



Salinas United Business Association

Board of Directors 2018/2019

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Administrative Assistant

Mayra Aguilar

2018-2019 Annual Report

Approved by SUBA Board of Directors

VISION

*"The New Alisal is the jewel of the Salinas Valley,
an economic powerhouse and a thriving
community where everyone is welcomed"*

MISSION

*"We are a community driven business
association rising to improve East Salinas
business district"*

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Salinas United Business Association

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The Salinas United Business Association (SUBA) is a 501 (c) 6 nonprofit corporation appointed by the City Council to serve as the Advisory Board of the Business Improvement Area (BIA) formed in 2004 under the Parking and Business Improvement Area Law of 1989. Through the levying of assessments, SUBA provides area members with benefit services, support and resource they need to be successful business owners including business training, marketing and streetscape beautification and maintenance.

Organization:

The Salinas United Business Association (SUBA) is a 501 (c) 6 nonprofit corporation appointed by the City Council to serve as the Advisory Board of the Business Improvement Area (BIA) formed in 2004 under the Parking and Business Improvement Area Law of 1989. Through the levying of assessments, SUBA provides district members with benefit services, support and resources they need to be successful business owners including business training, marketing, and streetscape beautification and maintenance.

This Annual Report for FY 2018-2019 is required by California Streets and Highways Code Section 36533, so that the City Council may be advised of the previous year's activities and uses of annual assessments levied on businesses within the SUBA Business Improvement Area. With Council approval, the SUBA Annual Report will also provide direction for SUBA activities and use of assessment district funds in the coming fiscal year.

SUBA implements its annual work program and supports the Area's business community through the efforts of its Board of Directors and volunteers. The Board of Directors consists of currently of seven (7) voting members. However, we do expect to have 9 voting members within the next fiscal year as we are recruiting possible candidates. In addition, there are three non-voting members: two City Council members and a City of Salinas representative (City Manager or designee).

2018-2019 Accomplishments:

COLLABORATE	Collaborated throughout the year with the City of Salinas Community Development Department on the draft and finalized version of the Alisal Vibrancy Plan, the Salinas Police Department, and various non-profits.
WORK	Worked throughout the year with the and County Health Department, the City's Code Enforcement, Salinas City Police Department, SUBA members and Cal Trans to improve monitoring of city and county health and safety and had several clean ups throughout year. Additionally, monitored and worked with the Police Department and Public Works to deal with issues with the homeless throughout the SUBA area. Had several safety meetings throughout the area.
OFFER	SUBA promoted and worked with Pajaro CDC and the City of Salinas to offer business workshops for small business growth and development along with Cal Coastal to do outreach on their programs and loans. Additionally, SUBA partnered with Pacific Valley Bank to do outreach with businesses to work on finances and future workshops.
IMPLEMENT	Implemented projects aimed at the beautification of the business corridor within

the SUBA district codes, we are in the process of working with artists to create public art throughout the district. We have had several clean ups and we and begin implementing these public art projects throughout the district.

SUBA assisted in promoting small business members' participation in training and educational opportunities made available through El Pajaro Community Development Corporation, the Jump Start Loan Program being offered through Cal Coastal and we have referred businesses to Cal Coastal. This past year there were 27 businesses that participated in various trainings. (This does not include any one on one trainings that occurred such as Salinas Connect App trainings.) Additionally, SUBA referred 15 business members to our various partners for programs they offered this past year.

SUBA is in the process of changing vendors for our website to have it more up to date and more accessible (www.subasalinas.com). SUBA continued to maintain the Business Resource Center and provide basic marketing support to business members interested in creating new marketing materials, social media training and connecting members to partners and other businesses that could assist them further (business cards, flyers, logos, etc.) all at no cost to refer them and assist them. SUBA will continue to foster and advocate for our members in this upcoming year and will continue to guide businesses through the red tape that sometimes exists.

Executive Director along with Executive Committee members met with City and County staff to address code enforcement issues and policies regarding illegal vendors, trash, homeless issues and catering trucks as well as crime issues. SUBA worked in partnership with various agencies and non-profit groups such as Building Healthy Communities, Center for Community Advocacy, CHISPA, CCCIL, Blue Zones partners, etc. to address the barriers in the community that impact the quality of life for East Salinas residents and businesses. Although SUBA may not always have the same purpose or goal of all our partners, we will continue working alongside these organizations for the betterment of quality of life for businesses and residents in East Salinas. We have continued to work with City of Salinas Public Work staff to establish parking zone restrictions along E. Alisal Street and E. Market Street. Continually, SUBA has been working on issues of mobile home and trailers parking on Commission Street affecting businesses throughout that area and throughout SUBA.

