

HUNTINGTON BEACH DOWNTOWN BUSINESS IMPROVEMENT DISTRICT ANNUAL REPORT

OCTOBER 1, 2018 - SEPTEMBER 30, 2019

MISSION



The Huntington Beach Downtown Business Improvement District is an organization, comprised of the businesses located in the downtown area, united in purpose and dedicated to the improvement of the economic business environment of Downtown Huntington

Beach related to **marketing, safety, maintenance, tourism, parking, and specific events.**

ABOUT

The Huntington Beach Downtown Business Improvement District (HBDBID) is an organization formed in 2004 by the City Council at the request of the businesses within the downtown area. The purpose of the Business Improvement District is to fund and promote activities which benefit businesses located and operating in the HBDBID assessment zone within the City of Huntington Beach. The businesses within the boundaries are assessed an annual HBDBID fee based on their size, location and business type.

The HBDBID Board of Directors are selected through an election process by the stakeholders located within the Downtown Business District boundaries. The Directors act as an Advisory Board, making recommendations to the City Council on the expenditures of revenues derived from the assessments **to strengthen, improve and enhance the experience of those visiting and doing business within the HBDBID boundaries.**



2018 - 2019 HBDBID BOARD OF DIRECTORS

"Great things in business are never done by one person." – Steve Jobs

EXECUTIVE BOARD:

President: DAVE SHENKMAN

Kite Connection

Secretary: MOE KANOUDI

Main Street Eyeware & Boutique

Past President: MATT PETERSON

Legend's Surf City

Vice President: BRETT BARNES

Duke's Huntington Beach

Treasurer: KATE LEIGH

A Street Partners, 5th & PCH

DIRECTORS:

MURATA "COACH" KOC

Coach's Mediterranean Grill

DANNY OTHMAN

602 Café

MICHELLE VESPE

Healing Beauty

MIKE WILLIAMS

The Longboard Restaurant & Pub

SUSIE WORTHY

ME Helme Antiques

STAFF:

Interim HBDBID Executive Director

Surf City Nights & Event Coordinator

Administrative Assistant

JOHN GILBERT

DARCI HENDERSON

FAITH WOMACK

Downtown Huntington Beach is the beating heart of our community. Nearly 40% of our businesses have been serving customers for over ten years!

QUICK GLANCE: The HBDBID exists to positively affect the business climate in the downtown district.

Duke's Huntington Beach celebrated its 20th Anniversary in October 2018. In fact, 42 businesses have been serving downtown customers for well over 20 years. Here is a quick glance of the Years in Business for our downtown business members:

**14 members in business downtown
for over 30 years = 5%**

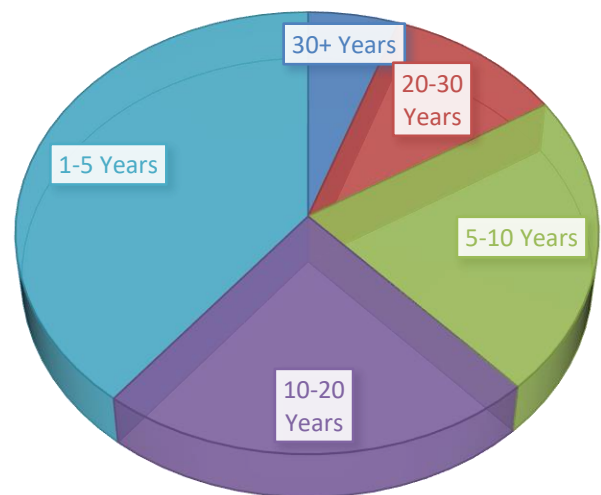
28 for 20-30 years = 11%

59 for 10-20 years = 22%

57 for 5-10 years = 23%

102 for 1- 5 years = 39%

YEARS IN BUSINESS IN DOWNTOWN



HIGHLIGHTS 2018 – 2019

In the 2018-2019 year, The HBDBID launched a new website, increased security, and designated community dollar support to the HB International Surfing Museum, HB Art Center, and HB Children's Library. Currently, BID Management is ready to implement a new software program to improve communication, maintenance of member information, and records or other relevant requests from business members.

Around town, owners for both commercial and residential properties made important investments in the downtown district. Compass Realty moved into new luxury offices in the re-purposed, renovated building at 301 Olive Street (Former site of 24 hour Fitness)



Ruby's redesigned their stunning oceanfront upstairs dining to add a tropical getaway destination location for downtown. "Jan & Dean's Tiki's Lounge" and Mangiamo Gelato returned to the renovated building at 126 Main Street.



We are excited for the new construction at 401 Main Street, bringing future retail and office opportunities to the downtown district.



In 2018-2019, we welcomed new wayfinding from Visit HB, and improved public restrooms from the City.

This annual report highlights the 2018-2019 HBDBID's efforts to positively impact the business district in accordance to its mission related to the **marketing, safety, maintenance, tourism, parking, and specific events**. Additionally, the report provides relevant financial information and addresses current priorities.

