

DOWNTOWN KELOWNA

Annual Report 2020

ABOUT THE ASSOCIATION

The 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



I'm writing this at the end of my fourth year as President of the Downtown Kelowna Association. This past year (2020-2021) has been a difficult one for our downtown businesses and for our entire downtown community, given the global coronavirus pandemic. There is, however, much promise on the horizon, and I'm heading into the latter half of 2021 with a great deal of optimism for our downtown.

In light of the precipitous onset of the pandemic in the spring of 2020, the DKA did not hold its regular annual general meeting for the 2019-2020 year. As such, I will say a few words about that year (which seems so far in the past now!). Simply put, 2019 was overall a good year for downtown Kelowna. We saw numerous business openings and more people beginning to call downtown Kelowna home. Our annual Summer Block Party and Winter Street Market were huge successes. Our downtown streets saw a healthy increase

in visitor and shopping activity. From our vantage point as the DKA in 2019, things were going well for our downtown core.

Then, in the spring of 2020, the pandemic—and the ensuing business restrictions and shutdowns—hit our members hard. The restaurant and bar industries suffered a particularly rough impact, along with personal service industries such as hairdressers, estheticians, and retail stores.

In the wake of the province-wide pandemic restrictions, the DKA supported a City-led initiative to close Bernard Avenue to vehicle traffic between the 200 and 500 blocks. The purpose of the vehicle closure was to allow for a wide pedestrian berth and larger outdoor patio spaces, with the goal of keeping businesses open while maintaining physical distancing. Admittedly, the closure of Bernard Avenue to vehicles in the summer of 2020 happened unexpectedly, and there was little time to plan and prepare for the closure. As such, last year there was a lack of animation along certain parts the street, particularly within the 400 and 500 blocks of Bernard Ave.

Nevertheless, the summer of 2020 ended up being a good year overall for most downtown businesses, under the difficult circumstances faced by our members.

As many of you know, the City has again decided to close Bernard Avenue to vehicle traffic for July and August of 2021. The DKA has supported the City's decision. This time around though, the City has committed to providing ample funding for animation and activities along Bernard Avenue during the closure, all the way from the Sails at the 200 block to the District Mall at the 500 block. The DKA will be there to support the City in this initiative. We are hopeful that the summer of 2021 will be a great one for our downtown businesses and residents.

Finally, as I noted above, I believe there is a great deal of promise on the horizon for downtown Kelowna. Over the next one to five years, there will thousands of new residents moving to the downtown core. New mixed-use residential towers and townhouse complexes will continue to redraw our skyline and energize our neighbourhoods. UBC Okanagan is opening a new campus here, along with student housing. Much-needed rental apartments are coming on line, especially along Clement. All our members will benefit from this influx of new residents and from the ongoing urban awakening of our city.

At the same time, we have seen important strides over the past two years toward increasing public safety downtown and toward providing more compassionate and orderly care for our most vulnerable populations. Notably, Interior Health has consolidated many of its health-related services in a purpose-built, state-of-the-art facility at the corner of Pandosy and Leon, including safe consumption services, mental health services, addiction treatment referrals, and community policing. The RCMP has increased its downtown foot and bike patrols, which will lead to enhanced safety and perceptions of safety for residents and visitors. And government and non-government organizations (including BC Housing, the John Howard Society, and the Journey Home Society) have worked hard over the past few years to bring an increasing number of affordable housing units to market.

Also, let's not forget that, every day, vaccinations are reaching the arms of more and more people. We hope and expect to see restrictions on commerce continuing to ease in the coming months.

In light of all this, I am optimistic and excited for the future downtown Kelowna.

I want to thank our diverse and dedicated board of directors at the DKA. I especially want to thank our staff. It has been a challenging year, and we are more lucky than ever to have talented employees who commit



themselves every day to making our downtown a great place to live, work and play. As you may know, our staff includes Mark Burley, who has been our executive director now for three years. Mark has established himself as a natural leader within the DKA and as a respected thought-leader in the broader community. Mark is assisted in the office by Pawan Sandhu, our Data and Web Coordinator; Veronika Kubik, our Marketing and Promotions Manager; and Elizabeth Densmore, our Executive Assistant. We appreciate very much their increased efforts this year in the face of many unforeseen challenges. Perhaps most importantly, our On-Street-Services Manager, Ron Beahun, skillfully leads a team of on-street service employees known as Downtown On Call (aka DOC, aka the “red shirts”) and the Clean Team (aka the “blue shirts”). Our DOC patrollers and our Clean Team do important and exhausting work in our community, including frequently serving as “boots-on-the-ground” liaisons between our most vulnerable residents on the one hand, and the RCMP, various social service organizations, and downtown businesses on the other hand. They do hard work, and they do it very well. They deserve our recognition. When you see our red shirts and blue shirts on the streets, please recognize them and say hi!

