



August 10, 2022  
8:30 a.m. – 10:30 a.m.  
McCabe's Kitchener

## BOARD OF DIRECTORS • MEETING MINUTES

**Present:** Linda Jutzi, Darryl Moore, Erika Holenski, Phong Tran, Cara Watson, Councillor Debbie Chapman, Julie Phillips, Martha Wallace, Darren Becks, Benjamin Mathew, Michael Rederer, Councillor Sarah Marsh, and Mayor Berry Vrbanovic.

**Regrets:** Sgt. Kelly Prebble

**Recorder:** Stefanie Golling

The meeting began at 8:31 a.m., with Darryl Moore as Chair.

### **APPROVAL OF AGENDA/ DECLARATION OF CONFLICTS**

*Moved by Julie Phillips, seconded by Cara Watson*

“That the Board approves the August 10, 2022, agenda.”

**Carried Unanimously**

### **KITCHENER-WATERLOO OKTOBERFEST UPDATE**

Linda Jutzi provided a quick overview for the Kitchener-Waterloo Oktoberfest activation taking place downtown during the festival.

**Action item:** Linda Jutzi to share any additional information with the Board closer to the festival.

### **WINTER WONDERLAND PROJECT WITH CONESTOGA COLLEGE**

Conestoga College will be attending the September Board Meeting to give a complete overview of the program. Year one of the program is anticipated to cost \$30,000; with years following costing \$20,000. The Finance Committee has reviewed the surplus fund and confirmed that there is ample funding to execute this project.

The college will work exclusively with Downtown for this project. Linda Jutzi also shared that the team is planning to apply for grant funding.

*Moved by Erika Holenski, seconded by Benjamin Mathew*

“That the Board approves the spending of \$30,000 on year one of the Winter Wonderland Project, in collaboration with Conestoga College.”

**Carried Unanimously**

## **BUDGET PRE-READ DISCUSSION**

Linda Jutzi provided Directors with a pre-read breakdown of the proposed 2023 Operating Budget. Ms. Jutzi highlighted how the Downtown Kitchener BIA shifted during the pandemic working on different priorities that would align with the needs of our businesses during lock downs, by focusing on making downtown a destination.

Director questions and comments:

- Is the change the way we are presenting the priorities for 2023?
- When are we going to re-establish the BIA's priorities?
  - At the June Board Meeting, Darren Becks shared the City of Kitchener consultation process. In 2023, we will begin the next steps of the consultation process to establish the 2024-2027 priorities.
- Ms. Jutzi confirmed that she met with the Finance Committee prior to the Board meeting to approve what is being presented. Downtown members will receive the budget as they have in the past.
- How will we ensure we are aligned with the City of Kitchener?
  - The City of Kitchener, downtown visioning process is broader, establishing a vision of the downtown that comes with a wide range. A two-to-five-year work plan will be developed to guide the broader works. A plan will be created and work under that, bringing finer points to execute on.
  - The process will include BIA representation within the working groups; and when themes are rolled out; everyone is able to participate.

## **DRAFT 2023 BUDGET**

Linda Jutzi shared three new programs have been added to the 2023 draft budget:

- **Social Media Program:** businesses are experiencing stress, anxiety trying to hire staff, and overall challenged with operations; social media isn't where it should be. This new line item accounts for bringing someone on as a contract to help the district, on evenings and weekends. This person would be responsible to create content for consistent posting and would be viewed as part of recovery. The businesses this concept has been shared with so far, see it as helpful. The allocation of funds would be towards the part-time salary of one contract person.
  - The city has received feedback that there needs to be more brand development, and marketing to allow businesses to grow. There is a constant tension with events and social media. Economic Development has been making minor shifts to put more emphasis on social media marketing, as well as expanding the way we reach out. The hope is to have a more strategic concentrated presence, with corresponding flow and smooth grow out. This person would help support the City of Kitchener, and collectively amplify content.