MARKETING & ADVERTISING FOR THE DOWNTOWN BUSINESS DISTRICT

A new and improved **HBDOWNTOWN.COM WEBSITE** launched in March 2019. We are finishing the few final pages, and are pleased with the updated design of this important marketing tool. One of the best improvements is the friendly interface with our member directory, **improving the ability of our visitors to locate and link directly to our member businesses.**

Huntington Beach Downtown BID Directory

With over 250 plus bars, restaurants, specialty shops, stores and services, downtown Huntington Beach is a stone throw away from the Pacific Ocean and provides the ultimate Ocean front destination for all.



BARS AND RESTAURANTS

Search our directory for delicious food and snacks, fun pubs and bars, and coffee and tea shops.

LEARN MORE



RETAIL AND RENTALS

Looking for the best places to shop downtown? Want to rent a fishing pole, bike, or surfboard? You'll find them here.

LEARN MORE



SERVICES

HB Downtown business professionals.

LEARN MORE

E-NEWSLETTERS CONTINUE TO BE A WELL-RECEIVED MARKETING TOOL FOR BUILDING A POSITIVE IMAGE OF HUNTINGTON BEACH DOWNTOWN. We currently reach over 6600 subscribers with monthly newsletters. Our **HBDBID members enjoy the benefit of**

advertising in this newsletter for FREE. Plus, we use this tool to share relevant special announcements for our community.

We continue to grow our social media influence by reaching over 10,500 FACEBOOK fans and growing our INSTAGRAM, reach to nearly 3000 followers. **We actively follow our business members on social media, increasing their reach by sharing on our platforms.**



Facebook.com/hbdowntown | Twitter.com/hbdowntownusa
Instagram.com/hbdowntownusa | YouTube.com/hbdowntown

HB DOWNTOWN SANTA SCHEDULE

FREE PHOTOS WITH SANTA

Weekends

Dec. 1st / 1:00 pm – 5:00 pm
Dec. 9th / 1:00 pm – 5:00 pm
Dec. 15th / 1:00 pm – 5:00 pm
Dec. 16th / 1:00 pm – 5:00 pm
Dec. 22nd / 1:00 pm – 5:00 pm
Dec. 23rd / 1:00 pm – 5:00 pm

Tuesdays

Dec. 4th / 5:00 pm – 8:00 pm
Dec. 11th / 5:00 pm – 8:00 pm
Dec. 18th / 5:00 pm – 8:00 pm

HBDOWNTOWN.COM

TUES. APRIL 16TH

The Easter Bunny is Coming

5-8PM

BRING YOUR CAMERA
Free Photo WITH EASTER BUNNY

SurfCityNights.com

HOSTED BY YOU BY LOCAL HB DOWNTOWN BUSINESSES

Once a year our community throws a parade.

On July 3rd we'll throw... **THE BASH!**

Brought to you by the HB 4th of July Committee.

Participating Non-Profits...

- * Assistance League
- * Friends of HB Library
- * HB Kiwanis
- * HB Rotary
- * Lions Club
- * ...and many more

It's Free!
You're invited Huntington Beach!

- * Major Opportunity Drawing
- * Food and Fun
- * Family Environment

Live Music provided by The Ramsey Brothers Band

Lynette Romero
Special Guest, KTLA Anchor

Matt Liffreing
Emcee

Surf City Skates Demonstration

Special appearance by Miss HB and her court

5th & PCH | **July 3rd 6-9pm** | 5th Street will close for this one-of-a-kind block party.

SAFETY

Ever since its conception, the HBDBID has been deeply **committed to ensuring that the downtown district is safe and welcoming.** In July 2014, the HBDBID partnered with



Visit Huntington Beach to provide Ambassador service 365 days a year. Ambassadors answer visitor questions and act as eyes and ears to improve public safety.

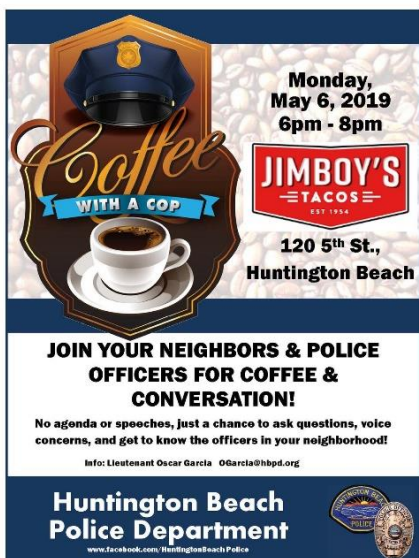
In addition to daytime Ambassadors, HBDBID helps to fund evening Ambassadors for our popular Thursday – Saturday late night crowds.

In July 2018, the HBDBID launched a trial program to provide daytime security patrols. With uniformed security personnel supplementing the presence of Ambassadors, the downtown district manages public safety concerns such as skateboarding, homeless, individuals possibly disturbing the peace, and more. The trial program was well-received. In May 2019 the HBDBID board entered into a contract with Allied Universal, to provide private security daily for our destination.

The HBDBID has invested over \$100K annually to maintaining this vital program.



By working closely with law enforcements in their efforts to monitor and manage homelessness activity in downtown we ensure the safety of our customers and guests while giving our businesses the opportunity to succeed.



The HBDBID continues to advocate for appropriate police coverage and meet regularly to discuss ways the HBDBID can assist in improving safety.



