

DOWNTOWN KELOWNA

ANNUAL REPORT
2013



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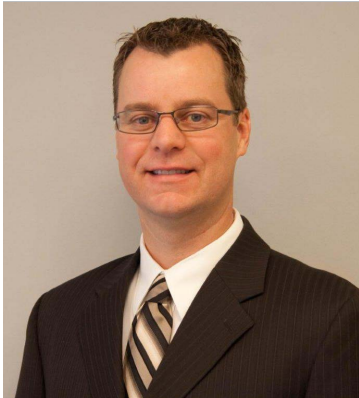
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MESSAGE FROM THE PRESIDENT



It's been a year of milestones and I'm very proud in what we have accomplished. We had a very committed, forward thinking Board, Committees and Staff that helped us continue making the steps towards the revitalization of Downtown Kelowna.

I would like to personally thank Peggy Athans the Executive Director of the DKA and her staff, along with our Board have kept us moving forward on the plans outlined in the Downtown Plan.

We were all looking forward to the completion of the Bernard Avenue Revitalization Project at Christmas, but due to the Fortis dispute the crews will have the final phase between Ellis and Pandosy completed by June 2014. The crews should be congratulated on their effectiveness and I was pleased to see how accommodating and quickly they worked.

The opening of the new Downtown Kelowna Marina in the fall was exciting. The 350 foot pedestrian portion is breathtaking, and when the 68 boat slips are active during the summer, it'll bring a whole new look to the waterfront.

I'm equally proud of how our Downtown members helped one another to be positive this past year.

The Downtown Kelowna Small Shop Saturday series made another step in the right direction. The Block Party was again the "party" of the summer with a number of great Downtown businesses spilling onto the street.

The expansion of the On-Street Services program is also something I'm particularly pleased with. The DKA hired a full time Clean Team member beginning in January to complement our seasonal Clean Team member.

With the numerous events hosted by the Downtown Kelowna Association and seeing the members come together to support each other, I am very impressed how 2013 played out. I'm excited to see what this coming year will bring and how we continue to revitalize Downtown Kelowna.

A handwritten signature in dark ink, consisting of a stylized 'D' followed by a long, wavy line.

Dallas Gray
Downtown Kelowna Association
President

MESSAGE FROM THE EXECUTIVE DIRECTOR



First, I would like to thank my talented team at the Downtown Kelowna Association for their hard work and their commitment to providing quality service to our membership. I am very proud of our accomplishments and the role we played in growing the success of Downtown Kelowna.

Working with the City on our advocacy, we hit some major milestones in 2013, including changing the Ellis Street truck route effective 2014, the near completion of the Bernard Avenue Revitalization with least amount of impact on the businesses, and the completion of the Downtown Kelowna Marina.

As I look back at 2013, we accomplished what we set out to do with the new branding. Comparing attendance numbers and membership engagement of our events and promotions to 2012, we have seen significant growth. Event numbers, social media followers and business participation all climbed in 2013. Three new television ads were created to bring attention to the depth of Downtown Kelowna retail and how it stands apart from a typical shopping experience.

This past year we also worked with the City of Kelowna staff on business recruitment. A new Downtown Kelowna Prospectus Map was created to highlight the over \$250 million of

development being poured into Downtown. The Map certainly caught attendees' attention and raised their interest at the annual International Council of Shopping Centres conference in Whistler, as one message spoke loud and clear; "We are Open for Business!"

This past year saw a continuation of our successful On-Street Services initiatives. Our multiple programs make our streets and buildings look their best while our safety and security activities make the community as safe as possible. At the beginning of the year our Clean Team became a 12 month job as a full time employee was hired. We were also able to make some great strides with our Downtown On Call (DOC) team by strengthening our partnerships with the Bylaw officers and the RCMP.

We always look forward to seeing and hearing from our members. Please visit the office or call us anytime. We are here to tell the story of the revitalization of Downtown Kelowna and I'm excited about 2014.

