

DOWNTOWN KELOWNA

ANNUAL REPORT
2018

ABOUT THE ASSOCIATION

The Kelowna Downtown Business Improvement Area Society (Downtown Kelowna Association, DKA) is a non-profit organization dedicated to ensuring the Downtown Business Improvement Area (BIA) is a safe and desirable place to conduct business, live, work, and play through the cooperative efforts of its members and local government.

The BIA, officially registered in 1989, is funded by a commercial taxation assessment levy paid by the property owners within the BIA to the City of Kelowna through Bylaw No. 10880. You are automatically a member of the Downtown Kelowna Association when located within the BIA.

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MESSAGE FROM THE PRESIDENT

Yarden Gershony, Rush Ihas Hardwick LLP

At the end of my first year as President of the Downtown Kelowna Association, I am delighted to report that 2018 was an excellent year for Downtown Kelowna. Kelowna is in the midst of an exciting period of urban growth, with hundreds of new housing units and commercial developments under construction and in the planning stages. It is an energizing time to be part of Downtown Kelowna.

The DKA has seen a number of changes in 2018. As we bid farewell to one Executive Director, we welcomed another, Mark Burley, who joins us with over a decade of experience as Group Program Director for Bell Media. In that capacity he oversaw programming for all 22 Bell Media stations in the BC Interior, and managed large employee and stakeholder teams. Under his leadership we expect great things of the DKA for years to come.

Moreover, in 2018 the DKA continued to build upon our strong relationships with the City of Kelowna, the RCMP, BC Housing and Interior Health. The DKA's board of directors, executive team and staff will continue to advance these relationships in 2019, as we work together on many new marketing and community safety initiatives.

As with every growing city in BC, Kelowna faced challenges in 2018 with homelessness and the devastating effects of the opioid crisis. In that regard, the DKA has worked tirelessly with our community partners both to help provide for the needs of our homeless and addicted populations, and to support public safety in our Downtown core. In that regard, I want to personally thank our dedicated "Downtown On Call" and "Clean Team" employees, who provide an invaluable service toward keeping our streets clean and safe for everyone Downtown.

I am also proud of the continued growth of our Downtown Kelowna events and promotions. Our staff works extremely hard to showcase the success of our Downtown. In 2018, four After 5 events took centre stage to offer our Downtown business professionals an opportunity to network and share ideas. The 29th annual Block Party attracted some 18,000-20,000 attendees, and the 2nd annual Winter Street Market and 30th Light Up event far exceeded everyone's expectations. The Little Black Book promotion had its inaugural run and the Taste of Downtown promotion raised just under \$6,000 for the Central Okanagan Food Bank.

In the end, I am very proud to serve as the Association's President. And I am proud of what we were able to accomplish in 2018.

Heading into 2019, the DKA will continue to draw visitors to the area and provide the necessary Downtown On Call and Clean Team support as densification increases. It truly is an exciting time to be Downtown Kelowna and I'm looking forward to being part of the continued growth.

MESSAGE FROM THE EXECUTIVE DIRECTOR

Mark Burley



First and foremost, I am honoured to have been in the role of Executive Director for the Downtown Kelowna Association since November 2018. I have been welcomed and knowledgeably assisted by the Downtown Kelowna staff. I extend my deepest appreciation for their fun, thoughtful and reassuring support during this transition period. I would also like to extend my gratitude to the Board for the opportunity to serve the Downtown. Each day, I feel fortunate to work with such an incredibly talented, dedicated and passionate group of amazing people.

I would also like to take this opportunity to thank the many partner organizations, such as the City of Kelowna, Tourism Kelowna, Chamber of Commerce, the RCMP, Interior Health Authority and the Journey Home Task Force, just to name a few, that have warmly welcomed and assisted me in building meaningful relationships to support the important work of the Downtown Kelowna Association.

To date, I feel that the right components are falling into place for us to capitalize on the economic and population growth that will occur over the next 5 to 10 years throughout Downtown Kelowna. The burgeoning technology sector, coupled with the increased success of the University of British Columbia – Okanagan Campus, along with other variables, will result in a shift towards a younger demographic, which will have a significant and positive effect upon Downtown.

Current economic indicators are supported by forward-thinking initiatives being made by the City of Kelowna. These include densification with the current construction of the Ella and Brooklyn developments, new and diverse transportation options and the creation of more vibrant public spaces Downtown. With significant events coming back to Downtown in 2019, such as the Apple Triathlon and Kelowna Farmers' and Crafters' Market, the Downtown core will experience increased visitation and vibrancy in the years to come.