MAINTENANCE & BEAUTIFICATION



The HBDBID and City of Huntington Beach work together through a MOU currently authorizing \$160,000 annually for sidewalk cleaning in HB Downtown. This maintenance partnership with the City is credited for providing a cleaner, more beautiful downtown district.

Day Porters maintain cleanliness in most downtown areas, except for private buildings that provide their own cleaning service. Porters are responsible for litter, trash removal, spot mopping of sidewalks, minor graffiti removal, dusting storefront sills and gum removal.

Steam / Power Washing is a critical element in our maintenance program which includes steam cleaning of sidewalks throughout the downtown district, **including alleys** and gutters, with service increased during the busy summer months.

For nearly 15 years, the HBDBID has provided a tremendous service to our destination by managing this contract and ensuring that downtown is clean and welcoming.



HBDBID staff communicates with the City Public Works Department to keep on top of any issues as they arise. In 2018-2019 the HBDBID funded \$10,000 to upgrade planter boxes, providing an inviting place for our visitors to rest along Main Street, enjoying an ice cream, people watching, or waiting while friends and family stroll in and out of one of our shops.



PARKING

Parking accessibility, availability, and the overall cleanliness and safety of the city parking lot is a key component of the visitor experience to HB Downtown. CONVENIENT PARKING and PUBLIC RESTROOMS is an ongoing concern for the HBDBID. In recent years, the city refreshed the paint and improved the lighting in the parking structure.

Residents and visitors alike can visit the downtown district by riding the FREE Surf City Shuttle, provided by Visit HB during summer weekends.



TOURISM is a key component to business opportunities in Huntington Beach

Downtown. While the HBDBID focuses on creating a sense of community pride and possesses a deep appreciation and affection for our local shoppers and diners, we are equally in love with our visitors from out of town. **This quick glance of a recent page on Trip Advisor shows where visitors are traveling from and what they are saying about us:**



tangojohnDallas
Dallas, Texas
783 likes 439 helpful

Reviewed 2 days ago via mobile

Old Fashioned downtown

Friendly merchants with a feeling of a small town. Nice place to stroll up and down the street with your dog.

Date of experience: July 2019

Thank tangojohnDallas



Donna M
Indianapolis, Florida
50 likes 13 helpful

Reviewed 2 weeks ago via mobile

Great place to shop and eat

A very walkable venue with nearby parking. Lots of places to eat and drink. Many surf shops and fun stores. Coffee shops and bars are plentiful.

Date of experience: June 2019

Thank Donna M



LittleKings
Austin, Texas
175 likes 35 helpful

Reviewed 3 weeks ago

Bustling part of town

Shops, restaurants, convenience and the beach, what more could you ask for? It was wonderful and FUN!

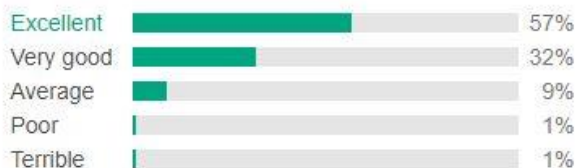
Date of experience: June 2019

Thank LittleKings

Traveler Overview

4.5

726 reviews



LOCAL WEATHER

Powered by Weather Underground

F° C°



72° 59°
Jul

75° 60°
Aug

74° 59°
Sep

What travelers are saying

- “ Duke's Barefoot Bar, on the beach at **Main Street** and Pier Plaza, has AMAZING hamburgers!!! Take a walk on the pier and enjoy the sunset with a nice warm coffee, cocoa or hot tea on a chilly winter evening, or enjo...
- “ Love it that they had a **farmers market** going on certainly afternoons of the week and they have Peruvian ceviche , Peruvian papas relents , good Mexican tamales & another Latin America food vendors ..we took a taxi...
- “ There are booths that sell a wide variety of things from week to week such as jewelry and art, Musicians perform during the **Tuesday night** festival.

Downtown Huntington Beach loves mixing locals with tourists, reinforcing Huntington Beach as a premier Southern California tourist destination. **The uniqueness of our downtown district plays a critical role in why business and leisure travelers alike chose to stay** at one of our Oceanfront hotels or resorts. With over 1,400 oceanfront guestrooms in the area, we recognize our responsibility to ensure guest satisfaction, and build a return customer base.

BID SIGNATURE EVENTS

SURF CITY NIGHTS

Each Signature Event is designed to bring locals and visitors to our downtown destination. For our residents, these events provide an important **sense of community pride, adding value to our city and positively impact the quality of life for those who live here.** For our hotel guests and other visitors, these special events add to the attraction and uniqueness of our "Nothing Else Like It!" destination, creating memorable experiences for everyone. **HBDBID'S success with Surf City Nights makes it possible to bring other special events to downtown throughout the year.**



Surf City Nights - Weekly Street Fair & Certified Farmers' Market

Since the Business Improvement District first created Surf City Nights as a year round event in 2007, this signature event has established itself as the **largest year-round weekly festival** in Southern California.