Director questions and comments:

- This role should tie into other marketing approaches, and not just focus on social media. Print still has value, i.e., co-op buys, magazines, TV, and radio.
  - From a recovery standpoint we recognize the gap in social media presence. Businesses not knowing where to start, this is an opportunity to educate, and help train to give them a step forward. We can amplify their content, but not do it for them. With a little coaching and direction, we can help folks, while ensuring that there is a diverse representation.
- What channel are we using for social media?
  - Our shared brand – DTKitchener.
- When speaking about the mail out, what do you mean by great success?
  - The mail out went to 10,000 targeted homes around DTK. Economic Development has been tracking the number of posts on Instagram, impressions, and requests. As a result of requests, another run was printed to expand the reach. The portability of the guide is impactful, where other previous investments (i.e., Community Edition) did not have the reach.
- **Enhanced Live Entertainment:** in 2022, \$70,000 was set aside for restaurants and retailers to have live music onsite. This fund allowed for businesses to book their own talent to match their business. The program has been a big success in helping members attract people. Businesses have shared that they love having a live music scene and have noticed increased revenue around these times. This year we noticed there was a little gap between festivals. The hope is to increase this fund to ensure entertainment is enhanced during these times, and animate other areas like in front of THEMUSEUM, on the street, and in Halls Lane.

Director questions and comments:

- Other venues have mentioned that they could not afford to do this without the BIA's funding support.
- It's great to see this line item. Wondering how that relates to festivals seeing a reduction within the budget? This seems counter intuitive. Major events bring huge crowds to downtown and receive great feedback. When we (the city) look at survey results it shows 27% of folks are looking for cultural free diverse events. Flagging a \$10,000 cut to City of Kitchener Events team as this will mean there will be reductions in what we can provide
  - 2023 is the final year of a large payment to PopUp Patios. the proposed budget attempts to keep the increase to the levy at a rate that reflects inflation during a time when the BIA costs have increased. The investment to City of Kitchener Events ensures that the \$40,000 expense to fireworks is fully covered. It is a very tight year, however by no means do we have to stick to this first draft, we can move the funds to the City of Kitchener.
  - Would support the increase to city events; many businesses were open for Wayback Festival.

- The city funding is spread across 5 to 6 festivals – are there no other ways to subsidize these events?
  - Funding is received from a variety of funders: corporate, federal, and the BIA.
- **Winter Wonderland Program with Conestoga College:** this program would continue as a line item on the 2023-2024 budgets.

Following the introduction to the new and enhanced programs, Ms. Jutzi provided a full overview of the draft budget.

Director questions and comments:

- How do you think a levy increase will be received?
  - Members appreciate the assistance and understand how much we've done for them. the Kitchener BIA has been praised by others in Ontario for achieving so many new projects during the pandemic.
- How much is the increase each member may receive on average?
  - The 7% increase does not equate to a 7% increase for each member. The BIA levy is based on assessment growth. Assessment values are done by MPAC.
- Love the enhanced graffiti removal program!
- When presenting this to members, have existing programs show as “enhanced” rather than new.
- We have a couple of patios that are not being used properly or may not be coming (Chicken Coop) so we will repurpose these patios. The presented budget would not allow for new patios, and the program would be complete. In 2023 we would look at a subsidy for installation and removal once we've established our strategic priorities.
  - This is a red flag for landlords trying to attract businesses.
    - The program was developed to assist businesses during COVID-19; and was meant to be a recovery project.
  - We should keep patios at the forefront, and repurpose the ones not being utilized. We've set a standard, and there is now accountability on the BIA to maintain the consistency of that look. It would be difficult to go backwards when we've put a lot of money into the look.
    - We anticipated that this would happen. Through exploring, we recognize we are running out of real estate on King Street and sides streets – space is limited. The City of Kitchener is working on developing a process with planning and building to create patio standards guide. The guide would detail consistent elements to maintain the streetscape. This would navigate around those that want to put something other up. It also ensures patios are meeting the safety and aesthetic requirements. Downtown we have more leverage and can place conditions based on the encroachment agreement for maintenance and use.
  - Make a defining line on the budget showing no new patios.
  - There will be concessions for next year – Kinkaku Izakaya really wanted a patio, however, it would have to be removed six times for City of Kitchener Events. The City nor the member will pay this fee. We were unable to provide them with a

patio. We have come up with a solution and will repurpose a patio along the side of their building.