A handwritten signature in black ink, appearing to read 'P. Athans'.

Peggy Athans
Downtown Kelowna Association
Executive Director



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	423
Business Owners	768
<u>Total (as of January 31, 2013)</u>	<u>1191</u>

Main Category	#	% of Business Mix
Professional Service	174	22.70%
Retail	156	20.30%
Service	126	16.40%
Restaurants	76	9.90%
Government / Non-Profit	61	7.90%
Lawyer & Notary	46	6.00%
Beauty, Spa & Barber Services	35	4.60%
Art	34	4.40%
Entertainment & Attractions	26	3.40%
Medical & Dental	14	1.80%
Coffee & Tea	11	1.40%
Museums % Theatre	10	1.30%
Points of Interest	6	0.80%
Accommodations	5	0.70%

MEMBERSHIP COMMUNICATION

In 2013 the DKA continued to focus on improving the communication with our members through a number of different avenues.

The Downtown Kelowna website (downtownkelowna.com) features the “Member’s Centre” that includes clearly marked links to “Services, Programs and Events, On-Street Services and the Bernard Avenue Revitalization Project.” Anything members can take advantage of is all in one place; the Member’s Centre.

The Downtown Kelowna “Eye on Downtown” segment posted 42 videos in 2013. The videos collected 11,911 views during the year. The segments are promotional videos for the members, highlighting their business.

Over the course of 2013, 12 E-Newsletters were distributed, keeping members up to date. An average

of 900 members received this the E-Newsletter with an average open rate of 36%.

Twice over the course of the year, the DKA hosted two Open Houses. This gave members a chance to come up to the DKA office, talk one on one with the staff, ask questions, learn how to take advantage of DowntownKelowna.com and talk about advocacy. Members attending the Open Houses also received a “Member’s Checklist” that gave members a clear list of complimentary ways they can promote their businesses.

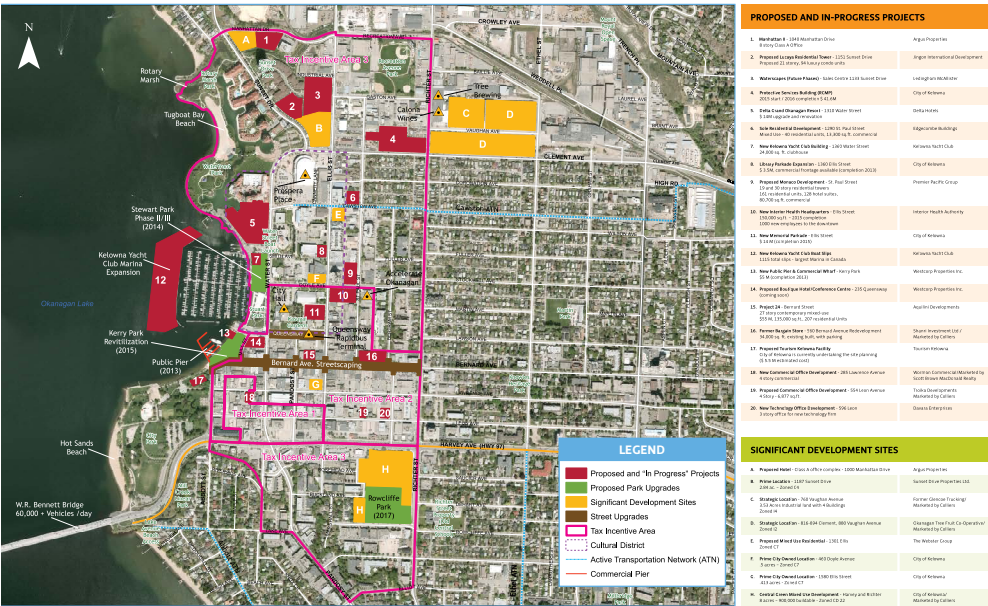
The most effective way to communicate with our members is face to face. Members of the DKA often would visit businesses to provide information on events and promotions, voice radio ads and even appear in promotional videos.