Our staff has held four safety meetings with business members and with the Salinas Police Department and have continued to work in collaboration in addressing the ongoing concerns of members regarding crime and safety of the residents and businesses including homelessness and various code enforcement issues. SUBA trained 45 businesses on how to upload and utilize the Salinas Connect App.

SUBA has worked in partnership with the City of Salinas and volunteers on the beautification of E. Alisal Street and have replanted planters. In partnership with volunteers we have done 13 clean ups on E. Market Street, N. Sanborn Road and E. Alisal Street. This included a total of 51 volunteers, including board members, BHC, Tunas de Nopal and a Youth Soccer team along with others. On most occasions the clean ups consisted of 1 to 2 volunteers along with staff. Approximately 60 hours were included in the clean ups and over 25 hours were included in the planning and gathering of supplies for the clean ups. **Over 60 42-gallon garbage bags were collected of green waste (weeds) and garbage in the clean ups.** The clean ups took place on the following dates and were on either N. Sanborn Road, E. Alisal Street and E. Market Street:

July 10, 2018, July 25, 2018, August 3, 2018, August 21, 2018, November 10, 2018, November 16, 2018, March 15, 2018, March 29, 2018, April 12, 2019, May 3, 2019, May 17, 2019, May 31, 2019 and June 15, 2019.

The SUBA Board promoted special events such as Valentine's Day and Mother's Day Sidewalk Sales. SUBA processed over 50 Temporary Land Use Permits for participating business owners in good standing. This is an approximate value of \$15,000 to SUBA members. SUBA encouraged business owners along E. Alisal Street to promote their businesses during annual El Grito Street Festival and Ciclovía which take place on E. Alisal Street and printed flyers and coupons for businesses that requested for this service through our business resource center. Additionally, SUBA promoted Small Shop Saturday and marketing for Holiday Sales in the SUBA area.

SUBA continued to expand the SUBA "branding" campaign to help increase SUBA's visibility and name recognition within and outside of the SUBA District with flyers and posters for special events, such as the Holiday of Lights Parade, the Veterans Parade and the Borchard Farms Pumpkin Patch. SUBA has sent out 2,622 newsletters to its members quarterly this year of updating our members about events and important happenings along with 984 informational letters to its members. SUBA held its "Posada" event in December at Mercadito Alegria on E. Alisal Street where board members and SUBA handed out food, hot drinks and gave out toys to nearly 200 people, which included 2 new bikes-this was done in partnership with La Plaza Bakery, Mercadito Alegria, Ortega Bakery, Leal Bakery and Tres Hermanos Deli and other SUBA members. SUBA promoted and marketed heavily in the SUBA area along with other areas throughout the City of Salinas "El Día del Niño" event. We had various SUBA members participate and promote their business at this event. SUBA had numerous compliments and various businesses wanting to join SUBA in future events where they could participate.

Executive Committee responded to members' request for information about the City's graffiti abatement program and information regarding services provided by the code enforcement department along with concerns and issues with SUBA and its effectiveness. SUBA worked with the City of Salinas Finance Department to keep the BID roster updated and helped maintain the City's assessment procedures. Took on a more active role in attempting to collect unpaid assessments by reaching out to members either by phone or by personal visits. This fiscal year the assessments were not sent to collection because there was a lot of friction that occurred and therefore felt it would be unproductive. A total of \$48,696.93 was not collected to date, because SUBA members did not pay their assessment this fiscal year. (None were sent to collection.) Approximately \$500,000 has gone uncollected to date according to figures shared with SUBA by the City of Salinas' Finance Department over the past 15 years that SUBA has served the area.

According to HdL and the City of Salinas' Sales Tax Revenues by Geographic Area, in 2018 the SUBA area brought a total of \$2,136, 059 in sales tax revenue to the City of Salinas. That is an increase of 8.2% of the previous year. The SUBA area accounts for 84% of all the sales tax revenue to the City of Salinas in the 93905 zip code according to the Geographic Area numbers provided by HdL to the City and of Salinas and demonstrates the financial contribution that our BIA offers to the City.

Challenges

SUBA 's primary challenge continues to be accomplishing a demanding work plan with limited staff and scarce and declining financial resources. A huge issue arose this fiscal year when the City of Salinas through the Community Development Department along with the Finance Department worked in conjunction with SUBA to put forth an ordinance to connect SUBA assessment with the timing of when the business licenses are paid in order to try and get a greater collection. During the public hearing process in April, approximately 12 members protested the ordinance and the City Council directed SUBA to work with its members to try and solve the issue. From there the issue grew and these members began to organize and collected approximately 300 signatures that stated they wanted to dissolve SUBA. A number of meetings occurred between these members and the SUBA Executive Director that were productive along with many that were not. There were a few meetings held between the SUBA Board of Directors and some of these members. However, no compromise could be reached and the discord has grown. A lot of misinformation was spread by a few businesses within SUBA and many of our SUBA members are unclear as to the future of SUBA. This huge rift and distrust in SUBA because of misinformation and misrepresentation of the ordinance has caused for the SUBA to possibly dissolve.

