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2008-2009**

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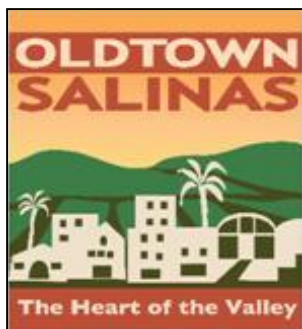
**Ad Hoc Task Forces**

Economic Development  
Promotions  
Beautification  
Security  
Nominating  
Holiday Parade of Lights  
Passport to Cherry's

**The Oldtown Salinas Association**

PO Box 2325  
Salinas, CA 93902  
831-758-0725

[director@oldtownsalinas.com](mailto:director@oldtownsalinas.com)



2008-2009

**ANNUAL REPORT**

***“To promote and enhance Oldtown Salinas,  
provide its members with a unified effort to sustain and expand  
commercial activity, and facilitate a lively, safe and clean  
downtown environment”***

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# Organization

The Oldtown Salinas Association is a 501 (c)(4) nonprofit organization that supports the Oldtown Salinas Business and Parking Improvement District and operates under the **Parking and Improvement Area Law of 1989 (SB 1424 and AB 1693) of the Streets and Highways Code, and City of Salinas Resolution No. 414**. It is governed by a 16-member Board of Directors and staffed by a full-time Executive Director.

In addition to the Executive Committee, OSA is able to implement its work program and support the District's business community through the efforts of volunteers serving on the (ad hoc) Economic Development, Promotions, Beautification, and Security Committees. Additional sub-committees plan and present Oldtown's two annual events, the Holiday Parade of Lights and Passport to Cherry's. Additionally, the ad hoc Nominating Committee is responsible for board member recruitment and Executive Director searches.

The Oldtown Salinas Association encourages and relies on active member participation and volunteerism in order to promote a healthy and vibrant business community and fulfill its purpose statement. The OSA maintains an office within the Oldtown Salinas Business and Parking Improvement District, easily accessible to its members and the public.

## 2008-2009 Accomplishments:

OSA restructured its committees and task forces this year in order to conform more closely with the best practices of other California downtown associations by following the "Main Street Program" that has proven to be a successful formula for downtown association success. Because of the economic challenges facing the nation as a whole, and the Oldtown Salinas Association and its business members in particular, the Economic Development Task Force was established. The previously named Marketing Committee has been changed to the Promotions Task Force, and the Beautification and Security Task Forces remain. Other sub-committees exist to produce special events or accomplish specific goals, and the Executive Committee provides ongoing Association oversight, recommendations to the OSA Board of Directors, and aids in developing the Annual Budget.

## Challenges:

One of the Oldtown Salinas Association's primary challenges has been accomplishing its work plan with limited staff. Many opportunities exist to increase the Association's relevance to and impact upon its business community, although limited resources, both financial and human, remain an obstacle.

## Recommendations:

In order to provide the necessary human resources to support the programs and activities of the Oldtown Salinas Association, increased volunteerism and/or additional support staff is needed.

- Efforts by the Executive Director and Board of Directors to recruit members to serve on established committees and task forces is recommended.
- Intern opportunities exist at CSUMB and other learning institutions to provide assistance with tasks and projects occurring seasonally or occasionally. It is recommended that the Executive Director secure opportunities for intern support.
- It is recommended that members of the Oldtown Board continue to chair and lead committees toward Association goals.
- As a long-term recommendation, additional revenue is needed to provide (minimally) for an office assistant and (ideally) for a Marketing/Development Coordinator. It is recommended that the boundaries and assessment matrix of the Oldtown Salinas Business and Parking Improvement be re-evaluated, and that grants and other possible revenue sources be explored.

## 2009-2010 Goals:

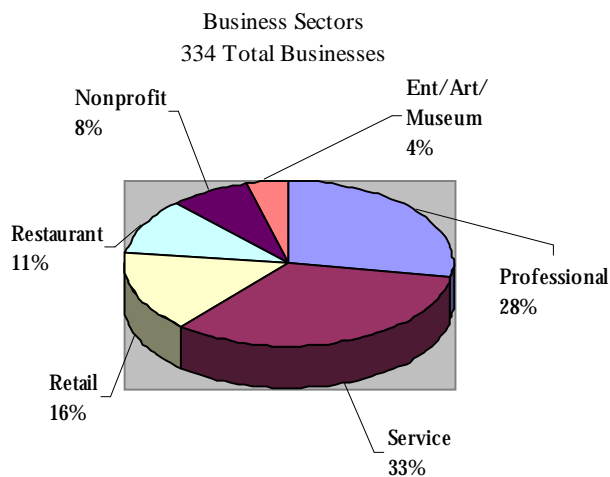
- Strengthen and increase volunteer service on existing committees and task forces
- Obtain interns to assist with administrative and other duties

## Membership

The OSA's business-owner membership is assessed annually to provide for a variety of enhanced services to the downtown district. Assessments are billed according to an amount set forth in the *City of Salinas Municipal Code, Chapter 21B, Article IV*. Members contribute an amount equal to a portion of their business license fee, or in some cases, a flat fee. Associate memberships are \$200, and are held by Oldtown property owners and various businesses located outside of the district boundaries.

