



Executive Committee Meeting Minutes
Date: November 10, 2020 from 6:00 pm to 7:22 pm
Location: Zoom platform

Present: Joseph Jung, Alan Wilk, Mike Thaler, Sonja Brooks
Staff: Shari Godinez
Guests: Kirsten Pfenning

<u>Subject</u>	<u>Discussion</u>	<u>Action</u>
1. Welcome and Establish Quorum	Quorum was established	
2. Public Announcements	Shari: Lynette McElhaneay lost her council seat in the recent 2020 election to Carroll Fife	
3. Presentation: CPA consultant Kirsten Pfenning on KONO's financial evaluation	<p>Kirsten: Presented her evaluation to determine:</p> <ul style="list-style-type: none"> ● The feasibility of meeting contractual obligations and operating expenses at the current district assessment. ● Evaluate whether an increase in district assessments may be required to maintain operations. ● Provide an action plan for assuring that funds are set aside for next renewal of the Community Benefit District <p>Recommendations:</p> <ul style="list-style-type: none"> ● Open up a separate savings account for holding reserve funds ● Transfer funds for 2018 & 2019 totaling \$74,551.06 ● After close of 2020, transfer additional reserves based on actual income ● On an ongoing basis, calculate actual reserve funds and transfer to savings as revenue is received ● Evaluate the level of support required for First Fridays and increase the budget line item accordingly ● Review the budget to actuals on a regular basis and make adjustments as needed <p>Financial Projections: Assumptions:</p> <ul style="list-style-type: none"> ● The Streetplus contract will increase 2.5% annually ● Rent will increase based on the lease agreement ● The requirement that KONO CBD raise an additional 4.47% of general benefit revenue will be met on an ongoing basis <p>- Assessment revenue with a 2.5% increase should cover budgeted expenses on an ongoing basis if the above assumptions are met. - Given that there are unspent funds carried over from prior years, it may</p>	

<p>3. Continued</p>	<p>make sense to forgo an assessment increase for 2021/2022 and reevaluate for the 2022/2023 fiscal year.</p> <p>Mike asked because of COVID-19 this year (2020), what unexpected expenses may arise?</p> <p>Kirsten stated that there may be more delinquent property taxes because of COVID-19. This may affect for one or two fiscal years, but it should level out after a while. Kirsten stated that it may make sense to be somewhat conservative to make sure there is a cushion in the budget. In looking at the budget and the overall actual expense flowing through the financial statements there's a fair amount of unspent funds in the three years she looked at.</p> <p>Joseph asked how to categorize the "loan" amount from KONO to OakFF.</p> <p>Kirsten stated that it is showing as an asset on KONO's budget because it is expected to be paid back. Because it has been "forgiven" by KONO in the past, it's not actually considered a "loan" and thus not an asset. What she suggested is to increase that expense line in the budget for OakFF to build in the amounts needed to meet OakFF operating budget.</p> <p>Sonja asked if OakFF should continue to be a large budget item under the marketing identity of KONO or should it be its own entity and DBA under KONO being that OakFF has its own expenses and bank account.</p> <p>Alan asked that if we take OakFF off of a "loan" and create its own line item under KONO's marketing budget, it may inflate and take the marketing budget percentage over what is allowed.</p> <p>Kirsten stated that if KONO continues to "loan" money to OakFF, it will eventually end up as a line item on KONO's budget. From an accounting perspective, it makes more sense to make sure that the expense happens in the period that it occurs rather than over a period of years. It may require moving items around within the Marketing and Identity section of the budget or allocate some of the unspent funds to OakFF.</p>	
<p>4. Staff Reports:</p> <p>Executive Director Updates</p> <ul style="list-style-type: none"> ● Bike lane ● Banners ● OakFF Grant project ● And more... 	<p>Shari:</p> <p>Shari has been meeting with the DOT (Department of Transportation) regarding the proposed bike lane changes along with the DOT's Mobility Program on Grand Ave., which in part will be coming through the KONO district. Shari worked with Mike, Marketing Director, to get the October 2020 newsletter out. An order was placed for the KONO holiday banners for the district. Survey results continue to be collected for the new KONO banner designs and one of the most liked is the "skyline" design and the tagline that highlighted "the arts" has been most liked.</p> <p>OakFF has been working on a new project entitled "Spark Oakland", which is an entrepreneur accelerator program and there is a commitment from Square to donate ten thousand (\$10,000) to sponsor the project. We also received funds from the California Arts Council of approximately seventeen thousand (\$17,000) dollars.</p> <p>Greg Harris is back part time (20 hrs per week) for OakFF raising the funds for this project.</p> <p>Shahbano, from Workbench Labs, redid the OakFF website.</p> <p>Fifteen artists have signed up for the program on the first day it was launched.</p> <p>OakFF is considering doing a virtual art event and a small outdoor</p>	

4. Continued

exhibit as long as it's in compliance with the health orders under COVID-19 requirements and restrictions.