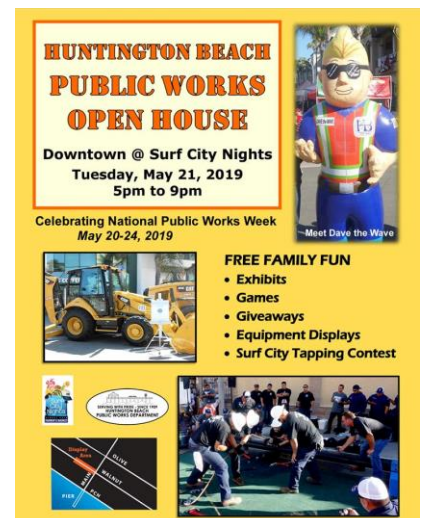


SURF CITY NIGHTS

features over 90 unique vendors, stretching up the first three blocks of Main Street.

In addition to providing significant funds, and increasing visitors to the downtown destination

weekly. Surf City nights provides booth space for city services, local non-profit groups, a venue for youth and local entertainers, and an Information Booth to help guide visitors and promote upcoming downtown events.





BID SIGNATURE EVENT HALLOWEENFEST

It was another memorable event, as we welcomed record numbers of trick-or-treaters to a safe and friendly downtown experience. The Kids & Canine Costume Contest on 5th & PCH provided the perfect setting for hundreds of participants and spectators. FREE CANDY plus free attractions on Main Street such as inflatables, bounce houses, slides, games, and reptile zoo added to the family fun memories. Families also loved visiting with our Police, Fire & Marine Safety along with our Park & Recreation staff crafts table. **This special event helps define downtown as a fun family destination.** Visit HBDowntown.com to see the dozens more smile-making memories.



BID SIGNATURE EVENT

MIRACLE ON MAIN STREET - TREE LIGHTING CEREMONY



This Annual Tree Lighting Ceremony has grown into a wonderful tradition for our local families. The holiday décor expenditure is a significant percent of the HBDBID budget, representing the commitment of the businesses in downtown to provide a place for families to gather during the season. **We are proud to be the place where families and friends gather to make memories and experience a sense of pride in their city.**

With a sparkling new tree over the fountain, HB Downtown kicked off the winter holiday season with an afternoon full of free entertainment, including a visit from both the Grinch and Santa Claus.



Holiday entertainment was provided by local dancers and musicians, mostly youth groups. Plus, the HBDBID invited the City's Park & Recreation Department and the HB Youth Shelter to participate.



The HBDBID arranged for Santa Claus to visit the downtown district for **five consecutive weeks**, giving hundreds of families and friends the chance to visit and take **photos with Santa for no charge**, bringing more locals to downtown during the off-season.



HALLOWEENFEST & MIRACLE ON MAIN ST. TREE LIGHTING represent two of the biggest events the business district presents, which are one-hundred percent about "giving back to the community."



CHILI AT THE BEACH JUNE 2019

This Chili and Salsa Tasting Competition event gets hotter every year! This is one of HBDBID's largest events. Main Street filled with both returning and first-timer participants and guests. In between samples of chili and salsa, the public enjoyed all-day music on two stages, a variety of unique vendors, and the company of friends and family. Kids' events were held on 5th and PCH. This annual event, held the Saturday before Father's Day, is a benefit for the Boys & Girls Clubs of Huntington Valley.



SURF CITY DAYS SEPTEMBER 2018



Surf City Days is an event designed for locals to **"take their beach back."** With a locals-only surfing contest, CBVA Volleyball Tournament, HSS/Surflife Demo Days, HB Cult Old Skool Skate, Kowabunga Van Klan Vintage VW Bus Show, and Surfin' Sundays concert, 2018 was another stellar event for the community.

We are in the process of planning an even bigger event for September 2019, when we combine Surf City Days with the He'e Nalu Aloha Pier Festival. By celebrating the spirit and culture of the South Pacific, we are excited to be building a weekend of entertainment and fun for families – both locally and from all over Southern California.



ADDITIONAL HIGH PROFILE DOWNTOWN EVENTS



The HBDBID uses social media to support other downtown events that draw visitors into the HBDBID stakeholder's businesses. Whether the streets are filling with locals for our popular annual Senior Saturday at the Pier, or over-flowing with visitors from all over for Vans US Open of Surfing or the Great Pacific Airshow, the HBDBID office works non-stop to promote these events, inviting guests to visit our businesses, and planning additional maintenance and safety services.



For the 2018 Great Pacific Airshow, the HBDBID provided hours of FREE Valet Bike Parking. We are currently working with the promoter to determine how the downtown district will participate in 2019. **We are proud to be the center location of the most exciting Southern California events.**



5th & PCH activated more than a dozen special events, with the goal of bringing more shoppers, more diners, and more new and repeat visitors to downtown Huntington Beach. Events in collaboration with the HBDBID included: Surf City Days – Old Skool Skate, HalloweenFest – Costume Contest and Chili at the Beach – Kids Center. In addition, 5th & PCH presented their own special community events, **increasing consumer traffic to downtown:**



The 5th & PCH 4th of July Float carried Miss HB and her court, and was featured on CNN's 4th of July coverage.