MESSAGE FROM THE EXECUTIVE DIRECTOR

— Mark Burley



The global pandemic of COVID-19 turned 2020 into a year the was both never experienced, and one wrought with uncertainty. It was a year that saw change for the Downtown Kelowna Association in both how we operate our offices and in personnel. Like all businesses in 2020 we found ourselves assessing processes within the office, marketing plans and the cancellation of many familiar events and promotions.

The last Downtown After 5 happened at Craft Brewery on Bernard early in February. Just over a month later, I cancelled all planned After 5 events indefinitely in accordance with Public Health Orders at that time. All events that the DKA would present as a normal matter of business ended up being cancelled as we followed the guidelines set out by the Provincial government. Events cancelled included the Taste of Downtown in May, Block Party in July, and Winter Street Market in December.

Starting in March, all regular meetings of any type were cancelled. The uncertainty at the point in time created a lag in relationship building. Fortunately, through technology, virtual meetings started to pop up and continual contact kept us all on the same page. Organizations such as the City of Kelowna, Tourism Kelowna, Chamber of Commerce, the RCMP and Bylaw Services, just to name a few, continued to work with me and the important issues affecting the Downtown Kelowna Association.

On March 17th office staff started working daily from home. I met with our Downtown on Call and Clean Teams that same day and the teams decided that they would continue to work without interruption. To date the teams have continued to serve Members patrolling and cleaning Downtown Kelowna daily. We have been incredibly lucky as none of the On Street Services team have contacted COVID-19 or been sick over this time. I am impressed with their dedication to their jobs and the Downtown Kelowna Association. For that they have my thanks and admiration.

Staff researched and created a Resource page on our website for Members to find information for their business, government programs and reopening guidance as the Pandemic continued. Marketing efforts grew using Social Media platforms for contesting of Gift Cards purchased from Member businesses. Digital advertising included local platforms Castanet and KelownaNow and a consistent radio presence kept Downtown Kelowna front and center in the minds of Kelowna residents. A new community partnership was created with Get in the Loop, a digital marketing app platform that was developed in Kelowna and has its offices in Downtown Kelowna.

Bernard Avenue was closed by the City for the months of July and August. The resulting pedestrian walkway, on the north side of the street, was 6m wide and created an avenue for pedestrians to practice physical distancing. Restaurants were permitted to expand their patios onto the street helping them increase much needed capacity. The blocks from Pandosy to St Paul did not enjoy great traffic, however. The contributing factor was the lack of animation and activity given fewer restaurants and, in the 400 block in particular, several closed store fronts. With COVID-19 restrictions in place, animation and programming the area was difficult. City plans for 2020 address the lack of activity in the blocks with animation projects from parklets to seating areas to interactive displays. I am excited for the investment made by the City to make this area successful in 2021.

While the pandemic changed not only how we do business but how we live life it certainly did not get in the way of continued development in Downtown Kelowna. The excitement grew as Ella welcomed residents in the spring, Brooklyn on St Paul got underway, and Ellis Parc will have residents in early 2021.. One Water Street completed its first tower and started tower 2 in 2020 and new development on Leon Avenue and the new UBC building on Doyle were approved.

I am looking forward to a better year in 2021 as hopefully the pandemic eases and business and life gets back closer to normal. Please feel free to visit our office, give us a call, or email us anytime. We are here to assist you in making Downtown Kelowna all it can be. I am excited to see better times for all in 2021.