Chart 3

**At the beginning of the 2008-2009 fiscal year (July 1st, 2008), there were 362 assessed and associate members. To date, 334 Businesses operate within the Oldtown Salinas boundaries, representing a total loss of 28 businesses (8%) within the last 11 months. The division of business sectors in Oldtown is heavily weighted with professional and service industry providers. Exact vacancy numbers are not currently available, but many ground-level storefronts exist that should ideally be filled with retail, restaurant, entertainment or arts-related businesses.**



### **2008-2009 Accomplishments:**

Communication methods, including a quarterly Association to business newsletter, monthly E-Newsletter and regular electronic communication were established to increase the flow of information between the OSA and its stakeholders. A member survey was sent this year which provided valuable data regarding the members' interests, opinions of and satisfaction in the services provided by the OSA. The OSA database has been scrubbed and enhanced to provide more accurate and complete data. Monthly Member Orientation Meetings were held to introduce new business members to the activities and structure of the OSA, and to provide an opportunity to interact with existing members. Monthly Membership Mixers were also promoted as an opportunity for OSA members to meet fellow business owners, support local restaurants, and for the OSA Board to interact with the business community they represent.

### **Challenges:**

The current local and national economic downturn has negatively affected the Oldtown Business District, and the significant drop in business licenses will result in lower assessments for the 2009-2010 fiscal year. Increased vacancies pose a threat to the image and perception of Oldtown, while the economic pressures faced by existing businesses remain a concern. Developing a sense of community among the membership is both a challenge and an opportunity for the staff and Board of the OSA.

### **Recommendations:**

Supporting and retaining our existing businesses should be a priority for the coming year. It is recommended that members of the Oldtown Board of Directors, committees, and task forces pro-actively contact business owners to encourage participation in Oldtown activities and offer support and guidance to struggling business owners. Continued emphasis on consistent communication remains a positive administrative practice.

### **2009-2010 Goals:**

- Partner with the Salinas Valley Chamber of Commerce, SUBA and other business organizations to offer Business Education Seminars to Oldtown business owners
- Increase active participation of the membership in Oldtown activities, marketing and networking opportunities
- Task the Economic Development Committee with new business attraction, including increasing the ratio of retail, restaurant, entertainment and arts-related, ground level businesses
- Continue to work with the Business Development Task Force and the City of Salinas to implement improved services, financial incentives to attract new businesses, and enhanced services to the downtown district
- Improve business member morale

# Economic Development

The Economic Development Task Force was established to strengthen and broaden the economic base of Oldtown Salinas. A downturn in the economy, increased vacancies, and business-member input suggested that increased efforts to attract and retain a desirable mix of businesses was needed. The proposed large-scale revitalization and redevelopment efforts set forth by the City of Salinas, coupled with the Salinas Renaissance Partners community charrette and development plans, provide a platform from which the Oldtown Salinas Association and its Board may participate.

OSA firmly believes that the Association will play a vital role in the future of the downtown commercial district. The Economic Development Task Force identified a lack of communication between the Association and Oldtown property owners that needs to be improved. Property owners are able to provide valuable data on available lease space, property sale and lease prices, and vacancy rates. Property owners are a vital key to attracting and securing the desirable mix of businesses that will improve the quality of the downtown area. Additionally, the support of the City of Salinas to ensure that necessary services are provided is vital to the continued success of Oldtown Salinas.

## **2008-2009 Accomplishments:**

The Economic Development Task Force was established to help with efforts to fill Oldtown vacancies with a desired mix of businesses, communicate with property owners, and to work pro-actively with the City of Salinas and the Salinas Renaissance Partners in the future development of the central downtown area. Communication with property owners has been established to gather data on all available commercial buildings in the Oldtown district, including square footage, lease or sale prices and vacancy information. Efforts are currently being made to place all vacant offices and storefronts, either for sale or lease, on the Oldtown Salinas website.

## **Challenges:**

Resources, both financial and human, remain a challenge. Increased efforts and programs add an additional workload on the Association staff and Board, resulting in slower progress toward goals. Gaining the willing cooperation of property owners is also a challenge. Considerable effort is needed to engage their interest and impress the importance of their partnership.

## **Recommendations:**

- Utilize interns to collect data and follow up by phone, mail and personal contact with property owners
- Establish an enhanced database of property information
- Work closely with the City of Salinas and the Salinas Renaissance Partners on development efforts

**2009-2010 Goals:**

- Increase involvement with property owners and management companies
- Identify and attract a higher ratio of retail, restaurant, entertainment and arts-related businesses
- Increase hours and days of operation in Oldtown to create an image of vitality and increase commercial activity

The following results were obtained from an OSA April 2009 member survey.

There were a total of 42 respondents, representing 13% of total members.