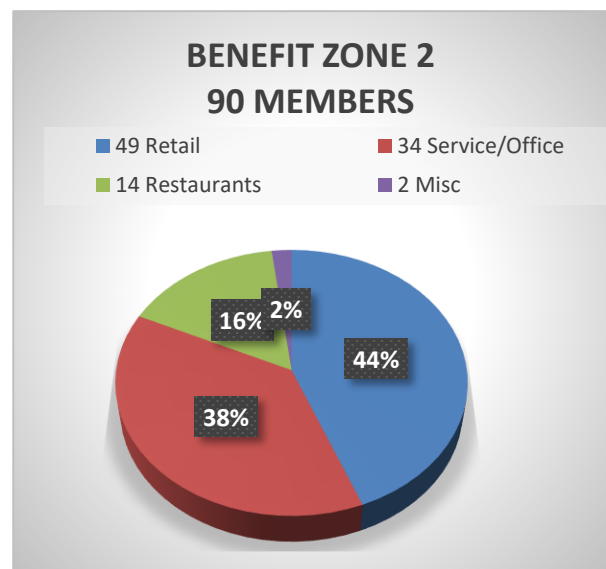
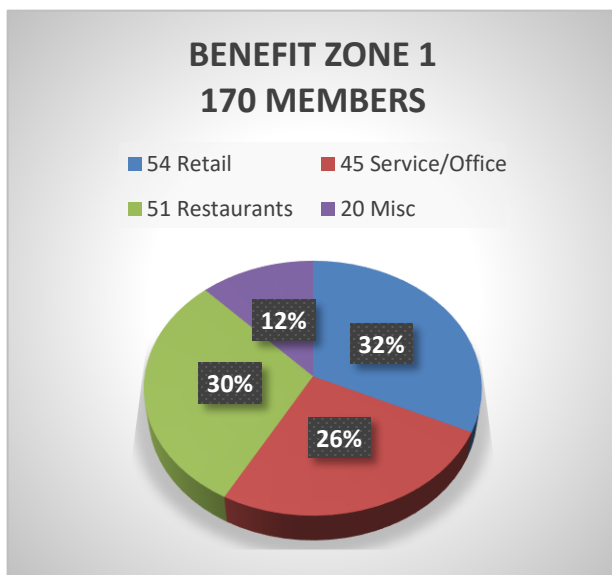
5TH & PCH was also the TOP SPONSOR for the 2018 Great Pacific Air Show, in addition to other community events throughout the year.

BID ASSESSMENTS



2018-2019 BID ASSESSMENTS

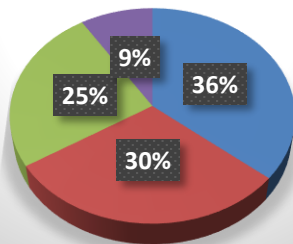
In October of 2018 the Assessment Zones were changed which resulted in a substantial number of businesses seceding from the HBD BID.



Retail and Restaurant businesses make up over 61% of the HBDBID membership and contribute over 84% of the dues. These visitor-serving businesses are important to our total membership, representing the heartbeat of our Downtown success and experience.

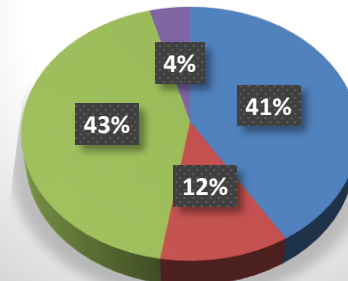
PERCENT OF BID MEMBERS BY CATEGORY 2018-2019

94 Retail 79 Service/Office
65 Restaurants 22 Misc



PERCENT OF ASSESSMENT CONTRIBUTION 2018-2019

94 Retail 79 Service/Office
65 Restaurants 22 Misc



2018 - 2019 ZONE ASSESMENTS

CATEGORY	ZONE 1		ZONE 2		TOTALS	
CART/KIOSK	17	\$ 1,020.00	0	\$ -	17	\$ 1,020.00
HOTELS	1	\$ 1,200.00	1	\$ 400.00	2	\$ 1,600.00
BANKS/ ATM	2	\$ 1,200.00	1	\$ 400.00	3	\$ 1,600.00
	20	\$ 3,420.00	2	\$ 800.00	22	\$ 4,220.00
1ST FLOOR	11	\$2,640.00	21	\$3,360.00	32	\$6,000.00
	11	\$2,640.00	21	\$3,360.00	32	\$6,000.00
BASE 2ND FLOOR	34	\$4,080.00	13	\$1,170.00	47	\$5,250.00
	34	\$4,080.00	13	\$1,170.00	47	\$ 5,250.00
1000 SQ FT OR LESS						
RETAIL	23	\$6,900.00	29	\$5,900.00	52	\$12,800.00
RESTAURANTS	9	\$2,700.00	3	\$600.00	12	\$3,300.00
	32	\$9,600.00	32	\$6,500.00	64	\$ 16,100.00
1001-2500 SQ FT						
RETAIL	21	\$12,600.00	9	\$3,600.00	30	\$16,200.00
RESTAURANTS	20	\$12,000.00	6	\$2,400.00	26	\$14,400.00
	41	\$24,600.00	15	\$6,000.00	56	\$ 30,600.00
2501-4999 SQ FT						
RETAIL	5	\$4,200.00	0		5	\$4,200.00
RESTAURANTS	17	\$15,300.00	2	\$1,200.00	19	\$16,500.00
	22	\$19,500.00	2	\$1,200.00	24	\$20,700.00
5000 SQ FT OR MORE						
RETAIL	5	\$6,000.00	2	\$1,800.00	7	\$7,800.00
RESTAURANTS	5	\$6,000.00	3	\$2,700.00	8	\$8,700.00
	10	\$12,000.00	5	\$4,500.00	15	\$16,500.00
	170	\$75,840.00	90	\$23,530.00	260	\$99,370.00
MISCELLANEOUS	20	\$3,420.00	2	\$800.00	22	\$4,220.00
OFFICES	45	\$6,720.00	34	\$4,530.00	79	\$11,250.00
RETAIL	54	\$29,700.00	40	\$11,300.00	94	\$41,000.00
RESTAURANTS	51	\$36,000.00	14	\$6,900.00	65	\$42,900.00
TOTAL	170	\$75,840.00	90	\$23,530.00	260	\$99,370.00