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	375
Business Owners	755
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Total as of December 31, 2019	1119
<hr/>	

	#	% of Business Mix
Accommodation	7	.07%
Dining / Restaurants	112	10.86%
Entertainment & Attractions	57	5.52%
General Service	210	20.36%
Government / Non-Profit	78	7.56%
Professional Service	329	31.91%
Shopping & Retail	238	23.08%
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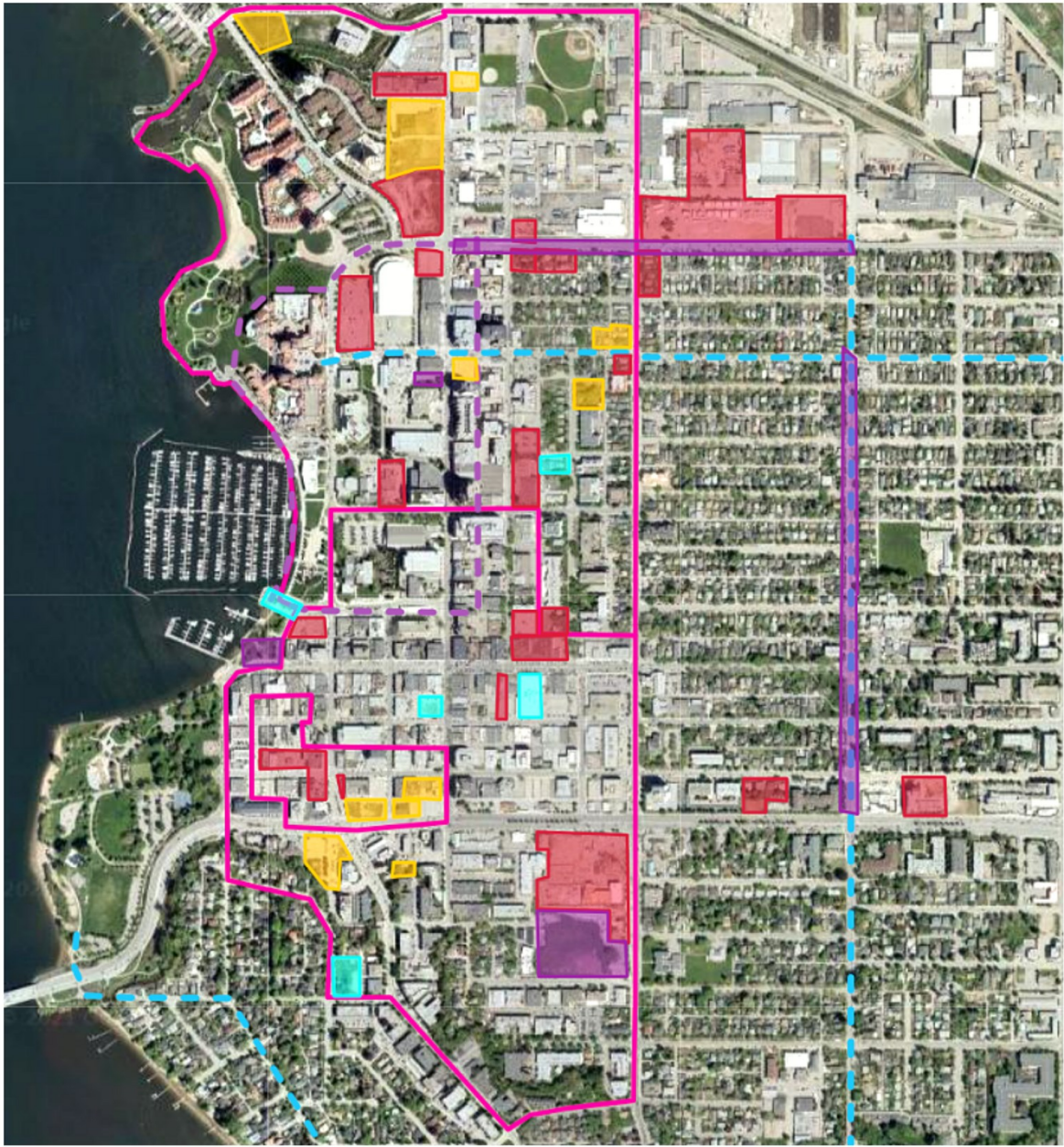
MEMBERSHIP COMMUNICATIONS

In 2020, with the onset of COVID-19 the DKA began to update its members in a weekly update. As the government continued to roll out funding for different members of the community, as well as guidelines, closures and openings, it was necessary to give member the most up-to-date access to resources to help them during the pandemic. The DKA switched from SwiftSend to Mailchimp as of August 2020 and continued with its weekly updates until December when updated became bi-weekly.

