

Downtown Economic Development Committee Meeting Notes

January 27, 2015
8:00 AM
Lower Level Meeting Room B-8

In Attendance:

Council: Mayor Jill Hardy, Mayor Pro Tem Jim Katapodis, Councilmember Dave Sullivan

City Staff: Ken Domer, Chief Robert Handy, Captain Dave Bunetta, Lieutenant Kelly Rodriguez, Kellee Fritzal, Scott Hess, Bob Stachelski, Janeen Laudenback, Denny Bacon, Teri Baker, Julie Toledo, Chris Cole, Dottie Hughes, Simone Slifman, Max Daffron

Public: Lori Eckman, Kelly Miller, Steve Daniel, Susan Welfringer, Mary Ann Senske

Mayor Jill Hardy called the meeting to order at 8:02 AM.

1. Public Comments – None

2. Minutes - Kelly Miller of Visit Huntington Beach requested a correction to the minutes of January 5 to reflect that the 24.1% increase in revenue reported was just for the month of October 2014. Mayor Pro Tem Katapodis made a motion, seconded by Mayor Hardy to receive and file the minutes, as amended.

3. Updates:

• BID Organization -

- Steve Daniel thanked the City Council for the free parking during the upcoming Valentine's Day weekend and detailed how the merchants will obtain and provide the parking validations.
- Mary Ann Senske, Surf City Nights Manager, requested clarification regarding live entertainment on 5th Street during Surf City Nights. Ken Domer and Kellee Fritzal indicated they would confer directly with Planning and with Ms. Senske directly to clarify where any non-amplified music can occur in the vicinity of 5th Street. Senske also requested that when construction begins on 122-124 Main Street that contractor be made aware of the need to move their vehicles prior to the closure Main Street on Tuesdays. Senske also reported that the Surf City's Got Talent contest begins on January 26th and will run for four consecutive weeks.

- **Downtown Huntington Beach Activities/Future Events –**
 - Susan Welfringer reported that the Scavenger Hunt will end at the end of the week; the BID is prepping for Chili at the Beach on June 20th, the Board’s Strategic Planning Retreat at the end of February. Welfringer requested any available information on sales tax revenue in the Downtown for the past three years with the intention to establish a benchmark prior to Pacific City businesses opening. Councilmember Sullivan commented that benchmarking should include more than just sales tax revenue, which is only one aspect to be measured.

- **Restaurant Association:** Brett Barnes was not present.

- **Visit Huntington Beach Surf City USA:**
 - Kelly Miller reported TOT reports for HB showed an increase in TOT revenue for October 2014 of 24.1% (over October 2013), and an increase in November 2014 of 11.3% (over Nov 2013). TOT YTD numbers for the first two months of the FY (Oct and Nov 2014) reflect an increase of 18.3% over 2013 and that this is a great start to the FY. Miller also reported that Huntington Beach ended FY 13-14 as the Orange County leader in the three key measurement numbers that we review regularly: Occupancy, Average Daily Rate (ADR) and Revenue per Available Room. Reports for these numbers are for the calendar year YTD (Jan 2014-September 2014) and show that HB is leading the way against the other key OC cities on the report (Anaheim, Costa Mesa, OC Airport, North/South OC, Newport Beach):
 - Occupancy: 84.95%. Up 8.5% from 73.09% for same nine month period in 2013.
 - ADR: \$249.12. Up 6.9% from \$233.12 for same nine month period in 2013.
 - RevPar: \$211.63. Up 16% from \$182.47 for same nine month period in 2013.
 - VHB has hired Susan Thomas as Chief Marketing Officer. She previously led the bureau in Hilton Head Island for the past 16 years and will begin her position with VHB on March 16th.
 - VHB continues to work on projects including wayfinding, with Kellee Fritzal; Councilmember Sullivan inquired as to what the wayfinding program includes and Miller and Fritzal provided an overview of the efforts being undertaken.
 - Miller also reported that VHB is working with Best Transportation on a pilot downtown trolley system; a new rack card is available advertising HB as a destination; and the Surf City Marathon on Feb 1 is also highlighted in the current issue of Runner’s World Magazine.

- **The Strand -**
 - Lori Eckman reported that sales at The Strand were down 2-3% over 2013; that there has been at least six inquiries regarding occupying the space vacated by Varga and that the LED lighting project in the garage has begun, and will take approximately 2 weeks to complete. They are working between the hours of 9 PM and 5 AM daily.