Chart 6a

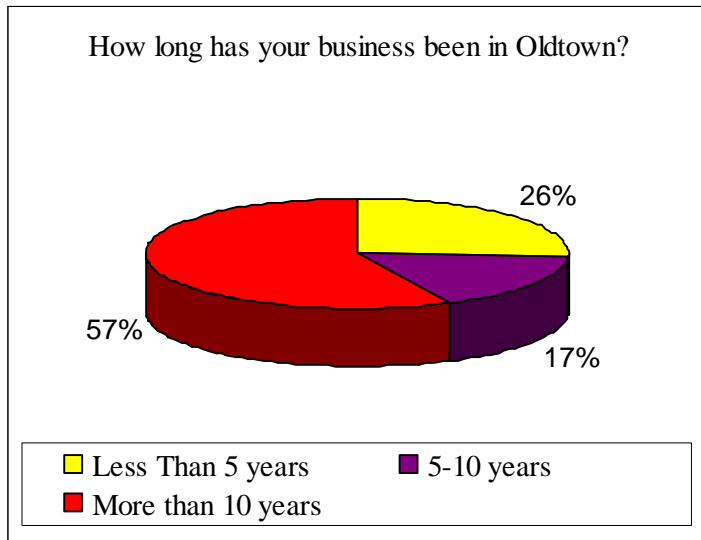


Chart 6b

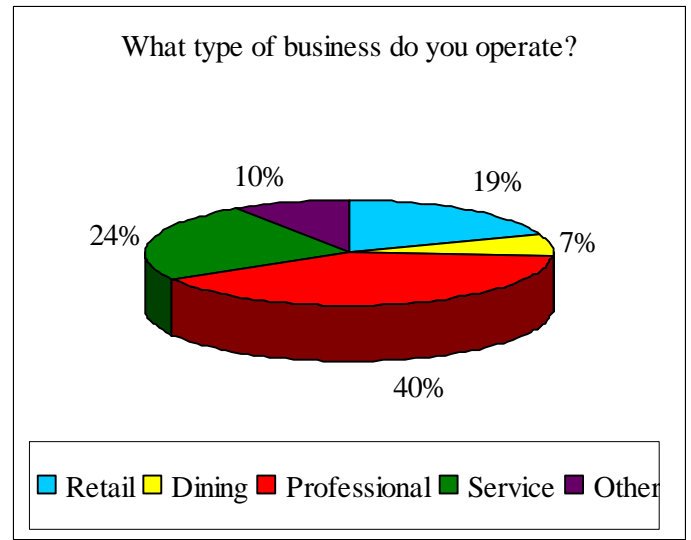
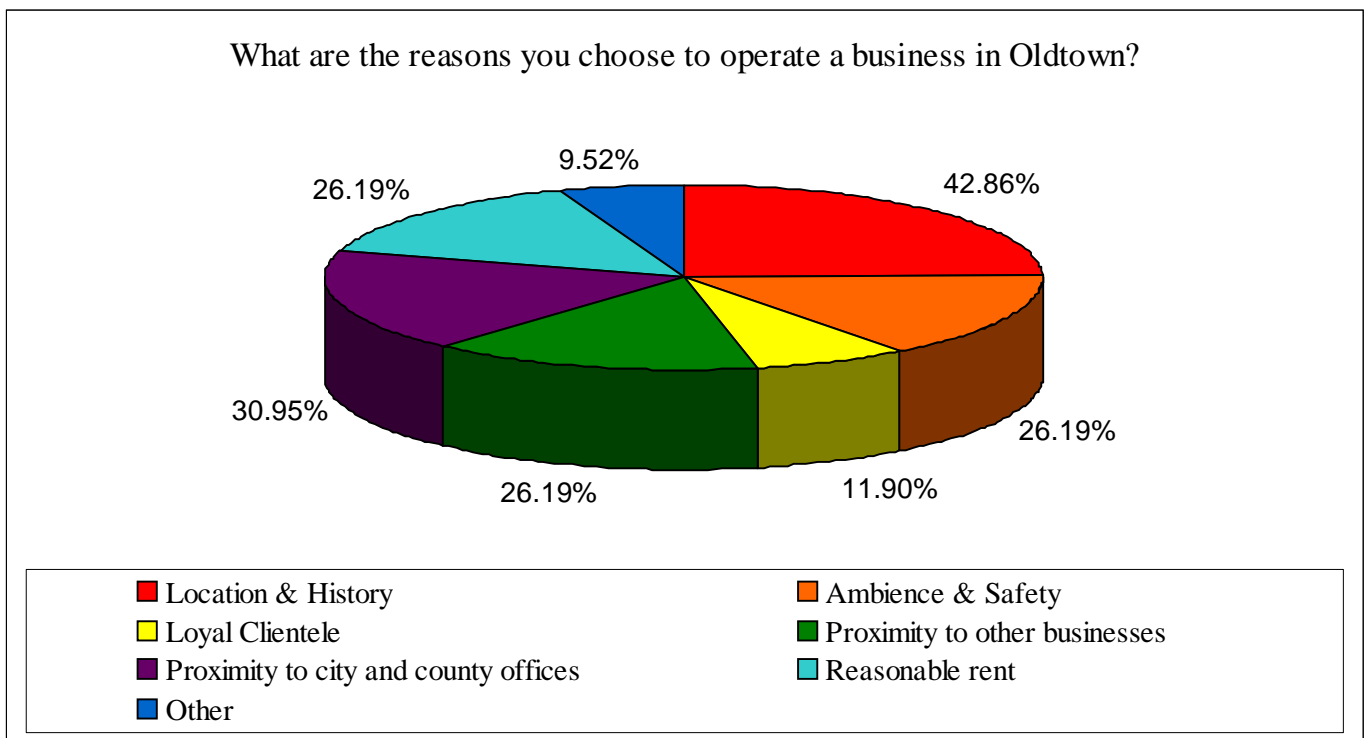


Chart 6c



## Promotions

The Promotions Task Force was restructured to focus on marketing and advertising, special event production, member outreach including orientation meetings and mixers, as well as other public relations efforts that benefit and promote the downtown area. Several new marketing campaigns have been established this year, offering Oldtown members cost-effective opportunities to advertise in print, radio and television outlets (see appendix 1). The Holiday Parade of Lights attracted over 30,000 spectators to downtown Salinas last year, and the 9th Annual Passport To Cherry's event filled three blocks of Main Street with over 5,000 visitors who enjoyed live music, a car and motorcycle show, a restaurant crawl and other family-friendly attractions.