Greg connected with the OAACC (Oakland African American Chamber of Commerce) at which they asked us to join and to apply for a ten thousand (\$10,000) dollar grant. They raised one million (\$1,000,000) dollars and are giving ten thousand (\$10,000) dollar grants to small businesses. Shari sent in the application yesterday.

The city of Oakland is allowing vendors near the Lake Merritt Library and in addition rogue vendors have been seen around there on the weekends. Shari shared crime stats from Captain Bolton on October 19, 2020. Shari followed up about repairing the sidewalk on W Grand due to not being passable with a wheelchair.

She also connected with Dragon School to put a mural on a rollup door in the district.

Streetplus finished their monthly report, which Shari edited and will be sending out tomorrow. Shari has been participating in a lot of bike lane meetings.

Shari is meeting with the City Administrator, and the bike coalitions regarding reviewing the new survey. The city is planning on putting up pop up tents on the street and are looking for locations. Shari suggested they partner with KP market so they can get feedback from the shoppers of KP Market. They will bring out interpreters for different languages. The new timeline for a final decision on the bike lane will go to council sometime in February or March 2021.

Shari plans to meet with the new city councilmember to get her up to speed with the bike lane issue. Whichever model is implemented, will not happen until fall of 2021. The proposed pop up dates are Saturday's, November 21, December 5, December 12 and Sunday's, November 22, December 6 and December 13. **There are five proposed designs for the bike lane, but only two look like they are being considered, which are the permanent cement curb with a protected bike lane or a buffered bike lane with "curb management"**. The buffered lane means that the hourly parking rate will adjust according to supply and demand.

Alan stated that he was in the Temescal District a couple of weeks ago on the weekend and there was an OakFF type of event going on there. There were pop up food vendors and the street was blocked off.

Shari stated that it was called "Picnic in the Streets" and there were no outside vendors. The brick and mortar stores set up outside where the parking meters are. Shari has noticed a lot of businesses in Temescal are taking advantage of the Flex Street Program and have had parklets built for outdoor seating.

Joseph suggested having a KONO link/button in the menu bar at the top of the new OakFF website.

Sonja stated that she spoke with the new councilwoman Carroll Fife regarding concerns about the proposed bike lane.

Shari stated that she asked the DOT if the KONO District changes to a buffered bike lane, will that include the Temescal District and she was told "no", Temescal will remain on the current track they are on.

With the **buffered bike lane**, parking will be against the curb next to the meters, but the DOT wants to keep the bus stop platforms.

<p>5. Action Item: Approve minutes from September 8, 2020 & October 6, 2020</p>	<p>Mike motioned to approve October 6, 2020 minutes All other Board members approved Sonja abstained because she was not present at this meeting</p> <p>The September 8, 2020 minutes are postponed until next month's meeting so Sonja may review.</p>	<p>Action: October 6, 2020 minutes were approved</p>
<p>6. Action Item: Approve KONO & OakFF Financial reports from September 30, 2020 & October 31, 2020</p>	<p>Alan had to leave during this time in the meeting.</p> <p>Mike motioned to approve financial reports from September 30, 2020 and October 31, 2020 for OakFF and KONO Sonja seconded the motion All approved</p>	<p>Action: Financial reports from September 30, 2020 & October 31, 2020 for OakFF and KONO were approved</p>
<p>7. Action Item: Discussion and vote to recommend an assessment increase amount for full board discussion on November 17 & final Board vote on December 8, 2020 for the 2021/2022 tax year</p>	<p>Joseph motioned to not increasing assessments for 2021/2022</p> <p>Sonja seconded the motion</p> <p>Mike abstained and will make his recommendation next week at the full Board meeting</p> <p>Alan had left the meeting</p> <p>Shari suggested making it a discussion at the full Board meeting next week and then make it an action item.</p>	<p>Action: Executive Committee Recommends no assessment increase to full Board next week. Mike will make his recommendation at the full Board next week</p>
<p>8. Action Item: Set November 17, 2020 Board agenda</p>	<ol style="list-style-type: none"> 1. Discussion and then action item for assessment increase 2. Action item to vote on new savings account for reserves 3. Action item to vote on minutes 4. Action item to vote on KONO/OakFF financials 5. Maybe a review of the vision/mission statement 	
<p>*Next Executive Committee Meeting</p>	<p>Tuesday, December 1, 2020 at 6:00 pm</p> <p style="text-align: center;">Meeting adjourned at 7:22pm</p>	

Minutes by: Shellae Ruffin & Edited by Shari Godinez