPORT (ATTACHMENT 2)</b><br>Board will review and approve DAO financial statements ending December 31  | Joe Dietzen             |
| <b>6.0</b> | <b>APPROVAL OF 2022 BOARD MEMBER CANDIDATES (ATTACHMENT 3)</b><br>Board will review slate of board members proposed by Nominating Committee and appoint members with terms starting in 2022.                           | Joe Dietzen             |
| <b>7.0</b> | <b>EXECUTIVE DIRECTOR REPORT</b><br>Update provided on StreetPlus, Downtown Subcommittee, Courthouse Square activities, beautification efforts, 2022 priority setting and workplan and Executive Committee nominations | Cadance Hinkle Allinson |
| <b>8.0</b> | <b>STREET LEVEL SERVICES REVIEW</b><br>Recommendation and discussion around adjustment to street level services in 2022  | Cadance Hinkle Allinson |
| <b>9.0</b> | <b>ADJOURNMENT</b>   | Natalie Balfour         |

**DOWNTOWN ACTION ORGANIZATION (DAO)  
Board Meeting  
December 15, 2021, 9am  
Zoom Meeting ID: 806 654 7370, Password: Downtown  
Phone: 669-900-9128, Passcode: 93058399**

Present: Leeanna Ausiello-Kane, Pauline Block, Natalie Balfour, Zach Berkowitz, Sonu Chandi, Raissa de la Rosa, Joe Dietzen, Charles Evans, Hugh Futrell, Caitlin Kurasek, Bernie Schwartz, Peter Stanley, Steven Stankovich, Doug Van Dyke

Absent: Tom Robertson

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, November 17, 2021 Board Meeting Minutes was unanimously passed.

**5.0 FINANCIAL REPORT APPROVAL**

Joe shared that income for the year is exceeding budget due to StreetPlus coming in under budget and some expenses for 2021 that will not be reflected until the December financials come through.

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 currently has four staff members as Danielle has started her leave. The current staff they have been really fantastic and they'll be receiving gift cards from the DAO.

The Downtown Subcommittee was once again canceled.

The Synthetic Rink has received a positive response. Cadance asked the board to come out to support T-Mobile's Free Skate Day today from 3-6pm to show support and appreciation for the presenting sponsor.

Three different markets have been held so far during the holiday season and there will be three skating shows before the end of the year.

The decorations have been well received with the exception of one negative comment from a business owner who wanted more decorations in front of their location.

The trees have been planted and signs will be put out shortly identifying them and letting people know they need space to grow.

The sphere light project is under way and the B Street intersection will be complete this week. Unfortunately, the last two intersections won't be done until 2022 due to supply chain issues.

Parking incentives have been extended for another six months which gives the DAO time to work with the new parking director and the City to come up with a compromise on permanent incentives.

Joe Dietzen will be chairing the nominating committee this year with Pauline and Stevan will be serving as well. Both Property owners and business owners have received notification that nominations are due by December 31. The committee will review applicants and conduct interviews in early January and then make their recommendations to the board at the January meeting.

## **7.0 2022 BUDGET REVIEW AND APPROVAL (ATTACHMENT)**

Joe Dietzen reviewed the budget proposal. The projected budget income in 2022 is \$534,025. Total expenses are projected at \$605,900 with a negative income of about \$71,874. \$605,900 includes a \$10,000 increase to Chamber contract, an increase of \$5,000 to the annual priorities line item and a \$20,000 increase to the project maintenance budget. It is expected that the contingency will remain at 6%. The deficit cannot continue indefinitely, but given the net surplus in 2021, it is possible to cover additional expenses in 2022. In 2023 the goal will be a balanced budget.

Cadance shared that the Chamber is covering a portion of the contract increase and that the budget allows for enough cash on hand to cover the first month of expenses in 2023.

Sonu asked if the DAO can fund an events coordinator. Cadance shared the Chamber is looking into event support. The board will have to determine if events and marketing is a priority when they discuss annual priorities in 2022.

Hugh reiterated that the surplus dollars are a one-year option and would not be able to cover a multi-year project. Without the surplus dollars, it would be a break-even budget.

Pauline said she would hate to lose the momentum that's been created around events. Sonu suggested the board take the responsibility for fundraising to keep events moving forward.

Cadance reiterated that this would have to be discussed at the annual priority meeting.

Motion to approve the 2022 budget as presented was unanimously passed.