To better reflect the progressive atmosphere throughout Downtown, we refined elements of our annual events and promotions, such as the 2nd annual Winter Street Market and 30th Light Up, as well as making some ongoing general improvements to Block Party. We strategically enhanced our online marketing efforts in late 2018 and will use these channels predominantly moving forward when promoting Downtown as a place to conduct business, live, work and play.

Our On-Street Services program continues to be one of our Members' top priorities and in 2019 we continue to offer onsite de-escalation training for all Members and City of Kelowna staff. We are also very involved with several partner organizations working to positively and proactively address social issues within Downtown. The Downtown On Call and Clean Team programs are critically important to these measures and we are now working collaboratively with the RCMP and Bylaw Services to collate data, providing a more accurate view of the activities occurring Downtown. My thanks and gratitude go to the dedicated and enthusiastic On-Street Services team working every day Downtown.

MEMBERSHIP

The Downtown Kelowna membership is extremely diverse reaching everything from professional services to arts and culture to entertainment and attractions. The diversity of Downtown Kelowna adds to the vibrant atmosphere and the resurgence of our area to live, work and play.

Property Owners	374
Business Owners	874
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Total as of May 1, 2019	1248
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	#	% of Business Mix
Accommodation	6	0.69%
Dining / Restaurants	112	12.81%
Entertainment & Attractions	54	6.18%
General Service	142	16.25%
Government / Non-Profit	67	7.67%
Professional Service	281	32.15%
Shopping & Retail	212	24.26%
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MEMBERSHIP COMMUNICATIONS

In 2018, the DKA continued to update members with the monthly e-newsletter, the Downtown Insider. Over the course of the year, 12 e-newsletters were distributed, with an average of 989 members receiving the communication blasts, and an open rate of 39.61%, which was an increase of 2.68% from 2017.

DowntownKelowna.com features a Members & Association micro-site that includes a Member Dashboard with clearly marked links to all programs and services available to members, including Downtown On Call, Downtown Clean Team, Events & Promotions, Marketing, and many other resources that members can utilize.

GOALS

Vision

Downtown Kelowna is recognized as a vibrant, healthy and thriving business community where people want to work, live and play.

Mandate

The Downtown Kelowna Association (DKA) plays a leadership role in fostering the continued development of the Downtown as a safe and desirable place to conduct business, live, work and play through cooperative efforts of its members and government.

The DKA achieves its mandate through:

- Advocacy on behalf of its members;
- Fostering collaboration among its members and other community stakeholders; and
- Introducing and executing innovative programs and events that promote Downtown Kelowna businesses and activities.

In order to deliver key results within the DKA's Vision and Mandate, there will be a focus will be on the following five key areas;

1. Vibrant Downtown

Actively participate in creating and maintaining a clean, safe and welcoming Downtown for businesses, consumers and visitors through the On Street Services Programs (Downtown On Call and Clean Team). Continuation of collaborative working relationships with enforcement and regulatory agencies along with other service providers.

2. Business Development

Enrich the overall appeal of Downtown with the engagement of partners and resources. Encourage the revitalization of Leon Avenue from Abbott to Richter through significant property development incentives, consistent streetscaping and alternate transportation models. Support the community to address local social issues with sustainable long term solutions through the relocation and/or improved integration of facilities and through various channels, including the Journey Home strategy.

