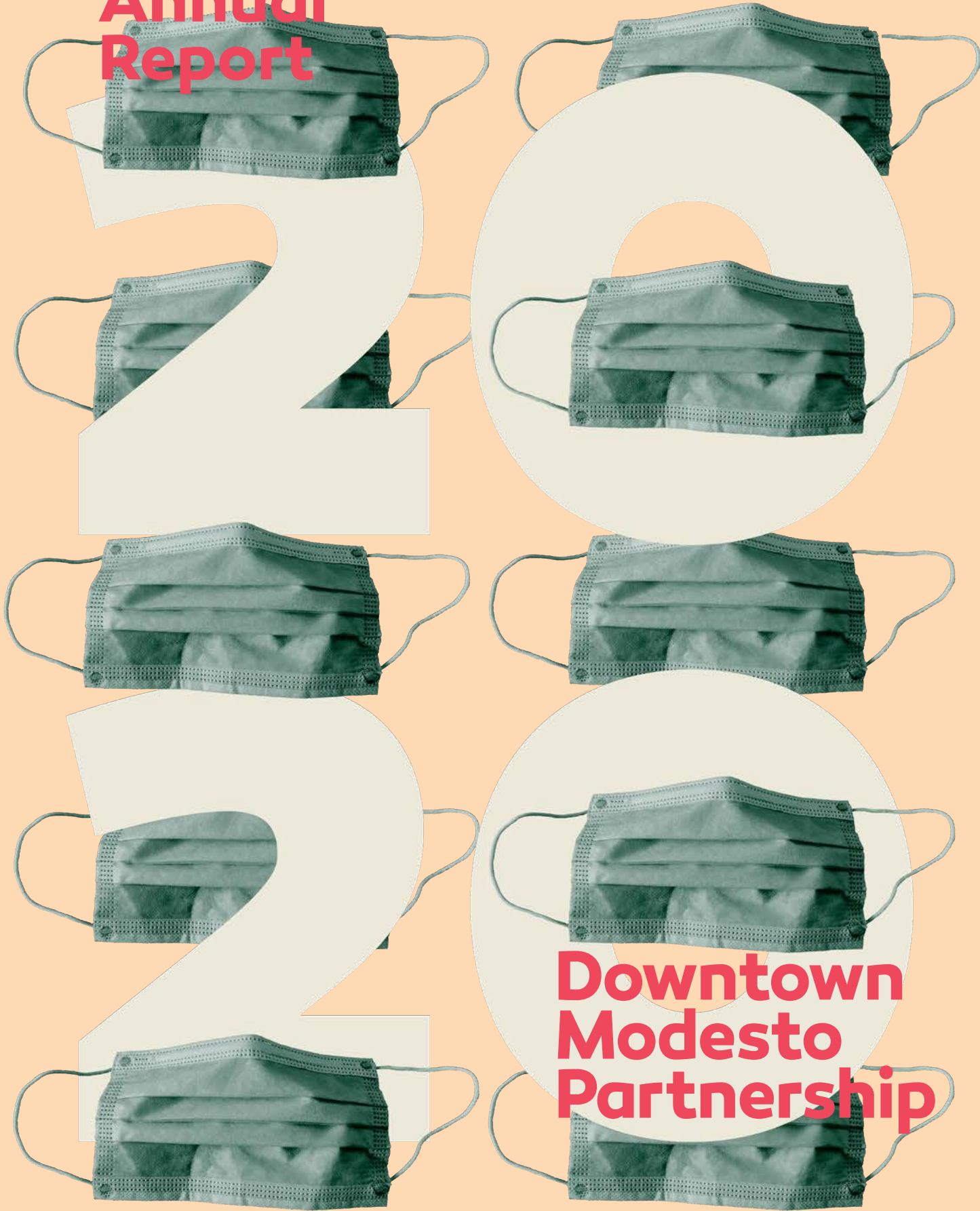


**Annual
Report**



**Downtown
Modesto
Partnership**



Welcome Downtown

The year 2020 may go down in infamy as the most challenging year for businesses in the 21st Century.