- We have to be increasingly collaborative with private space. A number of private building owners are willing to loan space, i.e. King East – Sugar Run and 20/20 Vision. Putting on our creative hats and continue to drum up ideas for those businesses.
- How is that installation costs being covered? We will have to determine that in the 2024 budget.
  - There will be a fee and we will have to budget for it and any repairs. Next year the sails will be replaced and modified due to weather at no cost to the BIA.
- Mayor Vrbanovic shared that he has received positive feedback and has been approached by other mayors about the patio program.
- Horticulture - love what the city did this year! Looking forward to potential increases next year.
- Ms. Jutzi added that the DTK Street Squad shared that there were not a lot of people on the street this year. Staff are looking at having an information booth where they can work during festivals. We can come back and measure when we have more foot traffic.
- To accommodate the balance increase of \$10,000 to the City of Kitchener Special Events, do we feel confident to add \$10,000 in grant funding to the revenue portion of the budget?
  - The Finance Committee thinks this is ok.
- Keeping downtown clean after 5:00pm - this should be put back on the radar.
  - This has not fallen off the radar, however there is slow engagement with regional colleagues. The downtown Operations team is picking up garbage 7-days a week and contributing to the cleanliness level.
  - This is partly an enforcement issue, and city staff are in the process of trying to engage with the new director at the Region of Waterloo to advance this.
  - Other BIAs are interested; maybe this needs to come to a political level.
- Consider having small group sessions before the Town Hall. Sometimes the loudest voices can often derail, and this would allow us to be prepared.
  - Will be visiting many members before the Town Hall.
- In the past members have benefited from previous and proposed budgets.
  - When looking at other cities, they do not show previous budgets to avoid confusion.
- Is the new social media program an HR cost?
  - This would be seen as a contract role, and therefore would not show as an HR cost.
- Why is there a measurement on HR costs?
  - We need to deliver programs – we can't without people.
  - Wouldn't want a percentage to be a red herring that maybe doesn't mean anything. Are you getting great value that delivers the objectives of the BIA? We need resources to manage the large-scale programs we deliver
- On the 2021/2022 budget page it shows the previously approved budgets - during the pandemics we applied for and received grant funding. Where is that represented in the budget? Members need to know that.

- At the Town Hall we will have copies of the audited financial statements available. We want the membership to see we have applied and have the money there.
- It's a good news story!
- We should be praising the government in front of the membership.
- We have jumped a head of the curve; it's important to share these things!
- Are we concerned about the optics of having cash on hand, and showing a levy increase?
  - We will come up with a brilliant idea, as discussed at past Board meetings, that delivers back to the members using the surplus fund.
- We don't need to highlight hut repair, add it under another category.
- New titles are not new priorities, they are placeholder priorities until new priorities are established. Rename to "budget categories".

**Action item:** Linda Jutzi to forward My Main Street communication to Mayor Vrbanovic.

**Action item:** Linda Jutzi to make discussed amendments to the draft budget.

*Moved by Julie Phillips, seconded by Phong Tran*

*"To approve the draft budget as amended in today's meeting, as presented by Linda Jutzi."*

**Carried Unanimously**

## **OTHER BUSINESS**

Darryl Moore shared that hosting meetings at McCabe's moving forward is possible.

Linda Jutzi shared that the TD Kitchener Blues Festival, and pancake breakfast went very well. Despite it being a very hot day, moving the breakfast to the park proved to work very well and was efficient.

## **ADJOURNMENT**

*Moved by Phong Tran, seconded by Michael Rederer*

*"That the meeting adjourn."*

**Carried Unanimously**