3. Advocacy

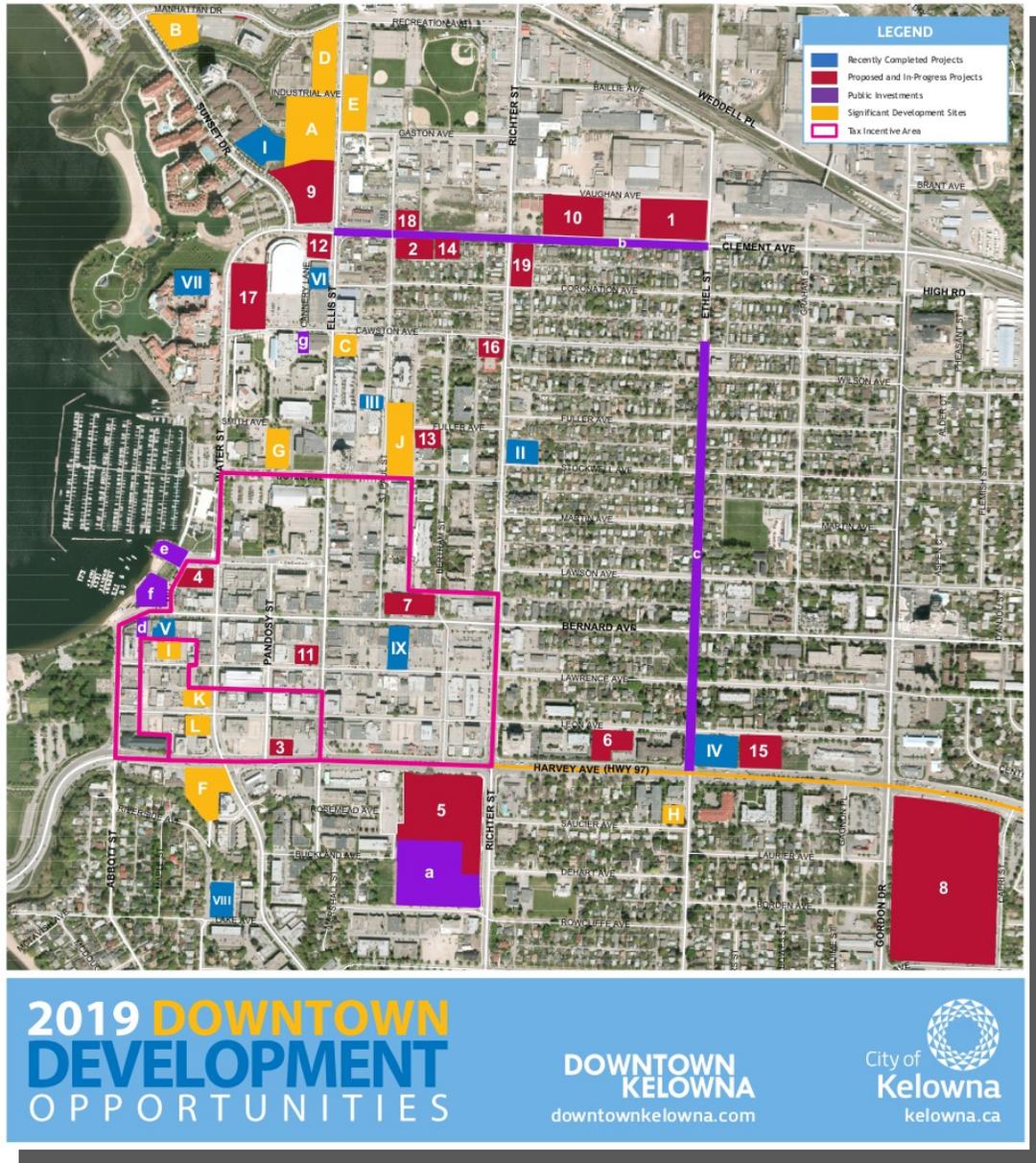
Ensure the overall urbanization well-being of the Downtown area through sustained collaborative relationships. Provide feedback, encourage initiatives and support for Downtown through community and transportation plans, bylaws, zoning and infrastructure developments, along with other consultation opportunities applicable to Downtown.

3. Marketing

Develop and support promotions/events to best reflect the dynamic landscape and demographic of Downtown. Ensure marketing focus generates excitement about Downtown and showcases the unique environment of Downtown with local ownership.

BUSINESS RECRUITMENT

Business recruitment is one of the priorities for the DKA and the City of Kelowna. Each year, the DKA showcases Downtown Kelowna through an exhibition booth at the ICSC: International Council of Shopping Centers Conference, an annual conference in which thousands of people from across North America attend.



The DKA's Downtown Kelowna [Prospectus Map](#), physical and virtual, were on display to highlight the over \$600M in development happening in Downtown Kelowna. There continues to be new interest in development in Downtown Kelowna.

ON STREET SERVICES

DOWNTOWN ON CALL

The Downtown Kelowna membership values the [Downtown On Call](#) team as one of the most important programs for the Downtown Kelowna Association. The On Call team is trained to deal with front line issues related to personal safety, hospitality and help create a positive social environment in Downtown Kelowna.