The main complaint was the collection process and the delinquent accounts that have hurt the credit of many of the businesses. The lack of communication to members was another complaint and lastly the issue of beautification and maintenance with the sidewalks within the SUBA area was an issue. Along with this, there was misinformation in regards to salaries of employees of SUBA along with confusion of Board Members getting paid to participate, which is untrue.

The largest challenge is that the City of Salinas' City Council struggles to make a positive determination to move forward with an ordinance to connect the assessment and the business license on the same calendar dates. Without the ordinance moving forward SUBA will more than likely be unable to continue to provide the necessary services and coordination of services to be able to continue as a BIA.

The lack of resources will discontinue the partnership between SUBA and the City of Salinas to push forward the Alisal Vibrancy Plan and bring forth uncertainty. Along with this uncertainty is the lack of advocacy for social justice and equity amongst the businesses along the area that has the Salinas Valley Solid Waste Authority as SUBA will no longer be able to convene future meetings with businesses regarding this vital issue.

The continued challenge of collecting delinquent assessments from its members and lack of resources will eventually close down SUBA. **The recommendation from SUBA is to pass the ordinance or allow for SUBA to break away from the City and no longer be a BIA but provide services only to members that pay.**

Low collection rate of assessments is a large challenge. Approximately forty one percent (41%) of assessment amounts were uncollected last year. Of the 693 businesses billed total assessments (\$119,516) 385 did not pay the assessment (\$48,697) this number is equal to 56% of the businesses did not pay. Of those businesses, none were sent to collections **(this was due to the fact that SUBA decided to not send any further businesses to collection as has been past practice)**. In total only

44% of the businesses paid their assessment, but this accounts for 59% of the total assessment value or \$70,819.

The Director will prioritize on collecting delinquent accounts in partnership with the City of Salinas and the Board of Directors and will determine if this is feasible or if the City of Salinas and SUBA would like to look at an amnesty program or a restructuring of the BIA.

Recommendations

Given the reduction in the operating budget, SUBA will continue to restructure services to members as SUBA has already reduced staff. The Board will need to revisit established priorities to determine where further programming reductions will occur. SUBA proposes to restructure its existing committees (Business Resources, Marketing, Beautification and Safety) to the following:

Marketing and Promotions Committee will work on developing and coordinating different marketing and promotional strategies for individual businesses, the business district and the Association. Examples of special benefit services shall include but not be limited to: Website development and updating the Board of Directors, coordination, co-sponsorship and/or participation in/of special events including a farmers’ market, Festivals, Christmas Posadas, El Grito and other special events to promote the SUBA BIA. Additionally, looking to add a presence in radio and social media marketing, i.e. radio marketing promotions for the holidays, shop small Saturday, etc. Coordinate sidewalk sales for special holidays (Mother’s Day, Valentine’s Day, Thanksgiving sales, etc.) We will resume our Quarterly SUBA newsletter. Work with local media outlets to produce ads and promotional events in the SUBA BIA. We are currently pricing packages with local media. Finally, we are introducing new welcome packets for new SUBA members

Business Resource Committee will develop and implement strategies to provide members with the tools they need to be successful business owners. Examples of special benefit services shall include but not be limited to: Workshops and training sessions that are beneficial to SUBA members. Promote Grow Salinas Fund and other funding opportunities for members. We will be offering these services and promoting them to our members through our partnership with El Pajaro CDC and the City of Salinas.

Safety Committee will plan and implement initiatives, programs, and special projects that will increase public safety and improve the quality of life in our business community. Examples of special benefit services shall include but not be limited to: Quarterly business watch meetings throughout the SUBA district will continue. Facilitate meetings with City of Salinas Police Chief or representative.

Beautification & Landscaping Committee will plan and recommend beautification projects which may include sidewalk, gutter and bulb-out cleaning services, trash removal, as well as installation of banners, planters, signage, etc. Examples of special benefit services shall include but not be limited to:

- * Scheduled sidewalk clean ups
- * Timely graffiti removal through the use of the Salinas Connect App
- * Public Art and Gateway Signs for the area

Work in collaboration with Tunas de Nopal Art Collective and other art collectives, artists and businesses on beautification projects. This will increase the collectability of assessment revenue.

Finance and Administration under the Executive Committee will continue to respond to members' request for information about the City's street/sidewalk maintenance program, graffiti abatement program and information regarding services provided by the code enforcement department. It will rely on staff to get this information out and to assist members with these issues. Staff will work with and monitor the status along with the City of Salinas Finance Department to keep the BIA roster updated and helped maintain the City's assessment procedures. SUBA will take an active role in attempting to collect unpaid assessments by reaching out to members either by phone or by personal visits. The Executive Director along with the Executive Board will oversee the Finances and the Administration of the association and also be responsible for the Policy & Government Relations Committee through this process. SUBA will continue to be more transparent with its agendas and minutes being updated to our website.