<b>DAO FYE Projection &amp; 2022 Proposal</b>				
	<b>2021 Proposed Budget</b>	<b>2021 Projected</b>	<b>2022 Proposed Budget</b>	<b>Notes</b>
<b>Income</b>				
District Assessment	\$ 533,025.26	\$ 537,213.00	\$533,025.26	
Interest Income	\$ 1,000.00	\$ 1,465.00	\$ 1,000.00	
<b>TOTAL INCOME</b>	<b>\$ 534,025.26</b>	<b>\$ 538,678.00</b>	<b>\$534,025.26</b>	
<b>Expense</b>				
Primary District Services	\$325,000.00	\$ 285,450.00	\$325,000.00	
SR Metro Chamber Contract	\$ 150,000.00	\$ 150,000.00	\$160,000.00	StreetPlus and DAO office use, utilities, IT, supplies and equipment, HR support, accounting and bookkeeping, Chamber employee salary/benefits
Insurance/Taxes	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	
Annual Priorities	\$ 45,000.00	\$ 45,000.00	\$ 50,000.00	
Project Maintenance	\$ 5,000.00	\$ 5,000.00	\$ 25,000.00	maintenance of trees, planters, light installations, annual banner installation
Website/Marketing	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	
Misc Direct Expenses	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	
Contingency	\$ 32,000.00	\$ 4,000.00	\$ 32,000.00	Provides 6% contingency
<b>TOTAL EXPENSE</b>	<b>\$ 570,900.00</b>	<b>\$ 503,350.00</b>	<b>\$605,900.00</b>	
<b>NET INCOME</b>	<b>\$ (36,874.74)</b>	<b>\$ 35,328.00</b>	<b>\$(71,874.74)</b>	

## 8.0 BYLAW CHANGES (ATTACHMENT)

Cadance shared that the suggested bylaw changes to Section 12.1 add the additional role of past chair person so that there would be five directors serving on the Executive Committee rather than four. The chair role would now have a limit of serving two years. This is in line with how many other nonprofit executive committees work and will allow for increased involvement on the board.

Hugh reiterated that no one should be stuck on the executive committee and that healthy turnover is needed. It will be critical to refresh the committee and maintain continuity, which is the goal of this proposed change.

Motion to approve the recommended bylaw changes as presented was unanimously passed.

## 9.0 ADJOURNMENT

Chair Natalie Balfour adjourned the meeting at 9:33am.

## Downtown Action Organization Incorporated

01/10/22

## Balance Sheet

Accrual Basis

As of December 31, 2021

	<u>Dec 31, 21</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000000 · DAO OPERATING FUNDS	
1000100 · Earmarked Project Cash-Poppy	134,810.77
1001000 · District Funds Savings-Poppy	157,611.06
1010000 · DAO Operating-Poppy	<u>8,075.89</u>
<b>Total 1000000 · DAO OPERATING FUNDS</b>	<u>300,497.72</u>
<b>Total Checking/Savings</b>	300,497.72
<b>Other Current Assets</b>	
1100000 · District Revenue Receivables	<u>353,459.67</u>
<b>Total Other Current Assets</b>	<u>353,459.67</u>
<b>Total Current Assets</b>	<u>653,957.39</u>
<b>TOTAL ASSETS</b>	<b><u>653,957.39</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 · Accounts Payable	<u>69,144.63</u>
<b>Total Accounts Payable</b>	69,144.63
<b>Other Current Liabilities</b>	
2320000 · YE Liabilities	<u>6,575.00</u>
<b>Total Other Current Liabilities</b>	<u>6,575.00</u>
<b>Total Current Liabilities</b>	<u>75,719.63</u>
<b>Total Liabilities</b>	75,719.63
<b>Equity</b>	
32000 · Unrestricted Net Assets	519,759.63
Net Income	<u>58,478.13</u>
<b>Total Equity</b>	<u>578,237.76</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>653,957.39</u></b>