BUSINESS RECRUITMENT

Business recruitment is consistently near the top of the priority list for the DKA and the City of Kelowna. In 2013 the DKA had a booth at the International Council of Shopping Centres Conference (ICSC) in which thousands of people from across North America attend.

A new Downtown Kelowna Prospectus Map was created and taken to the ICSC to highlight the over \$250 million of development being poured into Downtown as one message spoke loud and clear; “We are Open for Business!”



ADVOCACY

The DKA worked closely with the City of Kelowna in 2013 on key points of advocacy. The DKA made it very clear what the short term goals are as the Board of Directors identified the top six short term priorities.

1. Bernard Avenue Revitalization – Other than one small block due to a Fortis issue, Bernard Avenue is nearly completed.
2. The change of the Ellis Street Truck Route was passed this year. In the 2014 budget, the improvements to Gordon Drive will be made and the truck route will be moved out of Downtown.
3. Parking – Two new parkades have been included in the 2014 budget.
4. The ongoing creation of one or more prominent entrance features to Downtown Kelowna – Working with the City of Kelowna and Ministry of Transportation to install prominent signage on Highway 97 identifying Downtown Kelowna and create a prominent entrance to Downtown.
5. The revitalization of Leon and Lawrence Avenues – Identify the priorities from the business owners.
6. Kerry and City Park Redesigns – Working closely with the City on the resign of both parks. To ensure Kerry Park will be redesigned once the proposed hotel development is decided.



ON STREET SERVICES

They look outstanding in red, but they do way more than that. The Downtown 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. And look good doing it.



Activity	2013 Downtown On Call		2012 Downtown On Call
Directions/Info	1488	▼	2041
Pan Handle	644	▼	913
Sleeper	378	▲	286
Loitering	1596	▼	2163
Busker	77	▲	53
Alcohol	526	▲	405
Drug Related	264	▲	245
Sex Trade Worker	98	▼	267
Bylaw	47	▲	41
RCMP	287	▲	257
Medical First Aid	7	▲	5
Ambulance Called	4	-	4
Resource Referall	39	▲	27

ON STREET SERVICES

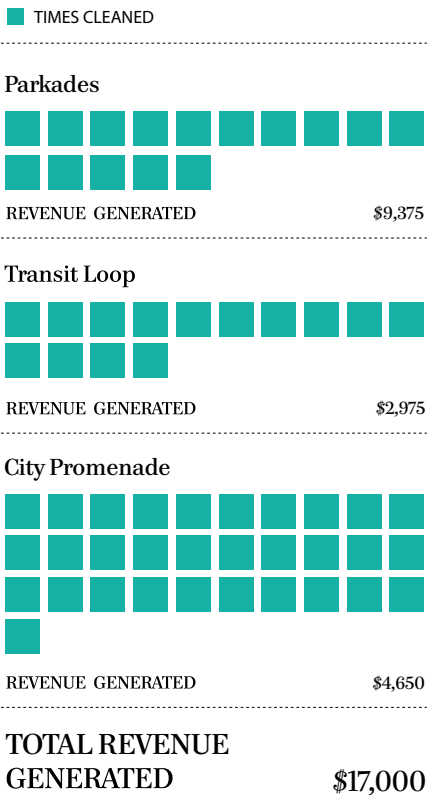
Downtown Clean Team

Dressed in blue uniforms, the Clean Team expanded in 2013 as a full time employee was brought on for the first time. In the spring, a second seasonal member was brought on.

With two people in place the DKA executed the Clean Team plan as the DKA Ranger, equipped with a power washer, graffiti removing supplies and a snow blade was on the street full time.



DOWNTOWN SWEEPER CONTRACT



Downtown Concierge

Thanks to some great Federal funding from May to September the Downtown Concierge act as ambassadors for Downtown Kelowna.