Lastly, the key to continue as an organization that is viable and be helpful the City of Salinas' Alisal Vibrancy Plan. The proposed ordinance of connecting the SUBA assessment with the business license is vital to be able to sustain itself as a BIA. Without this, SUBA will no longer move forward because it is unsustainable without a funding source that is more predictable and allow for more resources to be available.

2019-2020 Goals

Provide board training activities aimed at increasing the Board's capacity to serve as business leaders and community advocates will take place this upcoming year and SUBA will focus on board development and on a strategic planning session. SUBA will continue to collaborate with the City of Salinas Community Development Department and Public Works Department, Salinas Police Department and all of its memberst to augment and support the proposed Alisal Vibrancy Plan and move forward SUBA's business area..

Our Committees will be better utilized and better supported with staff and board members and we will expand their roles and increase their activities in this upcoming fiscal year.

Marketing and Promotions Committee

SUBA will expand communication with the membership and other stakeholder groups, by expanding use of electronic communication and social media. We have begun walking door to door speaking to businesses and increasing our visibility along with getting back feedback. SUBA will continue to develop its relationship with other business organizations and in particular with the Salinas Valley Chamber of Commerce, Salinas Cultural Committee, Central Coast Hispanic Chamber of Commerce and the Monterey County Hispanic Chamber of commerce to promote small businesses and cultural events in the SUBA district. Furthermore, we are developing our work plan to include free advertising for our members in good standing to promote and market their businesses through media spots purchased by SUBA.

Business Resource Committee

SUBA will work directly with lenders, business organizations, non-profit groups and governmental agencies to provide SUBA members information and training on financing opportunities to improve their businesses. We will be partnering with organizations such as the El Pajaro CDC to make certain we offer members opportunities for training and gathering of information. We will begin to offer business workshops for small business growth and development through these partnerships.

Safety Committee

SUBA staff will continue to work with the City's Code Enforcement and County Health Department to improve monitoring of city and county health and safety codes throughout our business district. SUBA will facilitate community meetings with business owners and Salinas Police Department. We have our first meeting being coordinated with the SUBA Board of Directors and the City of Salinas Chief of Police to begin this dialogue and to bring the coordination of community meetings with our business owners and community.

Beautification & Landscaping Committee

SUBA will work with the City's Community Development Department to implement projects aimed at the beautification of the business corridor within the SUBA district. Projects include pole banners, plants in our planters that were refurbished last fiscal year for E. Alisal Street. In addition, we are beginning a pilot program to look at lighting trees on E. Market Street to bring vibrancy to our business district along with more safety. We will continue to monitor and work on plans to provide more regular clean ups and work with the City staff to further opportunities to de-weed within our business district.

BUDGET:

**Salinas United Business Association
Budget 2018-2019**

Income	Approved	Actual	19/20 Budget
SUBA BID Assessments & Associated Membership (<i>*projected</i>)	\$ 80,000	70,819.03	56,000
Grants	\$ 17,000	0.00	15,000
Donations	\$ 2,500	5,035.00	10,000
Current Balance from FY 2017/18	\$ 78,458	78,458.00	14,527
Total Income	\$177,958	\$154,312.03	\$95,527
Expense	Approved	Actual	19/20 Budget
Operations	\$177,958	\$154,312.03	\$95,527.00
Accounting	\$ 5,000	6,883.59	5,750.00
Conferences/Staff Development	\$ 3,000	716.76	300.00
Insurance	\$ 2,500	3,628.05	2,925.00
Permits	\$ 600	3,852.59	200.00
Dues and Subscriptions	\$ 700	250.00	200.00
Office Furniture & Equipment	\$ 1,500	277.35	200.00
Office Supplies	\$ 2,000	2,890.55	2,000.00
Postage	\$ 1,000	1,365.34	500.00
Telephone & Internet	\$ 2,500	2,287.75	2,000.00
Rent	\$ 12,000	9,360.00	10,800.00
Reserve	\$ 2,000	2,500.00	0.00
Staff	\$ 105,000	81,070.66	64,000.00
Miscellaneous	\$ 1,500	1,876.23	352.00
Beautification and Landscaping	\$ 12,000	9,830.15	2000.00
Marketing & Promotion	\$ 10,000	7,867.49	2,500.00
Safety	\$ 5,400	3,710.29	700.00
Business Resources	\$ 3,950	3,918.23	1,100.00
Contingency Funds	\$ 7,558	12,027.00	0.00
Total Expenses	\$ 177,958	\$154,312.03	\$95,527