### 2008-2009 Accomplishments:

- The Oldtown Magazine was launched, with three successful issues printed to date
- An Oldtown Salinas cooperative television advertising campaign was launched with KION TV
- An Oldtown Salinas cooperative radio advertising campaign is being developed with Mapleton Communications
- The Holiday Parade of Lights sub-committee raised over \$40,000 in sponsorships and organized this successful event
- The Passport To Cherry's sub-committee organized this event which raised over \$5,000 for the Association
- Management of the Oldtown website and distribution of collateral marketing materials throughout Monterey County.
- The "I Shop Oldtown" shop local effort was launched and raised over \$1,000 in additional revenue for OSA
- Oldtown staff promoted Oldtown Salinas on an NPR radio interview, and on several television news interviews with KSBW and KION stations. Additionally, KION radio presented a live news feed at the Holiday Parade of Lights.

### Challenges:

A decrease in revenue this year, and a projected decrease in revenue for 2009-2010 will present a challenge for OSA. The continued publication of the Oldtown Magazine may be in jeopardy without increased advertising revenue. Economic challenges have caused many Oldtown businesses to cut back on their advertising budgets, which makes it difficult to continue to produce "pay-to-play" marketing opportunities.

### Recommendations:

It is recommended that OSA continue to promote its core marketing opportunities to members, and to continue to negotiate member-exclusive rates with various media outlets. It is also recommended that the Promotions Task Force explore additional ways to produce events and other activities to increase revenue for the OSA annual operating budget.

## **2009-2010 Goals:**

- Continue to produce the Oldtown Magazine and increase advertising therein
- Increase the number of businesses taking part in cooperative advertising opportunities
- Continue to produce OSA's two annual events
- Implement a first-ever Annual Appreciation Award event to honor volunteers, sponsors, donors, and business members
- To increase the amount of revenue earned from fundraising activities, events and other OSA programs

## **Beautification**

The Oldtown Salinas Association maintains a contract with Hope Services to provide enhanced sanitation and landscaping within the Business Improvement District. Donations of plant materials and additional maintenance and labor is obtained from several nurseries and landscape companies in Salinas. The enhanced services that Oldtown is able to provide are limited. Assessment funds do not provide for hardscape improvements such as benches, place finders, or sculptural enhancements. Oldtown is currently responsible for electricity and water expenses, and provides for tree lights along the Main Street corridor during the Holiday Season. An increased effort by the City of Salinas to maintain existing trees, remove tree stumps from ground level tree wells and above ground planters, repair damaged planters and repair broken water sources is needed. Additionally, OSA is seeking for the City of Salinas to assume the utility costs that Oldtown currently pays, which amounts to approximately \$3,500 annually.

## **2008-2009 Accomplishments:**

- Maintained sanitation and beautification efforts through Hope Services and obtained volunteer materials and labor
- Took part in Salinas Serve Day project, replacing over 30 planters with new donated plant material
- Raised over \$9,000 in donations from property owners to supplement service costs
- Maintained graffiti removal efforts in cooperation with the City graffiti abatement program

## **Challenges:**

OSA's Annual Budget does not allow for extensive enhanced services. Beautification efforts such as banners, place finders and other enhancements are difficult to incorporate into the work plan. Broken water lines and other maintenance issues out of our control contribute to high utility costs that OSA simply cannot afford.

## **Recommendations:**

OSA recommends that the City of Salinas assume responsibility for the water and electricity currently paid by the Oldtown Association.

## **2009-2010 Goals:**

- To be relieved of water and electricity fees
- To increase property owner donations for beautification efforts
- For the City of Salinas to replace tree stumps in ground level tree wells, which pose a public hazard
- For the City of Salinas to remove tree stumps in above ground planters and repair broken planters

## **Security**

Unfortunately, Oldtown lost its weekend and evening bike patrol. Oldtown is fortunate to boast an overall low rate of crime, although the district is plagued with petty vandalism and graffiti. Homelessness and panhandling are an ongoing and seasonal problem, although the Salinas Police Department liaison, Commander Tracy Molfino is attentive and proactive in helping OSA deal with this issue. Commander Molfino regularly attends monthly Board meetings and offers education in safety and reporting issues to businesses as requested. Oldtown remains overwhelmingly safe and welcoming.

## **2008-2009 Accomplishments:**

- Maintained active involvement and communication with the Salinas Police Department
- Received monthly safety and crime reports from Commander Molfino
- Through proper reporting and persistence, the SPD caught at least three repetitive Oldtown taggers

## **Challenges:**

Consistent and visible police presence remains a challenge. Obtaining private security is cost prohibitive for the Association.