In 2013 their focus changed to provide information of our members and membership engagement. The Downtown Concierge was extremely visible each day setting up at the Sails at the foot of Bernard.



Information Booth Traffic Statistics

	2013		2012
June	1638	▲	769
July	1811	▼	2432
August	2186	▲	2039
Total	5,635		5,267

MARKETING

“Why fix what is not broken.” In 2013, we built on the strong foundation that has been developed over the past few years. The DKA executed very similar marketing initiatives, promotions and events just tweaking certain things and building on what we did in 2012.

The DKA has almost doubled the amount of marketing initiative since 2010. There has also been a shift from executing community events Downtown to now executing promotions that engage the membership and build membership awareness to the public.

	2013		2012
After5	9	▼	10
Events	2	=	2
Retail Promos	5	=	5
Restaurant Promos	3	▲	2
Contests	3	▲	2
Open Houses	2	=	2
Total	24		23

Website & Social Media

The DKA website was redeveloped around the new branding in 2012. The goal is to make downtownkelowna.com the most up-to-date and accurate information site for Downtown Kelowna.

In 2013 fresh content continued to drive the website. The site continued to promote DKA events and promotions. The “Eye On Downtown Kelowna” focused on downtown businesses and featured different areas and sectors of Downtown. For example, videos highlighted the Cultural District, the Downtown Pandosy District, fashion downtown, “Get Beautiful Downtown” highlighting the special treatments that are available at Downtown spas and many other features.

SOCIAL MEDIA (as of Jan 23, 2014)

Twitter:	6,806 followers 1,387 tweets
Facebook:	2,125 likes 1,575 friends
You Tube:	16,686 views 108 videos

E-NEWSLETTERS

In 2013, 12 were distributed to an average of 901 recipients. The average open rate was 34.8%.



Television Campaign

The television campaign messaging drew attention to the depth and breadth of Downtown Kelowna's retail experience and demonstrates how it stands apart from a typical shopping experience. Shopping Downtown is definitely not the same old experience you get at the mall. It's vibrant and colourful.

The campaign was done in an animation style. Simple, colourful and iconic.

The animation were based on the existing look and feel of Block Party/Light Up. There were two campaigns totalling 12 weeks during the periods of March 18 to May 6 and September 6 to October 18, 2013.

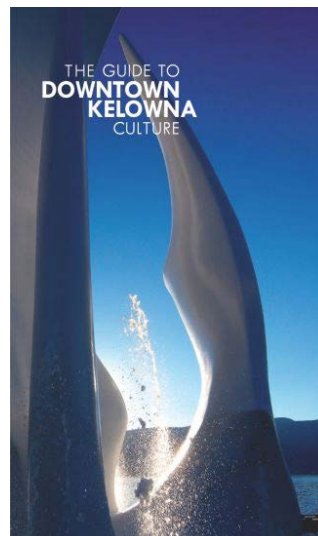


The Essential Downtown Kelowna Guide

In 2013 we established a better production schedule to keep up to date with the changing landscape of Downtown. The first revision was out in May to cover the Victoria Day to Labour Day Spring/Summer season. The second revision was released (featuring a more fall like cover) to cover the Fall/ Winter season.

35,000 copies were printed and distributed.

We delivered and racked the Guide throughout the Regional District placing our guides in hotels and tourist based businesses outside of the Downtown core.



The Guide to Downtown Kelowna Culture

In 2013, we also produced a Culture Guide to highlight culture and the arts in Downtown Kelowna.

10 galleries and supply stores were featured, nine museums and theatres along with the nine studios within the Rotary Centre for the Arts were included.

10,000 Cultural Guides were distributed to the businesses within the Guide, at the Downtown Kelowna Concierge booth in Kerry Park and the four kiosks positioned around Downtown.

CAMPAIGNS

To build brand awareness and drive traffic to Downtown Kelowna.