Over the course of the year, 4 monthly e-updates were sent (January—April). Starting March 16th weekly updates were sent to the DKA Membership. Towards the end of March it was decided to begin sending weekly updates to keep all members informed of relief programs and changes to health orders. A total of six updates were sent with an open rate of 58.5%. While 29 weekly updates were sent with an average open rate of 37%. (decreasing slowly as we moved further away from the initial onset of the government restrictions).

Along with comprehensive updates through email, additional information was added to the Members & Association micro-site downtownkelowna.com/members-association/resources, so members could easily find updated information on Reopening During Covid and other Covid Resources.

BUSINESS RECRUITMENT



2021 DOWNTOWN
DEVELOPMENT
OPPORTUNITIES

DOWNTOWN
KELOWNA
downtownkelowna.com



ON STREET SERVICES

DOWNTOWN ON CALL

The Downtown Kelowna membership all believes the [Downtown On Call](#) team is one of the most important pieces 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.



	2020	2019	2018
	86	275	
Guest Services			204
Pan Handle	14	35	113
Sleeper	868	1032	709
Loitering	2746	2889	3,952
Busker	3	8	10
Alcohol	35	42	205
Marijuana	1	12	20
Other Drug/Dealing	17	25	90
Sex Trade Worker	1	1	23
Bylaw	471	1451	2,438
RCMP	829	588	885
Medical First Aid	7	22	58
Ambulance Called	20	30	73
Resource Referral	11	26	280
Needle Pick Up	5522	5147	4,111

DOWNTOWN CLEAN TEAM

Along with the Downtown On Call Team, the [Downtown Clean Team](#) is equally as important in the eyes of the businesses. The Clean Team, dressed in blue, currently use three vehicles to keep the roads and sidewalks 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 graffiti removing supplies and a snow blade. All three vehicles were on the street full time.



		2020	2019	2018
Graffiti Covered		<hr/>		
	# of tags:	1,196	379	732
	square metres:	2,993	948	2,488
Parkades				
	Times cleaned:	10	43	50
Transit Loop				
	Times cleaned:	10	15	14
City Promenade				
	Times cleaned:	19	35	38

MARKETING

WEBSITE

The Downtown Kelowna website continues to have an active user base but with the cancellation of major events and focus shifting to promoting local businesses via social media, there was a significant decrease in users in 2020. Pageviews were down 48.46% from 2019 along with a decrease in Average Session Duration by 29.01%. New users were down by 4.27% from 2019. While the numbers are significantly lower than previous years, they aren't very surprising due to the lack of events, news, and such that would normally drive users to the site.

	2020	2019	2018
<hr/>			
DowntownKelowna.com			
Pageviews:	25,144 view	49,170 view	56,676 views
Avg. Session Duration:	1min 52sec	2min 37ec	3min 41sec
/Events			
Pageviews:	6,775 views	31,982 views	65,464 views
Avg. Session Duration:	1min 05ec	1min 31ec	2min 10sec
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With the onset of COVID-19, the downtownkelowna.com site has become one of the most important means of communication with our audience as the world moved quickly to adapt to the new push towards digital marketing. This exposed some issues with the current downtownkelowna.com site which promoted the DKA to move forward with a redesign of the entire site. Hiring Sayvee, a Downtown marketing agency, the DKA began an overhaul of the site—placing our known audience front and center as a part of the design process. Focusing on a) tourists; b) members; c) locals; d) media, the design of the website reflects these audiences preferences, making it easier to navigate and with a cleaner design.

MARKETING

MICRO-SITES

	2020	2019	2018
<hr/>			
/After5			
Pageviews:	1,642 views	6,149 views	2,772 views
Avg. Session Duration:	1min 13sec	1min 34sec	1min 38sec
/Small-Shop			
Pageviews:	— views	— views	8,725 views
Avg. Session Duration:	—min —sec	—min —sec	1min 47sec
/Block-Party			
Pageviews:	1,095 views	9,717 views	20,148 views
Avg. Session Duration:	1min 51sec	1min 248sec	1min 34sec
/Taste-of-Downtown			
Pageviews:	1,504 views	5,333 views	9,583 views
Avg. Session Duration:	0min 54sec	0min 47sec	1min 55sec
/BlackBook			
Pageviews:	— views	2,077 views	4,212 views
Avg. Session Duration:	--min 00sec	1min 00sec	1min 42sec
/WinterMarket			
Pageviews:	1,597 views	14,606 views	11,603 views
Avg. Session Duration:	0min 00sec	1min 39sec	1min 24sec
<hr/>			

Due to the COVID-19 pandemic many events that would normally be held throughout the year were cancelled. One After 5 was hosted before the shutdown but other events were cancelled throughout the year, on the suggestion of Health Authorities. Numbers for Block Party, Taste of Downtown, and Winter Market are views that would have been found through organic searches or through navigation of the site as they have not been archived.