COVID-19 did not just ravage the physical health of our nation, but also our social and economic health. Small businesses in downtown areas were particularly hard hit, as densely populated professional offices emptied out virtually overnight and social-distancing rules made navigating the urban environment with relatively narrow sidewalks a challenge.

Many corporate retailers found ways to quickly adapt through sprawling building areas, favorable interpretations of essential services or the ability to quickly transition to online sales. Restaurants and retailers in suburban shopping districts found they could adapt through the use of parking fields and other open areas on their properties for outdoor dining and sales of merchandise. Downtown's businesses did not have any of these benefits.

As an organization that is focused on improving the quantity and quality of experiences within the district it serves, The Downtown Modesto Partnership found its plans for 2020 upended, replaced with the need to provide critical support to our struggling downtown business community. The great pivot that ensued was both challenging and painful - challenging in that we knew we would need to quickly hack the constraints of our urban construct, painful in that we, like so many others, lost some valuable and well-loved staff members along the way.

We became laser-focused on two things: 1) Overcoming the physical construct of the urban environment that put our businesses at a disadvantage when compared to suburban shopping districts 2) Improving the digital and ecommerce presence of downtown to allow our businesses to benefit from the same strategies that were helping corporate businesses succeed.

We were able to work with the City to develop and implement an emergency open-air policy that expedited outdoor dining permits and expanded the area to which dining could occur to include public streets. We were able to parlay this into a parklet program, providing for safe and welcoming street-side dining on platforms raised to the elevation of adjoining sidewalks. The Downtown Master Plan we developed in partnership with the City that was adopted in August provided the necessary policy direction to allow for the conversion of J Street to two lanes of travel and adding 21 parking stalls, slowing vehicles and making the street much more conducive to outdoor dining and parklets.

Paralleling this, we developed a step-by-step instructional guide to help our retail businesses digitize their operations and saw immediate improvement in the online presence of our retailers. We also invented and developed the RAD Card, a gift-card app that is universally accepted at downtown restaurant and retail locations and leverages donor dollars to amplify the spending power of patrons. The program has been a huge success, creating \$1.5 million dollars in dedicated funds thanks to generous donations from our partners, including Stanislaus Community Foundation, Dave and Jeanne Olsen, Porges Family Foundation, Valley First Credit Union and Stanislaus County.

Due to our efforts and the resiliency of our downtown business owners, most of our retailers and restaurants were able to weather the worst of the pandemic and we actually gained a few new establishments along the way. We aren't in the clear yet, but there certainly is light at the end of the tunnel. We think we're well-positioned to come out of the pandemic stronger and more resilient as a downtown community than we entered it.

Sincerely,

Josh Bridegroom
President/CEO

Board of Directors

Josh Bridegroom | President and CEO

Lynn Dickerson | Board Chair
Gallo Center for the Arts

Barrett Lipomi | Vice President
RED Inc. Architects

Ryan Swehla | Treasurer
Graceada Partners

Saul Tujillo | Secretary
Brenden Theatre

Fred Silva |
Damrell, Nelson, Schrimp, Pallios & Silva

David Boring | Never Boring Design

Ann Endsley | Greens on Tenth

Kathryn Davis | Valley First Credit Union

Blake Humble |
Churchkey, Commonwealth

David Darmstandler | Datapath

Kristy Rupp | Centerra Capital

Kirstie Boyett | The State Theatre

Erin Doran | Doran Industries: The Century,
Nine3One, Rosé Bouquet, The Pharmacy

Mission Statement

To create a vibrant community through activities and partnerships designed to improve the quantity and quality of experiences in downtown Modesto.