Small Shop Saturday

Small businesses play a vital role in Kelowna’s local economy, not to mention provide jobs and preserve the Downtown neighbourhood. This is a huge point of difference between Downtown and the mall, or Big Box Stores.

Three Saturdays in 2013, Downtown businesses celebrated Small Shop Saturday and featured something special, held a demonstration, had a sale, provided entertainment, had a guest speaker, or simply highlighted some of their new seasonal merchandise.

The DKA spread the word by advertising on the radio, Castanet, on transit signs and in the newspaper. We also worked hard to secure membership engagement. We compiled all of the information and posted it on the website, made and distributed close to 300 balloon trees which identified participating businesses plus produced handbills, posters and a guide.

Small Shop Saturday Participating Businesses:

	2013		2012
April 6	94	▲	60
June 22	108	▲	90
Oct 26	98	▲	88

SMALL PURCHASES
BIG DIFFERENCE

OCTOBER 26, 2013



SMALL
SHOP
SATURDAY

downtownkelowna.com

DOWNTOWN
KELOWNA

Holiday Campaign

In 2013, a Santa was hired to cruise around Downtown Kelowna December 17th – 23rd from noon to 4:00pm each day. Santa entered businesses ringing his bells and wishing everyone a Merry Christmas and encouraged people to take a photo to enter the Spot Santa contest on the Downtown Kelowna Facebook page.

It brought a festive spirit to Downtown and the businesses had fun and enjoyed the activity in their establishments. Santa was a hit! 299 pictures were uploaded to our Facebook page and our “likes” increased from 1867 to 2095 in seven days. An average of 32 new “likes” per day.

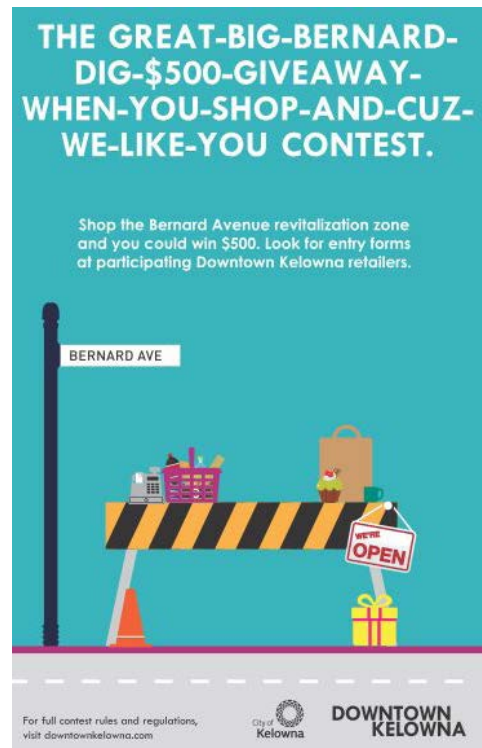
The City of Kelowna approved Free Saturday Parking in December for the 19th year.



Bernard Avenue Revitalization Campaign

The City of Kelowna continued with their “It’s Happening” campaign for the second phase (February 2013 to June 2013) and the third phase (September 2013 to December 2013). The City of Kelowna made large media buys in radio and print have been made. Castanet has also dedicated a page to the Bernard Avenue project.

In partnership with the City, the DKA executed a contest within the second and third phases of the revitalization zone. Customers who made a ten dollar or more purchase in any affected business were given an entry form. Customers were required to visit the Downtown Kelowna website to enter the contest. Six draws of \$500 (Downtown gift certificates) were given out in twelve weeks. The DKA produced posters and handbills and administered the contest which saw 1499 people combined to enter Phases Two and Three.