	2018	2017	2016
Guest Services	204	571	893
Panhandling	113	242	353
Sleeper	709	680	929
Loitering	3,952	2,757	2,108
Busker	10	10	24
Alcohol	205	340	511
Marijuana	20	28	79
Other Drug Related	90	86	89
Sex Trade	23	0	97
Bylaw	2,438	1,023	89
RCMP	885	874	165
Medical First Aid	58	37	19
Ambulance Called	73	34	15
Resource Referral	280	902	220
Needle Pick Up	4,111	2,944	2,406

DOWNTOWN CLEAN TEAM

Along with the Downtown On Call Team, the three person [Downtown Clean Team](#) is equally as important in the eyes of the Downtown Kelowna membership. The Clean Team, dressed in blue, currently use three utility vehicles to assist keeping Downtown clean. The street sweeper is used to clean the sidewalks, parkades, transit loop and City promenade. The green Gator is equipped with a power washer to help with the heavy-duty jobs while the red Ranger is equipped with general cleaning supplies and a snow blade.



	2018	2017	2016
Graffiti Covered			
# of tags:	732	711	830
square metres:	2,488	2,008	3,229
Parkades			
Times cleaned:	50*	23	20
Transit Loop			
Times cleaned:	14	14	16
City Promenade			
Times cleaned:	38	32	35

* *New Memorial Parkade constructed and an expansion of Library Parkade.*

MARKETING

WEBSITE

When visitors to Kelowna are wondering what to do, the DKA website continues to be a proven resource to know what's happening in Downtown Kelowna. In 2018, there was an increase of just under 20,000 unique visits to the DKA Events page. Continued efforts will be put into advising members about the importance of promoting their own events on the DKA Events page.

	2018	2017	2016
<hr/>			
<u>DowntownKelowna.com</u>			
Page views:	56,676 views	58,116 views	49,407 views
Avg. Session Duration:	3min 41sec	3min 55sec	2min 58sec
<u>/Events</u>			
Page views:	65,464 views	46,256 views	11,258 views
Avg. Session Duration:	2min 10sec	2min 36sec	0min 53sec
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MARKETING

MICRO-SITES

In November 2018, the Small Shop promotion was refreshed and rebranded as the Little Black Book. The dedicated micro-site also introduced the ability for participants of the Little Black Book promotion to submit their contest details online. The use of micro-sites was specifically created in 2017 allowing users the ability to find information faster and more efficiently.

	2018	2017	2016
<hr/>			
/After5			
Page views:	2,772 views	5,947 views	— views
Avg. Session Duration:	1min 38sec	1min 06sec	— min — sec
/Small-Shop			
Page views:	8,725 views	6,284 views	— views
Avg. Session Duration:	1min 47sec	1min 03sec	— min — sec
/Block-Party			
Page views:	20,148 views	16,187 views	— views
Avg. Session Duration:	1min 34sec	1min 28sec	— min — sec
/Taste-of-Downtown			
Page views:	9,583 views	9,819 views	— views
Avg. Session Duration:	1min 55sec	1min 51sec	— min — sec
/BlackBook			
Page views:	4,212 views	— views	— views
Avg. Session Duration:	1min 42sec	— min — sec	— min — sec
/WinterMarket			
Page views:	11,603 views	8,283 views	— views
Avg. Session Duration:	1min 24sec	1min 07sec	— min — sec
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MARKETING

SOCIAL MEDIA

From sharing DKA initiatives and events, to showcasing members, both new and existing, social media has become the most efficient and cost-effective way to market Downtown Kelowna as a safe and desirable place to work, live, and play.

	2018	2017	2016
<u>Instagram</u>	13,346 Followers 140 Posts	10,091 Followers 357 Posts	6,709 Followers 394 Posts
<u>Facebook</u>	6,253 Followers 6,285 Likes	5,610 Followers 5,720 Likes	1,871 Followers 4,991 Likes
<u>Twitter</u>	11,744 Followers 2,676 Tweets	11,396 Followers 2,295 Tweets	10,647 Followers 2,138 Tweets
YouTube	— Views — Videos	4,295 Views 25 Videos	12,158 Views 31 Videos