## **Recommendations:**

It is imperative that OSA and the Salinas Police Department remain vigilant in pursuing and convicting taggers, monitoring aggressive panhandling and chronic homelessness. It is beneficial for businesses to stay open later in the evenings, keep window lights on into the evening, and practice consistent reporting of all incidents of crime or vandalism.

## **2009-2010 Goals:**

- Brighter lights on lamp posts in Oldtown
- To see a majority of businesses put timers on window lights
- To see a majority of businesses keep later evening hours
- Re-implementation of bike patrol
- Security cameras installed in Oldtown

# Finance

The Oldtown Salinas Association relies primarily on assessments collected from the City of Salinas on behalf of the Business Improvement District to fund its annual work plan. In addition to this revenue, OSA must raise additional funds to support many of its programs. Events are self-supporting through sponsorships, and ideally earn additional revenue to supplement the Annual Budget.

## Challenges:

A decrease in overall business numbers has reduced the operating budget considerably, and the 2009-2010 budget is projected to suffer from reduced assessment revenues. An additional strain exists due to an ongoing loss of revenue as a result of uncollected delinquent assessments. Once 90 days delinquent, the City of Salinas writes these debts off as a loss and turns the uncollected balances over to a credit collection agency. The graphs on the following pages illustrate the impact of both a reduction of business licenses and uncollected debts.

## Recommendations:

OSA requests that the City of Salinas, in support of the Oldtown Salinas Business and Parking Improvement District take appropriate measures to ensure that a higher percentage of assessments are collected in order to ensure equity between business fees imposed and Association services rendered. Suggestions have been submitted, and the Oldtown staff and Board of Directors remain willing to explore feasible systems and procedures to support the Business Improvement District and collect required fees. As the Oldtown Salinas Association was established as an advisory board to the City Council to act on behalf of the BID, and to deliver enhanced services to the membership, it is not within our power or scope to collect assessments. In addition, 30% of total assessments are lost due to collection agency administrative costs once delinquent billings are written off by the City.

## 2009-2010 Goals:

- That the City of Salinas establish more effective means of billing and collection of BID assessments
- To raise payment of assessments to 95%, paid within the 90-day billing period
- To ensure that all businesses within the Oldtown district are treated equitably and receive the maximum benefits possible

Chart 11a

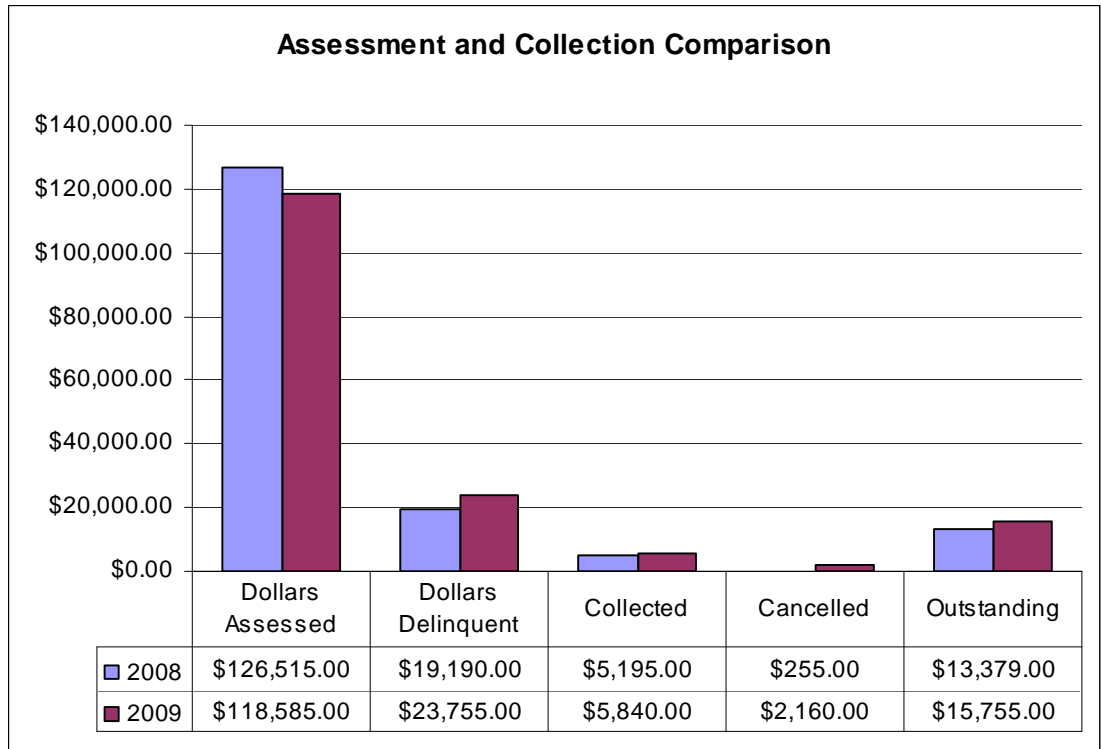


Chart 11a displays a 6% reduction in billed assessments between the 2007-2008 and 2008-2009 fiscal year. Although assessments dropped by only 6%, delinquent and uncollected assessments rose by 23%. Uncollected assessments for 2008-2009 were 20% of total billings.