Taste Of DOWntown

Taste of DOWntown looked different in 2013 by executing the event in September and shortening the timeframe to 12-3pm, in the interest of having the majority of participates being local. The focus of the Taste of DOWntown in 2013 remained the same in promoting the many great restaurants, eateries and cultural cuisine DOWntown Kelowna boasts along with encouraging visitors to explore all of DOWntown. Taste of DOWntown ‘Tourists’ again received one of 1500 passports printed for a complimentary sample along with a map of the participating restaurants to collect signatures from those restaurants and to enter to win DOWntown Kelowna prizing.

Also new in 2013, we took votes to determine the “Foodie Choice” winner from the Taste of DOWntown Tourists. Doc Willoughby’s Public House was the voted as the winner.

	2013		2012
Participating Restaurants	29	=	29
Submitted Passports	465	▼	600

“I thought the Taste of DOWntown was great this year, I think moving it to September was a great idea. I would do the same again next year. I was happy with 12-3”
- La Bussola Italian Restaurant

“Great exposure! Had a lot of fun. Brought back lots of people for gelato”
- RCA Bistro



Downtown Kelowna Block Party Events

August 10, 2013

The 2013 Block Party was a “good old fashioned” party that saw thousands of people come Downtown to take part. Visitors were treated to activities, art, entertainment and terrific membership engagement from Abbott Street to Richter Street. The layout encouraged visitors to explore Bernard Avenue from end to end with a charity BBQ and an inflatable fire truck at Richter Street and dog agility and the main stage in Kerry Park.



Block Party Vendor Participation

	2013		2012		2011
Members	77	▲	61	▲	13
Non-members	60	▼	77	▲	35
Total	137	▼	138	▲	48

Block Party Web Page

Aug 1 – Aug 11 5,666 page visit 2:24 mins avg

Downtown After 5

Last Wednesday of each month (except March & December)

The Downtown Kelowna After 5 events have been the DKA’s signature event for over fifteen years. They support business membership with 300 people on average attending. In 2013, nine After 5 events were hosted by Downtown Kelowna business members. The events are very cost effective to the DKA, as the host of the event is responsible for the food and drink. It’s also an excellent tool for the DKA to promote their upcoming events and special promotions.

After 5	2013		2012
# of events	9	▼	280
Average attendance	10	▲	273



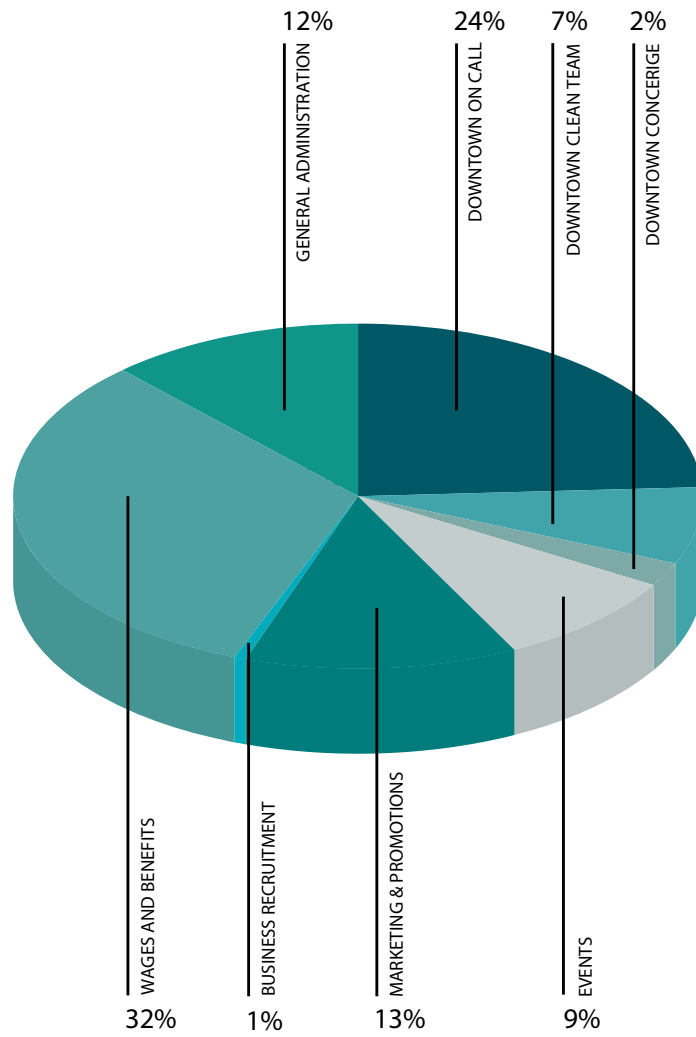
The 25th Annual Downtown Kelowna Light Up celebrated the holiday and shopping season through family activities, music, entertainment, visits from Santa, and the anticipated “light up” of the Christmas Tree in Kerry Park. It’s an event with a successful track record and the City looks forward to it each year. In 2013, despite cold temperatures there were activities in various locations Downtown encouraging the public to explore our amazing shopping and dining opportunities while enjoying in the festivities. Programming ran throughout the day (11am-7pm) in a collaborative effort between the DKA, Downtown businesses and charities and the City of Kelowna.