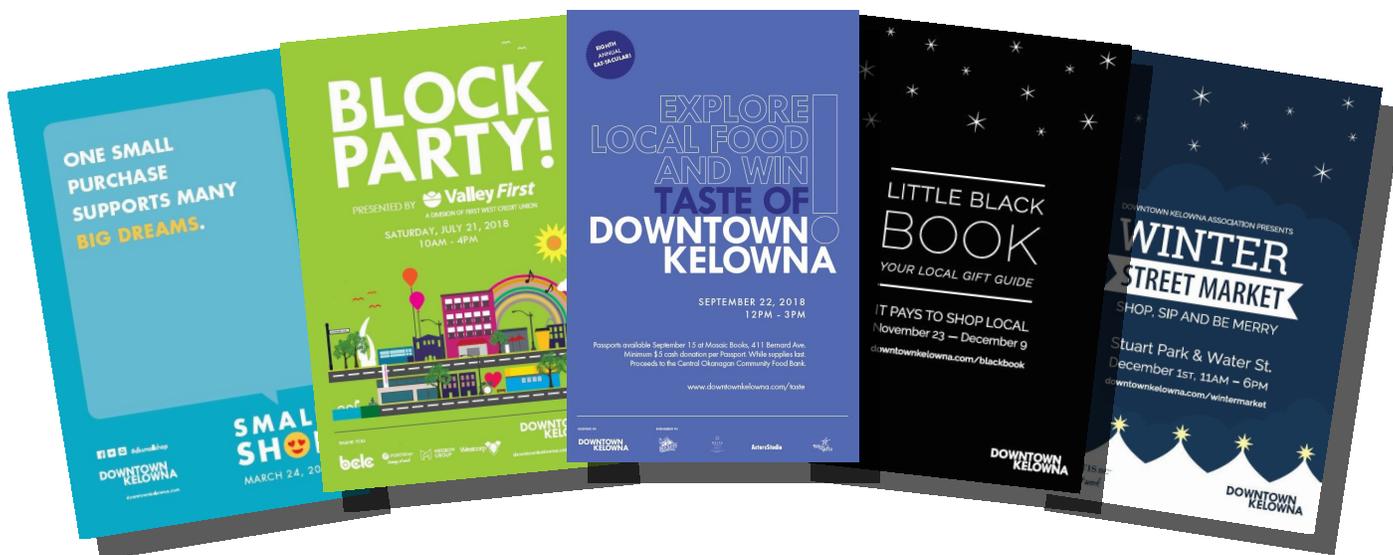
In 2017, the *Eye on Downtown Kelowna*, YouTube series was discontinued.

MARKETING

PROMOTIONS AND EVENTS

The 2018 DKA promotional calendar once again made Downtown Kelowna the place to be creating a fun and exciting atmosphere. The promotions/events encompass all sectors and helped drive consumers Downtown and ultimately into the doors of the businesses. The rebranded Small Shop event, Little Black Book, helped to promote the extensive retail sector. The Taste of Downtown focused on the food and beverage sector of Downtown, and the business community was highlighted with the After 5 networking events. The DKA has a solid foundation with the branding and materials are strong for each promotion and consumer recognition for these events continues to grow.

	2018	2017	2016
Retail Promo	2	2	4
Restaurant Promo	1	2	2
After 5	4	7	7
Events	2	2	2
Charity Involvement	1	2	3
TOTAL	10	15	18



MARKETING

PROMOTIONS

Small Shop

On Saturday, March 24, 2018, Downtown businesses celebrated being a Small Shop and passed the savings onto the consumers. In total, 96 Small Shops featured something special, held demonstrations, had a sale, provided entertainment, or simply highlighted some of their new seasonal merchandise.

Participating Businesses:

	2018	2017	2016	2015
Spring	96	102	113	101
Fall	—	107	106	105

The DKA spread the Small Shop word by advertising on Newcap Radio (Country 100.7), Pattison Radio (Power 104.7), Bell Media (SunFM 99.9, EZRock, AM1150), Castanet, Facebook and Instagram. As well as distributing 240 posters and 1,500 Small Shop guides. After working hard to secure membership engagement, information was compiled and posted on the website, which saw an average of 3,240 views in the week leading up the promotion. Each participating business also received a complimentary balloon tree which identified them as a Small Shop participant and acted as a visual indicator for shoppers.

Small Shop webpage in the week leading up the event:

	2018	2017	2016
Spring	(March 17 – March 24)	(March 31 – April 8)	(April 8 – April 16)
Page views:	3,240 views	1,149 views	— views
Avg. Duration:	1 min 10sec	— min 29sec	— min — sec
Fall		(October 13 – 21)	(October 14 – 22)
Page views:	— views	3,574 views	1,382 views
Avg. Duration:	— min — sec	1min 15sec	— min 30sec

Due to concerns from members and the general public about environmental concerns, the DKA will forgo balloon trees for future promotions. It was also determined that Small Shop required a refresh going forward – with that, the Little Black Book promotion was created as a replacement.