The current total balance of uncollected assessments since 2006 is \$42,504.20 (not shown on chart). The cumulative effect of delinquencies has a major impact on the ability of the Oldtown Salinas Association to provide enhancements to the Business District.

Chart 11b

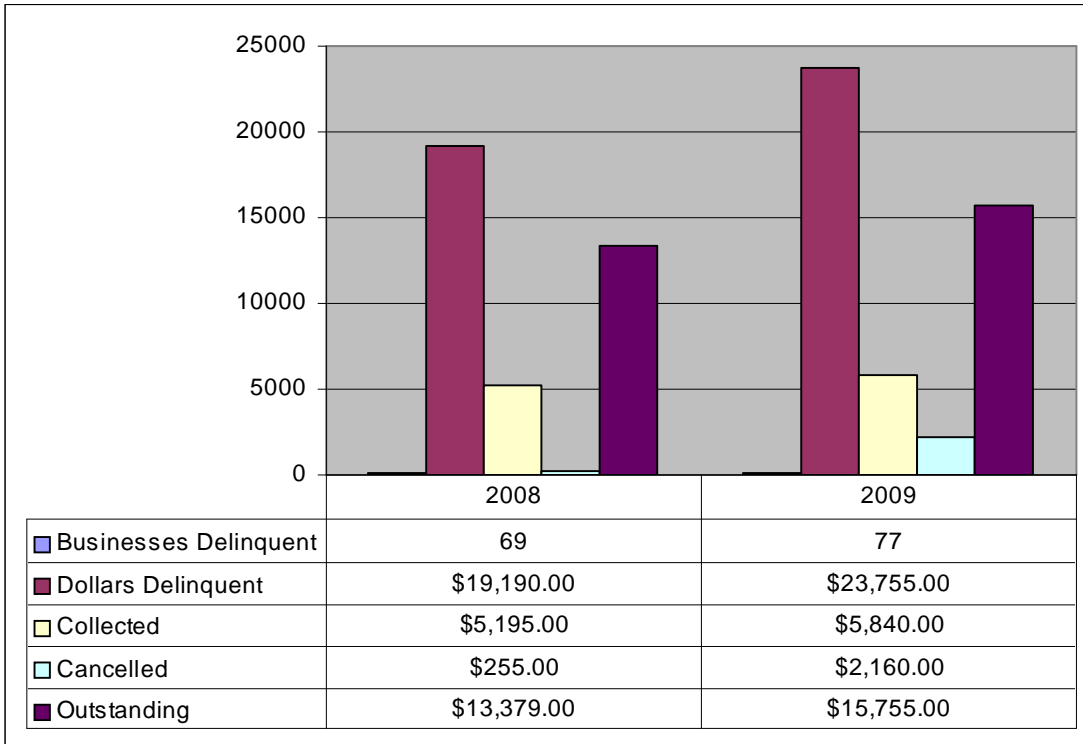
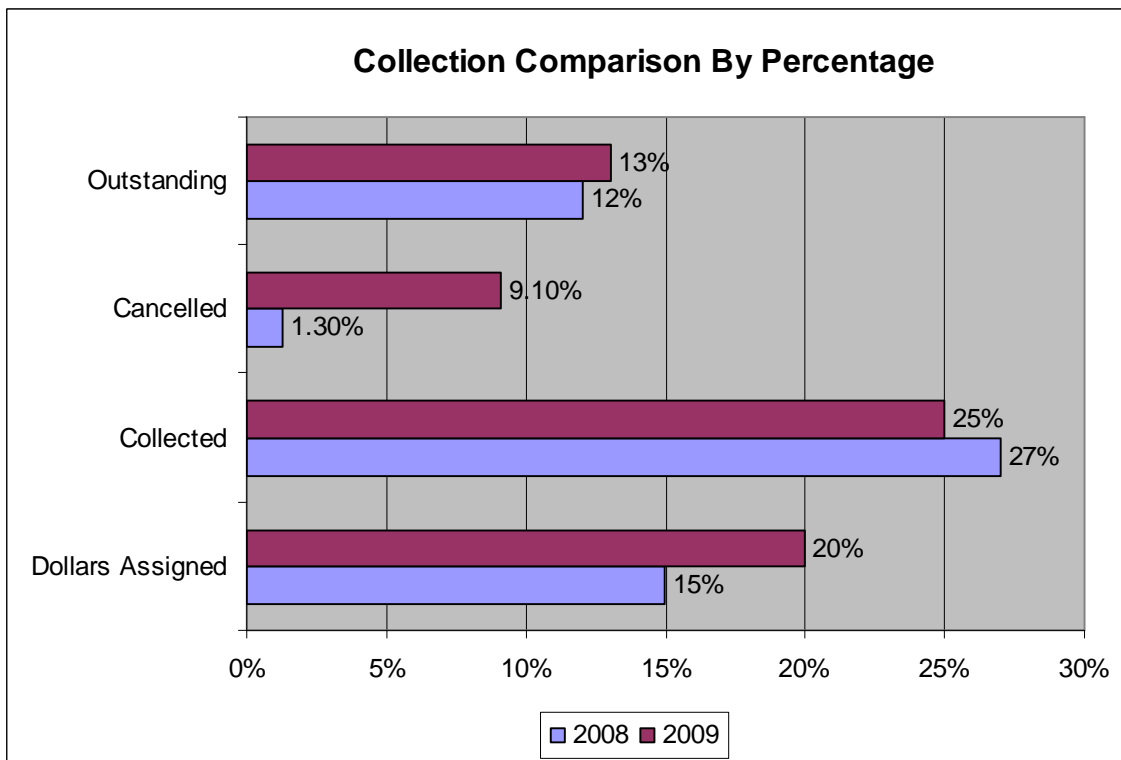