**HUNTINGTON BEACH DOWNTOWN
BUSINESS IMPROVEMENT DISTRICT
ASSESSMENT FORMULA**

	OCT 01, 2018 - SEP 30, 2019		PROPOSED ASSESSMENT	
	OCT 01, 2018 - SEP 30, 2019		OCT 01, 2019 - SEP 30, 2020	
Category	Benefit Zone 1	Benefit Zone 2	Benefit Zone 1	Benefit Zone 2
Retail Businesses (includes Nail / Hair)				
1,000 sq. ft. or less	\$300	\$200	\$351	\$200
1,001 to 2,500 sq.ft.	\$600	\$400	\$702	\$400
2,501 to 4,999 sq. ft.	\$900	\$600	\$1,053	\$600
5,000 sq. ft. or more	\$1200	\$900	\$1,404	\$800
Restaurants				
1,000 sq. ft. or less	\$300	\$200	\$351	\$200
1,001 to 2,500 sq. ft.	\$600	\$400	\$702	\$400
2,501 to 4,999 sq. ft.	\$900	\$600	\$1,053	\$600
5,000 sq. ft. or more	\$1200	\$900	\$1,404	\$900
Hotels				
20 rooms or less	\$400	\$400	\$468	\$400
21-50 rooms	\$800	\$800	\$936	\$800
51 rooms or more	\$1200	\$1200	\$1,404	1,200
Services / Office				
First Floor	\$240	\$160	\$281	\$160
Basement, Second Floor or higher	\$120	\$90		
1,000 sq. ft. or less			\$120	\$90
1,001 to 2,500 sq. ft.			\$150	\$120
2,501 to 4,999 sq. ft.			\$300	\$150
5,000 sq. ft. or more			\$700	\$350
Cart / Kiosk				
	\$60	\$40	\$100	\$80
Banks / ATM				
	\$600	\$400	\$600	\$400
Seasonal (open fewer than 9 months/				
			\$500	\$300

- Hyatt Regency, Waterfront Beach Resort, Pasea Hotel and Pacific City seceded from the BID in October 2019.
- Assessment excluded for apartments, real estate agents, non-profits, home-based businesses and temporary vendors.
- Businesses and non-profit organizations outside the area may join with the approval of the BID Board by paying the equivalent fee annually.
- Non-profit organizations within the BID Assessment Zone can voluntarily participate by paying \$30 to the HB Downtown BID directly.

**HUNTINGTON BEACH DOWNTOWN
BUSINESS IMPROVEMENT DISTRICT**
Statement of Assets, Liabilities, and Equity
Modified Cash Basis – As of June 30, 2019

Assets

Current Assets

First Bank - Checking	35,286.74
First Bank - MM Account	200,155.43
First Bank - Maintenance Account	3,838.16
First Bank - Surf City Nights	1,557.50
Prepaid Rent	500.00

Total Current Assets	241,337.83
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Property and Equipment

Machinery & Equipment	6,691.08
Computers	1,306.31
Less Accumulated Depreciation	(4,247.39)

Net Property and Equipment	3,750.00
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Total Assets	245,087.83
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Liabilities and Net Assets

Current Liabilities

Accrued Payroll	(185.14)
Payroll Taxes Payable	(853.29)

Total Current Liabilities	(1,038.43)
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Long-Term Liabilities

Total Long-Term Liabilities	0.00
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Total Liabilities	(1,038.43)
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Net Assets

Retained Earnings	246,126.26
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Total Net Assets	246,126.26
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Total Liabilities and Net Assets	245,087.83
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Source: McGinty, Knudtson, & Associates, LLP | Certified Public Accountants July 23, 2019

HB DOWNTOWN BUSINESS IMPROVEMENT DISTRICT
2018 – 2019 Statement of Income – Modified Cash Basis
Actual vs. Budget