MARKETING

PROMOTIONS

Little Black Book

The Downtown Kelowna [Little Black Book](#) inaugural launch was held on Friday, November 23, 2018 (Black Friday) to drive visitation to the City's core. The promotion ran for two weeks, coinciding with BC Buy Local Week (December 3 – 9), and concluded on Sunday, December 9, 2018, with contestants having until Monday, December 10, 2018 to enter their ballots. Contest winners were drawn and contacted on Wednesday, December 12, 2018, with the official announcement being made via social media (Facebook and Instagram) on Saturday, December 15, 2018.

Participating Member businesses were listed in the Little Black Book to help shoppers make local choices for the holiday shopping season. When a customer purchased \$25 or more at a participating business, they were awarded a Sticker. Once they had collected 6 stickers, they could submit their Gift Guide for a chance to win over \$3000 in prize.

Participating Businesses:

2018

Nov 23 – Dec 9

54

The DKA promoted Little Black Book by advertising on Newcap Radio (Country 100.7, K96.3), Pattison Radio (Power 104.7, Beach 107.5), Bell Media (SunFM 99.9), Castanet, KelownaNow, Facebook, Twitter and Instagram. As well as distributing 6000 Little Black Books via Canada Post Neighbourhood Mail drop, 200 posters and 1,750 Little Black Books to be displayed at participating businesses.

The Little Black Book website received an average of 4,210 views in the weeks leading up to and during the promotion:

2018

Nov 23 – Dec 9

Page views:

4,210 views

Avg. Session Duration:

1 min 42sec

MARKETING

PROMOTIONS

Taste of Downtown

The 2018 [Taste of Downtown](#) Kelowna was once a great success. The promotion was held on Saturday, September 22, 2018, and a total of 22 restaurants participated seeing an average of 641 visitors.

Mosaic Books once again offered to collect donations and on September 15, 2018, 1000 passports were made available for purchase for a minimum donation of \$5.00. Passports sold out in under 2 hours and just under \$6,000.00 was raised for that Central Okanagan Community Food Bank.

	2018	2017	2016
Participating Restaurants:	22	32	33
Submitted Passports:	720	714	663

Taste of Downtown Kelowna attendees voted on their favourite participant to determine the “Foodie Choice” winner. The 2018 Taste of Downtown Kelowna winner was Central Kitchen + Bar with a delicious Tuna Poke. The runner-up was The Train Station Pub who offered flavorful Thai Soup.

MARKETING

EVENTS

Downtown After 5

The After 5 events focus on the business community with an average of 324 guests attending and networking. In 2018, four After 5 events were hosted by Downtown Kelowna business members. It's an excellent tool for the hosting business to promote themselves and for the DKA to share upcoming events and special promotions.

	2018	2017	2016
# of events:	4	7	7
Average Attendance:	324	274	276



MARKETING

EVENTS

Downtown Kelowna Block Party

The 2018 the 29th annual [Block Party](#), presented by Valley First, was held on Saturday, July 21st. Entertainment, activities and vendors activated Kerry Park and Bernard Avenue from the Sails statue to Bertram Street. There was an estimated 18,000 – 20,000 people in attendance.

More than ever, community events have been occurring in Downtown Kelowna during the summer months providing a variety of activities and entertainment for all. These special events enhance tourism, culture and recreation and provide an economic benefit. The DKA welcomes these contributions to the Downtown neighbourhood and will be investigating ways to further support new events in the future.

	2018	2017	2016
Member Vendors	67	74	83
Non-Member Vendors	82	76	77
Sponsors & Community Partners	7	8	7
TOTAL	156	158	167

Downtown Kelowna Winter Street Market

The 2nd annual Downtown Kelowna [Winter Street Market](#), presented by Fortis BC, took place on Saturday, December 1, 2019 and included many enhancements from the previous year. The newly rebranded winter event focused on the Winter Street Market portion, but also included many of the same activities from previous years, such as photos with Santa Claus and the tree Light Up ceremony. New to the 2018 Winter Street Market was the inclusion of a licensed zone where alcohol was permitted.