- **Community Services/Specific Events –**
 - The calendar was distributed and Chris Cole reported that the annual Paintball event has been cancelled for 2015, and the organizers hope to bring it back in 2016.

- **Downtown Development –**
 - Scott Hess reported that the City Council has approved the mixed-use project at 122-124 Main Street and that direction was also given to amend the Downtown Specific Plan to exempt historic structures from public right-of-way setback requirements on Main Street. It will be a Zoning Text Amendment.
 - The Pacific City revised residential plan is going to study session on January 26th with a public hearing to occur in February. They have asked for a variance from the existing parking requirement.

- **Public Works Update –**
 - Bob Stachelski reported that CalTrans plans to begin the repaving project along Pacific Coast Highway between Golden West and Warner after February 1st. Kelly Miller inquired as to the amount of time needed to complete the project and Stachelski has been told that the estimate is approximately 5 months. Stachelski also reported that bicycle racks are being installed downtown and at the Pier, and that Public Works will be completing a one-block bike treatment on Lake Street, just before Orange.
 - Denny Bacon reported that at the end of February or beginning of March he will be working with the BID to change out the existing vegetation in the 12 Downtown planters and this will continue seasonally, with the next anticipated to take place in June. They will also be working with the landscape architect hired by the BID on various landscaping items, and will also be moving the planters in the Z Park areas.

- **Downtown Economic Development Update –**
 - Kellee Fritzal reporting that the City has held the kickoff meeting with Walker Parking Consultants and that a draft of their report is expected in March, which will also be presented to the DTEDC. The report will cover current and future maintenance projections for the Main-Promenade Parking Garage as well as operations. Ken Domer added that the report will also be looking at other aspects, including the freezer units, saltwater damage to light poles and other items.

4. Discussion Items

- **Chief Handy – Presentation of Downtown Report** – Chief Handy introduced Captain Dave Bunetta and Lieutenant Kelly Rodriguez as the two individuals charged with responsibility for the Downtown. The Chief distributed a handout detailing Downtown area arrests in 2014 and another on Part 1 Crimes in the

Downtown in 2014. Chief Handy provided detail on a number of items within the handout, including:

- That the Downtown area in general contributes to the larger percentage of crime than in other reporting districts in the City, but that the Downtown has actually become a safer per capita.
 - Various changes in the way crimes are charged, reported and/or defined, such as sexual assault, robberies, aggravated/simple assaults, burglary (residential and commercial) and larceny. He indicated that Proposition 47, which was passed by California voters, changed some felony crimes to misdemeanors, especially drug crimes, resulting in some items being decreased as a result, but others seeing increases. In response to a request by Councilmember Sullivan, Chief Handy provided an explanation about Proposition 47 and its impacts thus far on arrests and crime reporting.
 - Efforts to curb behavior during bar hours have been successful as a result of utilizing the ambassadors to participate in the strategy to address drunkenness through earlier involvement. As a result, arrests for drunkenness have increased and aggravated assault arrests are down.
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- Chief Handy indicated that positive change has been seen in the Downtown and that the goal is to continue increasing public/private partnerships and safety in the Downtown by working with bar owners and continuing to hold regular meetings. He reported that the mounted unit has added a positive and important presence as well. The process for special events has also changed to counter possible issues and address and enhance safety during events.
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- **Review of Parking Structure Bathroom Maintenance Options**
 - Ken Domer reported that the goal at this time is to increase restroom maintenance at the garage. Both the City and Walker are looking at various ways of accomplishing this, including utilizing outside assistance or internal staff to do so. He will schedule a meeting to discuss setting a maintenance standard and possibly bidding the service out.
 - Steve Daniel inquired as to when the garage was last steam cleaned and indicated he is trying to get a better understanding of the revenue and maintenance of the garage.
 - Janeen Laudenback stated that by 7:00 PM the hourly restroom maintenance at the garage ceases so the meeting mentioned by Domer will be a good time to discuss making sure that cleaning occurs during the hours when the restrooms will be more frequently used.

5. Adjournment: Mayor Hardy requested that the agenda reflect that the meeting be adjourned to the correct time of 8:00 AM on February 24th.

The meeting was adjourned at 9:00 AM.