MARKETING

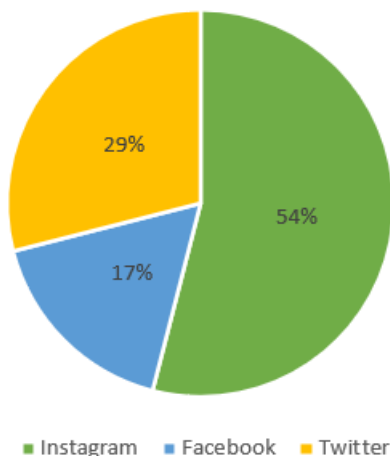
SOCIAL MEDIA

Social media played a larger than ever role for the DKA during 2020. With the onset of the pandemic the DKA used social media to get encourage the community to shop local, spread news about closures and reopening's, hold contests, and update Kelowna residents on digital events happening in downtown.

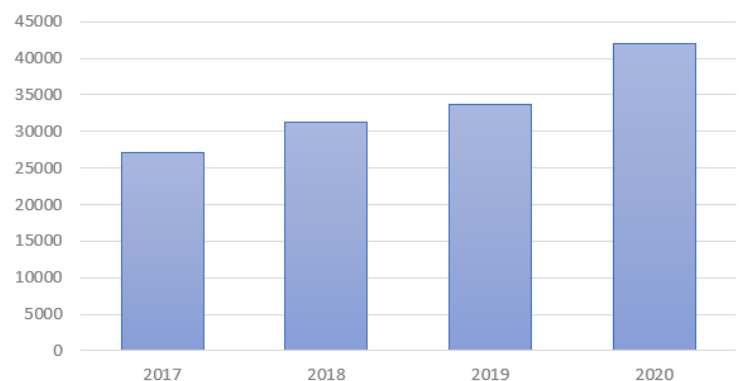
	2020	2019	2018
<u>Instagram</u>	22,646 Followers	19,048 Followers	13,346 Followers
	251 Posts	271 Posts	140 Posts
<u>Facebook</u>	7,139 Followers	7,816 Followers	6,253 Followers
	7,066 Likes	6,833 Likes	6,285 Likes
<u>Twitter</u>	12,155 Followers	12,000 Followers	11,744 Followers
	251 Tweets	263 Tweets	233 Tweets
YouTube*	— Views	— Views	— Views
	— Videos	— Videos	— Videos

- Our unique hashtag #DowntownKelowna has now been used over 75,200 times
- The increase in quality of Instagram posts and continuous sharing of businesses posts have led to a 18.8% increase in number of followers since 2019
- Instagram has become the DKA's main platform for interacting with the community due to its larger audience

Follower Breakdown by Platform



Follower Growth (2017 - 2020)



MARKETING

PROMOTIONS AND EVENTS

Bernard Closure

In light of many of the DKA's regular events being cancelled in 2020, the City of Kelowna with the support of the DKA closed Bernard Avenue from June 29th—September 8th, allowing restaurants to extend their patios and stores to showcase their goods.



Your Own Downtown

Within the Bernard Street Closure a campaign was run to make downtown “Your Own Downtown”. This involved encouraging Kelownian’s to explore Downtown and make it their own. One Peak was hired to take videos around Downtown Kelowna. They’ve been used to showcase the best of downtown.



MARKETING

CONTEST

12 Days of Christmas

Towards the end of 2020, the DKA put on a giveaway contest to help drive business to downtown during the holiday season. The ‘12 Days of Christmas’ Campaign had people finding Santa and scanning a QR code before entering into a draw to win prizes from 11 downtown businesses. All prizes were donated and came from El Taquero, Picture Perfect, Hidden Gem, Spirit Kelowna, Galibelle Shoes, Players Choice Sports, Hitz Boutique, Cactus Club Café, Pulp Fiction Coffee House, The Water Garden, and Don’t Look Down, and the Grand Prize from Prestige Hotel along with a \$100 gift card purchased by the DKA from The Westcoast Bar and Grill.