2021 DAO Budget and Cash Flow Projection																
<u>Income</u>	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	\$5,000	\$54,757			
Interest Income	\$0	\$0	\$456	\$0	\$0	\$443	\$0	\$0	\$400	\$0	\$0	\$0	\$259	\$1,557	\$1,557	\$0
<i>Sub Total</i>	\$390,462	\$0	\$456	\$0	\$194,468	\$443	\$30,000	\$9,082	\$6,157	\$0	\$0	\$5,259	\$593,527	\$593,527	\$0	
<i>Cash at Beginning of Month</i>	\$390,462	\$351,780	\$315,197	\$274,368	\$430,057	\$389,189	\$375,411	\$330,780	\$298,359	\$253,614	\$211,800	\$177,185				
<u>Expense</u>																
StreetPlus Contract	\$26,166	\$23,023	\$27,800	\$26,189	\$24,209	\$24,889	\$21,917	\$19,801	\$19,243	\$17,534	\$21,834	\$27,749	\$325,000	\$280,353	\$44,647	
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	\$0	\$75	\$7,814	\$10,000	\$7,994	\$2,006	
Annual Priorities	\$0	\$0	\$0	\$0	\$195	\$2,400	\$0	\$0	\$3,820	\$4,885	\$0	\$30,001	\$45,000	\$41,301	\$3,699	
Project Maintenance	\$0	\$1,500	\$450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,575	\$3,038	\$5,000	\$6,563	-\$1,563	
Website/Marketing	\$0	\$0	\$0	\$0	\$48	\$0	\$0	\$107	\$279	\$98	\$34	\$181	\$1,500	\$747	\$753	
Events/Programming	\$0	\$0	\$0	\$0	\$4,343	\$3,973	\$19,140	\$5,657	\$8,740	\$4,083	\$3,841	\$0	\$49,757	\$49,778	-\$21	
Misc. Direct Expense	\$16	\$16	\$48	\$16	\$16	\$16	\$157	\$512	\$163	\$126	\$16	\$812	\$2,400	\$1,913	\$487	
Contingency (6% - \$31,776)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,588	\$0	\$1,669	\$32,000	\$4,257	\$27,743	
<i>Sub Total</i>	\$38,682	\$37,039	\$40,829	\$38,779	\$41,311	\$43,778	\$53,713	\$38,577	\$44,745	\$41,813	\$39,875	\$83,764	\$620,657	\$542,905	\$77,752	
<b>Account Balance</b>	<b>\$351,780</b>	<b>\$314,741</b>	<b>\$274,368</b>	<b>\$235,589</b>	<b>\$388,746</b>	<b>\$345,411</b>	<b>\$321,698</b>	<b>\$292,203</b>	<b>\$253,614</b>	<b>\$211,800</b>	<b>\$171,926</b>	<b>\$93,421</b>				

Downtown Action Organization Incorporated

Profit & Loss Budget Performance

December 2021

	Dec 21	Budget	\$ Over Budget	% of Budget	Jan - Dec 21	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
4100000 - District Assessments	54,403.22	44,418.75	9,984.47	122.5%	543,009.47	533,025.00	9,984.47	101.9%	533,025.00
4100002 - Interest Income	258.84	250.00	8.84	103.5%	1,557.14	1,000.00	557.14	155.7%	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	0.00				49,757.00				
<b>Total 4200000 - DAO Activities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>	<b>55,007.00</b>	<b>0.00</b>	<b>55,007.00</b>	<b>100.0%</b>	<b>0.00</b>
<b>Total Income</b>	<b>54,662.06</b>	<b>44,668.75</b>	<b>9,993.31</b>	<b>122.4%</b>	<b>599,573.61</b>	<b>534,025.00</b>	<b>65,548.61</b>	<b>112.3%</b>	<b>534,025.00</b>
<b>Expense</b>									
5100000 - PRIMARY DISTRICT SERVICES									
5100001 - Street Plus Contract	27,748.83	27,083.33	665.50	102.5%	280,543.85	325,000.00	-44,456.15	86.3%	325,000.00
<b>Total 5100000 - PRIMARY DISTRICT SERVICES</b>	<b>27,748.83</b>	<b>27,083.33</b>	<b>665.50</b>	<b>102.5%</b>	<b>280,543.85</b>	<b>325,000.00</b>	<b>-44,456.15</b>	<b>86.3%</b>	<b>325,000.00</b>
5200000 - DISTRICT IMPROVEMENTS									
5200001 - Annual Priorities	30,001.21	3,750.00	26,251.21	800.0%	41,300.80	45,000.00	-3,699.20	91.8%	45,000.00
5200002 - Project Maintenance	3,037.50	416.67	2,620.83	729.0%	6,562.50	5,000.00	1,562.50	131.3%	5,000.00
5200003 - Website/Social Media	181.16	125.00	56.16	144.9%	746.62	1,500.00	-753.38	49.8%	1,500.00
5200004 - Fountain Expenses	0.00	0.00	0.00	0.0%	190.00	0.00	190.00	100.0%	0.00
<b>Total 5200000 - DISTRICT IMPROVEMENTS</b>	<b>33,219.87</b>	<b>4,291.67</b>	<b>28,928.20</b>	<b>774.1%</b>	<b>48,799.92</b>	<b>51,500.00</b>	<b>-2,700.08</b>	<b>94.8%</b>	<b>51,500.00</b>
5300000 - MARKETING									
5300001 - Events/Programming	0.00				47,276.39				
<b>Total 5300000 - MARKETING</b>	<b>0.00</b>				<b>47,276.39</b>				
5400000 - DISTRICT MANAGEMENT									
5400001 - SR Metro Chamber Contract	12,500.00	12,500.00	0.00	100.0%	150,000.00	150,000.00	0.00	100.0%	150,000.00
5400003 - Insurance/Taxes	7,814.00	2,500.00	5,314.00	312.6%	7,993.86	10,000.00	-2,006.14	79.9%	10,000.00
5400004 - Misc Direct Expenses	812.12	200.00	612.12	406.1%	1,938.07	2,400.00	-461.93	80.8%	2,400.00
<b>Total 5400000 - DISTRICT MANAGEMENT</b>	<b>21,126.12</b>	<b>15,200.00</b>	<b>5,926.12</b>	<b>139.0%</b>	<b>159,931.93</b>	<b>162,400.00</b>	<b>-2,468.07</b>	<b>98.5%</b>	<b>162,400.00</b>
5500000 - CONTINGENCY									
5500001 - Contingency - Misc Expense	1,669.00	2,666.67	-997.67	62.6%	4,543.39	32,000.00	-27,456.61	14.2%	32,000.00
<b>Total 5500000 - CONTINGENCY</b>	<b>1,669.00</b>	<b>2,666.67</b>	<b>-997.67</b>	<b>62.6%</b>	<b>4,543.39</b>	<b>32,000.00</b>	<b>-27,456.61</b>	<b>14.2%</b>	<b>32,000.00</b>
<b>Total Expense</b>	<b>83,763.82</b>	<b>49,241.67</b>	<b>34,522.15</b>	<b>170.1%</b>	<b>541,095.48</b>	<b>570,900.00</b>	<b>-29,804.52</b>	<b>94.8%</b>	<b>570,900.00</b>
<b>Net Ordinary Income</b>	<b>-29,101.76</b>	<b>-4,572.92</b>	<b>-24,528.84</b>	<b>636.4%</b>	<b>58,478.13</b>	<b>-36,875.00</b>	<b>95,353.13</b>	<b>-158.6%</b>	<b>-36,875.00</b>
<b>Net Income</b>	<b>-29,101.76</b>	<b>-4,572.92</b>	<b>-24,528.84</b>	<b>636.4%</b>	<b>58,478.13</b>	<b>-36,875.00</b>	<b>95,353.13</b>	<b>-158.6%</b>	<b>-36,875.00</b>