	9 Months Ended	
	30-Jun-19	Annual
Revenue	Actual	Budget
BID Assessments - Prior Year	24,032.96	
BID Assessments - Current Year	36,909.71	\$104,510.00
Chili at the Beach	24,244.43	\$30,000.00
Surf City Nights	181,847.04	314,000.00
Surf City Days	12,000.00	5,000.00
Miracle on Main Street	1,750.00	0
Malco Maintenance	85,099.00	160,000.00
Total Revenue	365,883.14	613,510.00
Event Expenses		
Chili at the Beach		
Chili at the Beach	0	22,000.00
Administration	106.67	0
Event Entertainment	4,850.00	0
Licenses & Permits	2,971.00	0
Marketing & Banners	450	0
Miscellaneous Event Expenses	4,831.33	0
Printing & Production	1,460.01	0
Total Chili at the Beach	14,669.01	22,000.00
Halloween		
Halloween	4,160.41	11,000.00
Candy	30.04	0
Entertainment	3,525.00	0
Licenses & Permits	560	0
Miscellaneous event expenses	293.15	0
Printing & Production	370.39	0
Total Halloween	8,938.99	11,000.00
Surf City Nights		
Cleaning	1,541.88	2,400.00
Entertainment	1,283.00	
Barricades & Closures	2,396.16	7,200.00
Licenses & Permits	420	
Marketing & Advertising	97.1	
Miscellaneous event expenses	353.82	0
Parking	3,200.00	8,400.00
Printing & Production	59.7	
Setup	21,891.31	34,020.00
Taxes	6,220.76	
Total Surf City Nights	37,463.73	52,020.00
Surf City Days		
Administration	7.5	15,500.00
Surf City Days	-304	5,000.00
Total Surf City Days	-296.5	20,500.00
Miracle on Main Street		
Miracle on Main Street	-69.42	10,000.00
Licenses & Permits	771.25	
Marketing & Advertising	390.06	
Miscellaneous event expenses	615.83	
Total Miracle on Main Street	1,707.72	10,000.00

Statement of Income Continued from previous page

Holiday Beautification		
Holiday Beautification	18,923.16	21,000.00
Administration	7,117.92	
Total Holiday Beautification	26,041.08	21,000.00
Air Show		
Air Show	1,350.00	5,000.00
Licenses & Permits	225	
Printing & Production	31.9	
Total Air Show	1,606.90	5,000.00
Malco Maintenance		
Malco Maintenance	0	148,000.00
Cleaning	104,834.00	
Total Malco Maintenance	104,834.00	148,000.00
Other Events		
Licenses & Permits	20	0
Total Other Events	20	0
Total Event Expenses	194,984.93	289,520.00
Gross Profit	170,898.21	323,990.00
Operating Expenses		
Advertising & Marketing	3,825.17	21,000.00
Ambassador Program	3,000.00	48,000.00
Bank Charges	77.91	600
Donations	4,700.00	3,600.00
Dues & Subscriptions	3,543.86	1,000.00
Insurance	9,237.60	8,400.00
Accounting	8,017.20	7,700.00
Licenses & Fees	0	1,800.00
Meeting Expenses	254.05	3,600.00
Office Expense	1,332.40	3,000.00
Office Salaries & Wages	44,184.93	18,960.00
Salaries & Wages	0	51,996.00
Consulting	23,628.22	64,999.92
Payroll Tax Expense	3,831.90	6,720.00
Postage	32.98	0
BID Member Printing	1,023.87	0
Rent	11,200.00	13,800.00
Repairs & Maintenance	168.27	500
Security	87,588.70	112,800.00
Security - VHB Ambassador	15,000.00	0
Taxes	30	0
Telephone	1,368.90	1,980.00
Total Operating Expenses	222,045.96	370,455.92
Operating Income (Loss)	-51,147.75	-46,465.92
Other Income (Expenses)		
Interest Income	154.86	
Other Income	607	
Other Expenses	0	-18,000.00
Total Other Income (Expenses)	761.86	-18,000.00
Net Income (Loss) Before Taxes	-50,385.89	-64,465.92
Net Income (Loss)	-50,385.89	-64,465.92

Source: McGinty, Knudtson, & Associates, LLP | Certified Public Accountants July 23, 2019

HUNTINGTON BEACH DOWNTOWN BUSINESS IMPROVEMENT DISTRICT Proposed Budget for 2019 – 2020