Participating Businesses:

2020
December 12 – December 25
11—business gift cards
1—grand prize donation
1— purchased gift card

The DKA promoted the campaign through social media posts and ads, Castanet, and KelownaNow with a large portion of advertising being donated by Castanet. Businesses were eager to participate with 20 businesses opting to hang up a santa vinyl in their store and others to share and promote on their social media channels.

A micro-site was created with 917 users visiting the site over a 16 day period. Over the 12 days, 82 people entered the contest with the grand prize winner winning a 2 night stay in an upgraded king bedroom, 1x \$100 gift card to the Westcoast Bar and Grill, and 2x \$50 gift cards to Cactus Club Café.

EVENTS

Downtown After 5

One After 5 event was held at Craft during 2020 before all others were cancelled.

	2020	2019	2018
	1	7	
# of events:			4
Average Attendance:	?	330	324

FINANCIALS

BALANCE SHEET

ASSETS	2020	2019
Current assets:		
Cash	\$230,592	\$178,792
Internally restricted	\$42,448	\$41,801
Accounts receivable	\$442	\$2,990
Prepaid expenses	<u>\$185</u>	<u>-</u>
	\$273,667	\$223,583
Capital assets	\$70,526	\$32,342
TOTAL	\$344,193	\$255,925
LIABILITIES & NET ASSETS		
Current liabilities:		
Accounts payable & accrued	\$24,207	\$28,094
Current portion of long-term debt	<u>-</u>	<u>-</u>
	\$24,207	\$28,094
Long-term debt	-	-
Net assets:		
Invested in capital assets	\$70,526	\$32,342
Internally restricted	\$42,448	\$41,801
Unrestricted	<u>\$207,012</u>	<u>\$153,688</u>
	\$319,986	\$227,831
TOTAL	\$344,193	\$255,925

FINANCIALS

REVENUE & EXPENDITURES

	2020 Year End	2019 Year End	2017 Year End
<u>REVENUE</u>			
Membership Levy	\$1,067,297	\$924,198	\$857,261
Downtown On Call	\$70,000	\$70,000	\$45,000
Downtown Clean Team	\$80,000	\$104,201	\$47,462
Events	\$63,650	\$42,424	\$45,932
Downtown Concierge	\$21,000	\$7,303	\$7,636
Other	\$420	\$608	\$4,045
	\$1,302,367	\$1,148,734	\$1,007,337
<u>EXPENSES</u>			
Amortization of capital assets	-	\$6,399	\$33,747
Business Recruitment	\$7,200	\$5,734	\$6,198
Clean Team	\$218,511	\$172,953	\$156,330
Communications	\$5,300	\$5,836	\$4,092
Downtown Concierge	\$43,795	\$8,367	\$18,517
Downtown On Call	\$432,071	\$369,840	\$244,455
Events	\$93,250	\$70,915	\$73,766
Insurance	\$8,700	\$8,325	\$7,966
Interest on long term debt	-	\$0	\$864
Marketing and Promotions	\$112,100	\$51,498	\$77,099
Office and Administration	\$70,766	\$76,041	\$37,319
Professional Development	\$6,550	\$2,140	\$8,804
Professional Fees	\$12,400	\$8,159	\$17,241
Rent	\$35,700	\$33,296	\$28,295
Wages and Benefits	\$295,500	\$291,562	\$277,938
	\$1,341,843	\$1,111,065	\$992,632
EXCESS/LOSS OF			
REVENUES OVER EXPENSES	\$39,476	\$37,669	\$14,705
NET ASSETS — BEGINNING OF YEAR	\$227,931	\$190,262	\$126,969
NET ASSETS — END OF YEAR	\$409,027	\$227,931	\$141,674

MEET OUR TEAM

EXECUTIVE 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

DKA BOARD:

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

DKA STAFF:

Mark Burley, Executive Director

Ron Beahun, On-Street Services Manager

Elizabeth Densmore– Administrative Assistant

Corey Rozon – Finance Assistant

Pawan Sandhu – Web & Data Coordinator

Veronika Kubik – Marketing & Promotion Manager

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