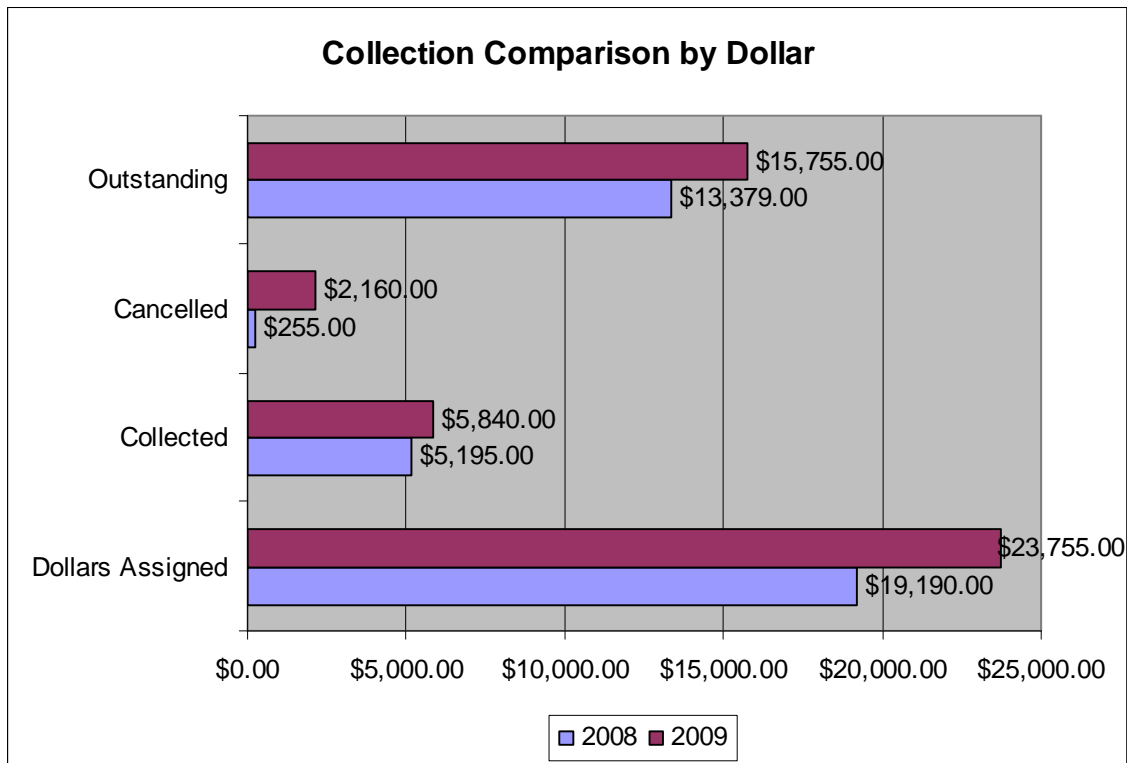
Chart 11b displays the relationship between delinquent businesses and overall lost revenue over the last two fiscal years. The number of businesses remaining delinquent rose by 11% in 2008-2009 and 21% of businesses did not pay their assessments in 2008-2009.

Chart 12a



As is displayed in Charts 12a and 12b, many of these delinquencies remain uncollected.

Chart 12b



**2009-2010 Annual Budget by Category**

BID Assessments	\$98,500.00	44%
RDA Reimbursement	\$17,294.00	8%
Associate Memberships	\$2,000.00	1%
Interest Income	\$200.00	0%
Marketing & Events	\$25,360.00	11%
Sponsorships & Donations	\$82,166.00	36%
<b>Total Income</b>	<b>\$225,520.00</b>	<b>100%</b>
Marketing	\$22,172.24	10%
Events	\$81,186.92	36%
Member Support	\$24,235.53	11%
Beautification/Security	\$53,861.71	24%
Economic Development	\$11,528.12	5%
Administration	\$26,502.80	12%
Fundraising	\$4,052.71	2%
<b>Total Expenses</b>	<b>\$223,540.03</b>	<b>99%</b>
<b>Change in net assets</b>	<b>\$1,979.97</b>	<b>1%</b>

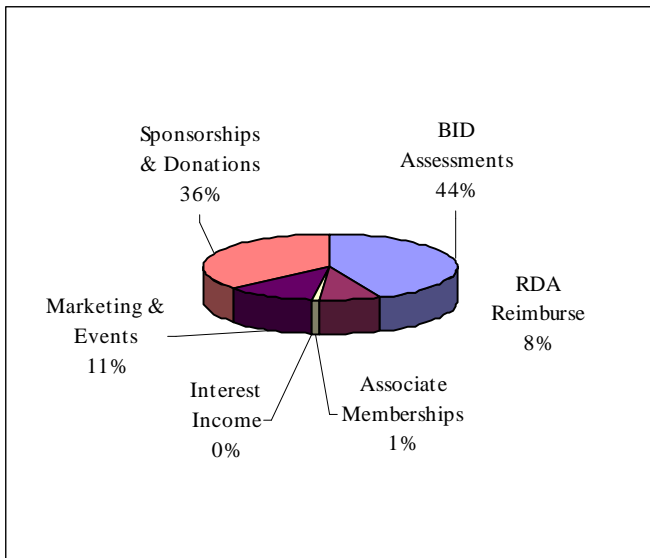
The dashboard budget to the left breaks down the income and expenses for the year according to category.