Attachment 3

**2022 DAO Board Member Nominations  
By DAO Nominating Committee  
Joe Dietzen, Chair, Pauline Block and Bernie Schwartz**

<b>Name</b>	<b>Status</b>	<b>Term Ending</b>
Natalie Balfour	Returning Board Member	December 31, 2024
Charles Evans	Returning Board Member	December 31, 2022
Chris Denny	New Board Member	December 31, 2022
Hugh Futrell	Returning	December 31, 2024
Don Tomasi	New Board Member	December 31, 2022

**New Board Member Information**

**Chris Denny  
Founder/President, The Engine is Red  
Property and Business Owner**

Chris is the founder and President of The Engine is Red, an award-winning creative agency with studios in Santa Rosa and Minneapolis. Chris leads the Engine team—developing inspired brand strategies, campaigns, and interactive experiences for clients such as Credit Karma, Medtronic, TESLA, Kendall-Jackson, LabCorp, and hundreds more from Fortune 100 enterprises to cherished local companies.

Chris founded his company, and his family, in Downtown Santa Rosa. Recently he and his wife purchased and renovated 409 Mendocino Ave. Starting what is hopefully a new chapter of investing in, and bringing prosperity to Downtown Santa Rosa.

Committed to supporting the community, Chris serves on the Executive Committee of Board of Directors for the Center for Well-being and is Chairman of the Advisory Board for Creative Sonoma. He is the former Chair of Santa Rosa's Wednesday Night Market. Chris has served on over a dozen strategic and advisory boards in Sonoma County including Generation Housing, Strategic Sonoma, Open and Out, Santa Rosa Downtown Station Area Specific Plan, Strategic Steering Committee for SR Public Arts, and the Sonoma County Economic Development Board.

Chris holds a Bachelors of Arts in Graphic Design from the University of Iowa, has been named one of North Bay Business Journal's 40 Under 40 and has also been featured by a variety of media, including Entrepreneur, AdWeek, AdAge, Fox Business News, USA Today, and CNN Money.

Above all, Chris irrationally loves downtown Santa Rosa. Loves its history, its businesses, its potential.