2021 Annual Action Plan

EXPAND OUR INFLUENCE

- Grow RAD (Relief Across Downtown Card) to 30,000+ users
- Develop Culinary Arts Tour

BUILD OUR CONSORTIUM

- Partner with City of Modesto to implement a project identified in Downtown Master Plan
- Partner with Downtown Improvement District on two new downtown projects

GROW OUR REVENUE

- Increase our grants & sponsorships revenue by 400% over 2019 (last normal operating year)

2020: THE YEAR OF THE PIVOT

Fulfilling Our Mission Against All Odds

Downtown Community Benefit District Boundaries



HWY 99

8th St

I St

9th St

10th St

11th St

12th St

13th St

14th St

J St

K St



The Downtown Modesto Partnership is a non-profit 501(c)(3) community benefit corporation that is managed by the DoMo Partnership staff and its 13 member, property owner-based board.

THE ESSENTIALS

January 2020 - December 2020



IN A COMPLICATED YEAR, ONE THING REMAINED SIMPLE: safety and cleanliness is essential.

DMP expanded its downtown clean & safe protocols, ensuring best practices during the pandemic, including sanitizing all public-facing handles, street furniture and receptacles

Our Downtown Experience Engineers are just a quick email away!
service@domopartnership.org



THE ESSENTIALS

January 2020 - December 2020

1,353 GRAFFITI
REMOVALS

2
2
5



192
homeless
referred to
services



10,146
BUSINESS and PATRON CONNECTIONS



IMAGE ENHANCEMENT SERVICES

Social media is where we tell the downtown story. Our engaged audience continues to grow.



Instagram is our home for visual storytelling and thought leadership

ANNUAL GROWTH: 24%
of diverse users in all age ranges
5,500 followers



Linktree connects our Instagram audience to downtown content with just one link

CLICK-THROUGH RATE: 61.45%
healthy average rate for all users: 5%



Facebook users engage most with video content and updates about local events

POST ENGAGEMENT + 349%
users who followed this page: 5,700
5,720 followers

THE RAD CARD: RELIEF ACROSS DOWNTOWN

Innovating Technology to Deliver Revenue Aid During A Pandemic

WHAT WE DIDN'T WANT

Undesirable elements of gift card programs in other communities included:



Complicated and costly logistics associated with creation of plastic gift cards for businesses that didn't currently offer them



Risk associated with donor funds going toward single-location gift cards when the business climate was so uncertain

OUR GOALS



Reinforce downtown as an experience-economy destination



Foster a sense of solidarity amongst our business community



Create contactless exchanges to quell consumer fears and better secure the health of our downtown patrons and business employees



Incentivize a change in shopping habits for consumers that might ordinarily go to suburban shopping districts, thereby growing downtowns market

THE RAD CARD: RELIEF ACROSS DOWNTOWN

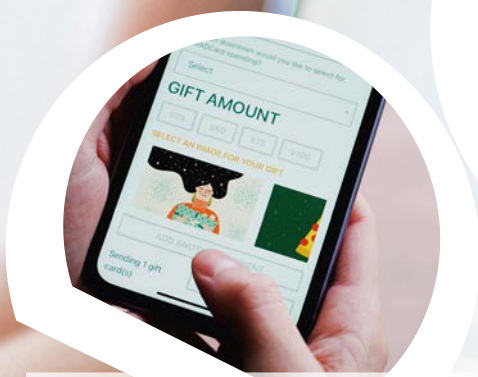
Impactful Today, Downtown Spending Here To Stay

WHAT WE CREATED

a contactless, universal gift card app for downtown Modesto that uses donor dollars to double consumer purchasing power.

WHERE IT STANDS TO DATE

\$1.5 MILLION



Attracted over \$2 million dollars in public and private donor funds countywide

Businesses are reporting that up to 60% of their sales are attributable to RAD Card!