Identified as an opportunity to fill a need for activation during the off season, the DKA will continue to further enhance the Winter Street Market to attract visitation to the Downtown core in the winter. To do so, this will require a major investment of time and money which will be achieved through a reassessment of existing events and promotions.

FINANCIALS

BALANCE SHEET

ASSETS	2018	2017
Current assets:		
Cash	\$165,966	\$117,372
Internally restricted	\$41,193	\$40,721
Accounts receivable	\$7,233	\$32,647
Prepaid expenses	<u>\$231</u>	<u>\$6,340</u>
	\$214,623	\$197,080
Capital assets	\$9,946	\$11,190
TOTAL	\$224,569	\$208,270
LIABILITIES & NET ASSETS		
Current liabilities:		
Accounts payable & accrued	\$33,708	\$48,185
Current portion of long-term debt	<u>\$599</u>	<u>\$17,185</u>
	\$34,307	\$65,997
Long-term debt	-	\$599
Net assets:		
Invested in capital assets	\$9,347	-
Internally restricted	\$41,193	\$40,721
Unrestricted	<u>\$139,722</u>	<u>\$100,953</u>
	\$190,262	\$141,674
TOTAL	\$224,569	\$208,270

FINANCIALS

REVENUE & EXPENDITURES

	2018 Year End	2017 Year End	2016 Year End
<u>REVENUE</u>			
Membership Levy	\$887,407	\$857,261	\$828,626
Downtown On Call	\$45,000	\$45,000	\$45,000
Downtown Clean Team	\$45,853	\$47,462	\$40,150
Events	\$31,078	\$45,932	\$37,663
Downtown Concierge	\$6,243	\$7,636	\$11,058
Other	\$2,930	\$4,045	\$2,679
	\$1,018,511	\$1,007,337	\$965,176
<u>EXPENSES</u>			
Amortization of capital assets	\$5,964	\$33,747	\$40,971
Business Recruitment	\$8,776	\$6,198	\$6,450
Clean Team	\$144,556	\$156,330	\$118,552
Communications	\$4,921	\$4,092	\$4,597
Downtown Concierge	\$7,281	\$18,517	\$19,884
Downtown On Call	\$307,772	\$244,455	\$222,250
Events	\$74,334	\$73,766	\$72,857
Insurance	\$15,219	\$7,966	\$7,882
Interest on long term debt	\$955	\$864	\$1,395
Marketing and Promotions	\$45,518	\$77,099	\$131,079
Office and Administration	\$41,477	\$37,319	\$34,700
Professional Development	\$6,688	\$8,804	\$6,765
Professional Fees	\$10,786	\$17,241	\$8,559
Rent	\$31,337	\$28,295	\$28,425
Wages and Benefits	\$264,339	\$277,938	\$266,150
	\$969,923	\$992,632	\$970,516
EXCESS/LOSS OF REVENUES OVER EXPENSES	\$48,588	\$14,705	(\$5,340)
NET ASSETS — BEGINNING OF YEAR	\$141,674	\$126,969	\$132,309
NET ASSETS — END OF YEAR	\$190,262	\$141,674	\$126,969

MEET OUR TEAM

2018 DKA BOARD OF DIRECTORS:

President – Yarden Gershony, Rush Ihas Hardwick LLP

Vice President – Nikki Csek, Csek Creative

Treasurer – Rob Collins, Grant Thornton LLP

Secretary – Brian Stephenson, Pushor Mitchell LLP

Past President – Dan Allen, Doc Willoughby’s Public House

Brent Lobson, Impark

Jan Johnson, Tigerlily Fashions

Kate Deglow, Okanagan Wine Festivals Society

Kyle Spence, Downtown Marina & Westcorp

Renata Mills, Festivals Kelowna

Shane Austin, Okanagan coLab

Steve Harvey, Business Finders

Teghan Gordey, The Naked Café

Ex-Officio – Councillor Maxine DeHart, City of Kelowna

2018 DKA STAFF:

Mark Burley, Executive Director (November – December)

Ninette Ollgaard, Executive Director (January – June)

Ron Beahun, On-Street Services Manager

Layla Miller, Operations Manager

Corey Rozon – Membership & Promotions

Pawan Sandhu – Web & Data Coordinator

Lacey Molyneaux – Marketing & Events

Tania Cooper – Administrative Assistant

DOWNTOWN KELOWNA ASSOCIATION

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