The Sponsorship and Donation income category is used to produce annual events and supplement Landscape and Sanitation expenses.

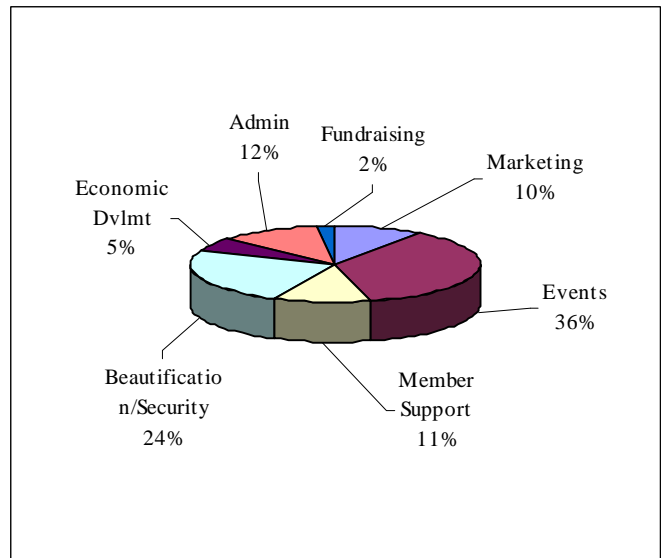
Other than BID Assessment income and RDA Reimbursement for sanitation expenses incurred on behalf of the Redevelopment Agency, all other income is raised or earned.

The expense categories represent Program services, including salaries.

**Income**



**Expenses**



## Sponsors & Donors

*The Oldtown Salinas Association would like to thank the following sponsors and donors for their generosity over the past year.*

### Cash Donations and Sponsorships

Cominos Properties Llc, Davis-Mason Limited Partnership, Deborah Jamil, Frank & Kelly Saunders, Henry Saunders, Hira & Jo Ann Nasta, Irene Bell, James & Patricia Caraccioli, Jeffery Meeks, Joseph Piini, Kurt Dillard, Miguel & Bonnie Hernandez, John Muller, Rabobank, Richard & Leslie Hitchcock, Steven & Gerry Bennett, The Ames Family Trust, The Kobrinsky Group, First National Bank, 1st Capital Bank, Alvarez Technology Group, Big Sur Land Trust, Central Coast Federal Credit Union, CHISPA, D'Arrigo Brothers, Green Rubber/Kennedy Ag, Monterey County Bank, Rotary Club of Salinas, California Water Service Company, Pacific Valley Bank, Hayashi & Wayland, SMD Vineyards, Driscolls, McDonalds, Salinas Valley Memorial Healthcare System, Steinbeck Credit Union, Northridge Mall, MST, Taylor Farms, Widewaters, Robert M. Leidig and Associates, Abramson Church & Stave Llc, Smith & Enright Landscaping, Inc.

### In-Kind Donations

American Takii, Smith & Enright Landscaping, Inc., National Steinbeck Center, Alvarez Technology, Bokay Nursery, National Steinbeck Center, The Californian, BFI, Gabriel Carvey, Freestyle Communications, Hayashi & Wayland, KION, KCBA, The CW, T23, KPRC, KTOM, KOCN, KION 146, Olson Vineyard, Casa Sorrento Pizzeria, El Sol, La Preciosa, Fox 35, The Business Card Shoppe, California Towing, Hope Services, Rancho Cielo, Salinas Library, City of Salinas

### Volunteers

Elba Stumpf, Alan Stumpf, Mary Doughty, Kelly McMillin, Lou Cervantes, Corinne Price, Gerry Bennett, Beverly Meamber, Lori McDonnal, Vicki Dixon, Bill Prunty, Amanda Holder, Kenneth Steen, Michael Millett, Diane Pascoe, Jessica Harris, Joe & Cathy DiMaggio, Joe Aliotti, Sonia Angelo, Nanci Hatter, Jim Smith, Jack Overholt, Patricia Sullivan, Explorers, Charlie Sammut, John Meyer, ARIEL Theatrical, Phil Fisk, Tom Martella, Greg Yancey, Bonnie Hernandez, Sheila Davison, Jeff Nielsen, Jon Lake, Pam McCrumb, Salinas Korean Presbyterian Church, SVCC, Rancho Cielo, Todd Pascoe, Nan Parquette, Dick Parquette, Jodie Creager, Jim Creager, Kathy Marks, Glen Marks, Jenna Patton, Rebecca Ricks, Diane Bair, Tom Bair, Buck Patton, Nancy Martella, Maria Fisk, Stephanie Loose, Darrell Coburn, Bill Norman, Mike Eremeyeff, Sonia Angelo