INCOME:	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	YEARLY TOTALS
City of HB Maintenance	\$14,000.00	\$12,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$14,000.00	\$15,000.00	\$14,000.00	\$15,500.00	\$15,500.00	\$15,000.00	\$14,000.00	\$162,000.00
BID Assessments	\$8,000.00	\$9,000.00	\$9,000.00	\$11,000.00	\$10,000.00	\$12,000.00	\$10,000.00	\$13,000.00	\$12,000.00	\$10,000.00	\$8,000.00	\$8,000.00	\$120,000.00
Surf City Nights	\$21,000.00	\$20,000.00	\$20,000.00	\$21,000.00	\$29,000.00	\$29,000.00	\$29,000.00	\$29,000.00	\$32,000.00	\$32,000.00	\$32,000.00	\$21,000.00	\$315,000.00
Chili at the Beach									\$30,000.00				\$30,000.00
Surf City Days												\$15,000.00	\$15,000.00
Air Show													\$0.00
Halloween													\$0.00
Miracle on Main	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$66,000.00
Transfer From Reserves													\$0.00
Monthly Totals	\$48,500.00	\$46,500.00	\$45,500.00	\$48,500.00	\$55,500.00	\$60,500.00	\$59,500.00	\$61,500.00	\$95,000.00	\$63,000.00	\$60,500.00	\$63,500.00	708,000.00
EXPENSE:	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	YEARLY TOTALS
Malco Maintenance	\$14,500.00	\$10,500.00	\$10,500.00	\$9,000.00	\$9,000.00	\$12,500.00	\$14,500.00	\$13,000.00	\$14,500.00	\$14,500.00	\$14,500.00	\$13,000.00	\$150,000.00
Market/Advertising	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,000.00	\$1,000.00	\$17,000.00
Ambassador	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$48,000.00
Office Expense	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$3,000.00
Bank Charges	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00
Dues & Subscriptions	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$3,000.00
Insurance	\$580.00	\$580.00	\$580.00	\$580.00	\$585.00	\$585.00	\$585.00	\$585.00	\$585.00	\$585.00	\$585.00	\$585.00	\$7,400.00
Accounting	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,000.00
License & Fees	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$0.00	\$0.00	\$0.00	\$300.00	\$300.00	\$2,000.00
Meeting/Training	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$8,500.00	\$102,000.00
Consultant	\$5,100.00	\$5,100.00	\$5,100.00	\$5,100.00	\$5,200.00	\$5,200.00	\$5,200.00	\$5,200.00	\$5,200.00	\$5,200.00	\$5,200.00	\$5,200.00	\$62,000.00
Events Coordinator	\$1,600.00	\$1,600.00	\$1,600.00	\$1,600.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$20,000.00
Admin Asst	\$600.00	\$600.00	\$580.00	\$580.00	\$1,000.00	\$580.00	\$580.00	\$580.00	\$580.00	\$580.00	\$580.00	\$580.00	\$7,000.00
Payroll Taxes	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$125.00	\$1,500.00
Workers Comp	\$9,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$15,000.00	\$15,000.00	\$9,000.00	\$128,000.00
Security	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$50.00	\$50.00	\$500.00
Repairs/Maintenance	\$1,150.00	\$1,150.00	\$1,150.00	\$1,150.00	\$1,150.00	\$1,150.00	\$1,150.00	\$1,150.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$14,000.00
Rent & Storage	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$165.00	\$170.00	\$170.00	\$170.00	\$170.00	\$2,000.00
Telephone													\$25,000.00
Holiday Beautification													
BID EVENTS													
SCN Rental & Set up	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$30,000.00
SCN Street Cleaning	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$3,000.00
SCN Street Closure	\$500.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00	\$500.00	\$5,000.00
SCN Parking	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00	\$9,000.00
SCN Miscellaneous	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$18,000.00
Chili at the Beach									\$15,000.00				\$15,000.00
Surf City Days												\$7,500.00	\$7,500.00
Air Show													\$0.00
Halloween	\$7,500.00												\$7,500.00
Miracle on Main	\$10,000.00												\$10,000.00
MONTHLY TOTALS	\$60,660.00	\$85,060.00	\$55,440.00	\$48,540.00	\$49,745.00	\$52,345.00	\$54,445.00	\$52,745.00	\$69,350.00	\$61,350.00	\$59,160.00	\$59,160.00	\$708,000.00
VARIANCE: INCOME VS EXPENSE													0.00

Looking Ahead... Key Projects for 2019-2020

- New Data Base Software – Once updated with all the current member information will be of significant tool in communicating to our members
- Implementation of a new City Accounting system which will allow the BID Assessment to be included on the same invoice as the Business License
- Downtown Days – An off season event planned with the BID merchants to offer discounts to citizens of Huntington Beach.
- Research to propose new ambient lighting downtown to improve safety and the total quality experience of downtown at night
- The HBDBID will continue to review and incorporate relevant recommendations from the 2017 IDA Report and incorporate current priorities into the development of a Strategic and Business Plan.

COMMITTEES

The HBDBID wishes to thank the following Committee Members for their service and dedication. Each person's contributions are essential to our united efforts to improve Huntington Beach Downtown.

BUDGET, FINANCE and GOVERNANCE

Kate Leigh, 5th & PCH, Co-Chair
Mike Williams, Longboards,- Co Chair
Tony Duran, EV Rideables
Nicole Thompson, First Bank
Stephanie Wilson, Fred's & Sandy's

NOMINATING COMMITTEE

Steve Grabowski, The UPS Store
Nicole Thompson, First Bank
Stephanie Wilson, Fred's & Sandy's

VOLUNTEERS

Thank you to our volunteers who devoted their time to work for the HBDBID during the year including volunteers from the Boys & Girls Clubs of Huntington Valley, and OCC Hospitality Program, plus Dakota Winding, and Susan Welfringer.



The HBDBID would also like to thank Robert Koury, Dennis Gallagher, and Moe Kanoudi for their collaboration in dedicating the Fountain area in the memory of **HBDBID founder, and past president, Steve Daniel of Rocky Mountain Chocolate Factory**. Steve's dedication to the promise of continued improvement in the downtown area will always be remembered. We are deeply indebted to Steve and his wife, Maxine, for all they have done to improve and enhance the downtown experience.

PRINTED COPIES of the Annual Report are available at the Huntington Beach Downtown Business Improvement District office, located at 315 3rd Street, Suite E, Huntington Beach, CA 92648.

Electronic versions can be viewed on www.hbdowntown.com, and also requested by contacting info@hbdowntown.com or calling 714.536.8300.