FINANCIALS

Balance Sheet	2013	2012
Assets		
Current Assets:	107,114	64,013
Long Term Assets:	25,808	31,196
	<u>132,922</u>	<u>95,209</u>
Liabilities		
Current Liabilities	27,582	10,274
Long Term Liabilities	4,365	9,801
	<u>31,947</u>	<u>20,075</u>
Net Assets		
Invested In Equipment	21,443	21,395
Unrestricted	79,532	53,739
	<u>100,975</u>	<u>75,134</u>
Total Liabilities And Net Assets	<u>132,922</u>	<u>95,134</u>
Revenues		
Membership Levy	679,000	652,000
Downtown On Call	45,000	45,000
Downtown Clean Team	36,000	36,800
Downtown Concierge	11,157	11,251
Events	34,392	30,705
Marketing and Promotion	2,391	2,580
Amortization of deferred contributions	5,436	5,436
	<u>813,376</u>	<u>783,772</u>
Expenditures		
Amortization	13,814	9,437
Downtown On Call	186,291	181,442
Downtown Clean Team	57,551	46,332
Downtown Concierge	16,921	22,933
Events	68,744	57,936
Marketing and Promotions	97,324	80,074
Business Recruitment	4,998	2,674
Wages and Benefits	248,953	249,606
General Administration	92,953	96,497
	<u>773,721</u>	<u>746,931</u>
Excess (deficiency) of revenue over expenses	25,841	36,841

FINANCIALS



2013 BOARD OF DIRECTORS

President	Dallas Gray, Newcap Radio
Vice President	Dustin Sargent, Streaming Café & Davara Enterprises
Treasurer	Rob Collins, Grant Thornton LLP
Secretary	Dan Allen, Doc Willoughby's Public House
Past President	Andrew Brunton, Pushor Mitchell LLP
	Angie Bricker, Gorgie Girl Vintage
	Brent Lobson, Imperial Parking
	Brice MacDermott, MacDermott's and MacD's Lakeside
	David Knapp, Canadian Imperial Bank of Commerce
	Jan Johnson, Tigerlily Fashions
	Luigi Cocco, La Bussola Restaurant
	Perry Freeman, Colliers International
	Renee Wasylyk, Troika Developments
	Trevor Neill, Mosaic Books
	Councillor Luke Stack, Ex-officio

DKA STAFF

Peggy Athans	Executive Director	peggy@downtownkelowna.com
Ron Beahun	On-Street Services	ron@downtownkelowna.com
Ryan Watters	Communications Manager	ryan@downtownkelowna.com
Brittany Hansum	Events Manager	brittany@downtownkelowna.com
Layla Miller	Executive Assistant	layla@downtownkelowna.com

DOWNTOWN KELOWNA

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