Customers purchase an average of \$100,000 in RAD Card funds each week and spend about \$50,000 at downtown businesses



Attracted 20,000 regional users

Customers are opting to reload their RAD Cards with their own, unmatched funds, treating it like a cash envelope for discretionary downtown spending

DOWNTOWN MASTER PLAN

Building Community Consensus

A WORKING PLAN FOR TODAY AND TOMORROW



The **Downtown Master Plan** was adopted August 11, 2020 after months of partnering with the City of Modesto on community engagement events, design sessions, demos and focus groups

6/1/2020
Economic Development
Committee Review

8/3/2020
Planning Commission
Review

8/11/2020
City Council Adoption

Educational parklet
demonstration near
J and 11th Streets



Public walking tour of
downtown



Multiple workshops &
design charrettes



DOWNTOWN MASTER PLAN

A Plan That Won't Gather Dust

THE 3 DESIGN PRINCIPLES

- 1 Establish a bicycle and pedestrian network to improve connectivity to key destinations



Example:
J Street
pedestrian
enhancements and
Shared Street near the
Transit Center



- 2 Create a new downtown gateway and mixed-use node at the Transit Center at 9th and J Streets

Redesigning
current facility to
accommodate ACE Train,
which will catalyze investment
and positive changes in that
area through transit-oriented
development



Transit
oriented
development
at 9th and J
Streets

Mixture
of commercial
and residential
uses

- 3 Focus public investment in strategic infill projects to generate an active, mixed-use downtown

Example:
ballpark or
similar amenities
surrounded by commercial
development and
mixed-use residential



J STREET PROJECT

A Go-To Street, Not a Go-Through Street

HISTORY

Spearheaded by Downtown Modesto Partnership in 2016

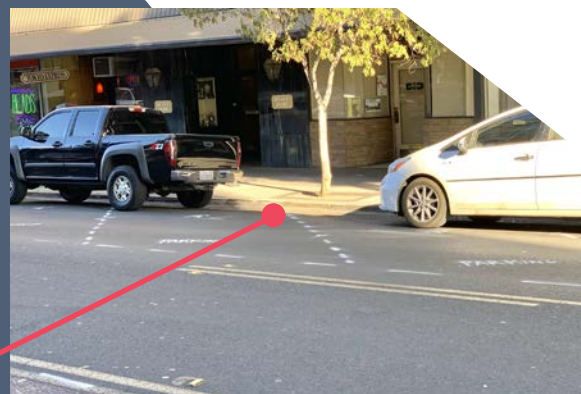
Overwhelming support from businesses and community benefit organizations

Supported by City-adopted Downtown Master Plan



DURING

While J Street was being re-stripped, it was obvious how inefficient parallel parking had been. See here how two cars are parked where three cars now park in diagonal parking spaces.



J STREET PROJECT

A Go-To Street, Not a Go-Through Street

TODAY

two
travel
lanes

21
new
parking
spaces!

noise
reduced

comfortable,
expanded
outdoor
dining

four-way
stops
added

Four-way stops, a narrowed street configuration, diagonal parking and actively used parklets have slowed vehicular traffic, resulting in a more comfortable, attractive and welcoming setting for patrons enjoying downtown businesses

2020: DETAILS THAT MATTER

Blankets, Music Garden and Wine



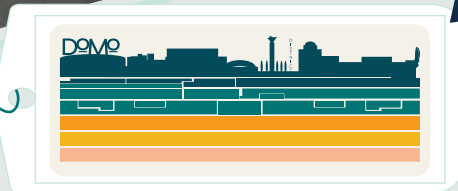
Created the DoMo District Blanket Program conveying beautifully-woven Mexican blankets to our business partners during state-mandated outdoor dining during winter

+ \$2.5K



to downtown restaurants

- ✓ district branding
- ✓ patron comfort
- ✓ business solidarity
- ✓ 1,000 blankets sold



downtown-themed decal accompanying blankets

Procured a grant to assist Modesto Rotary Club and Gallo Center for the Arts with the development and implementation of a public music garden on the grounds of the Gallo Center for the Arts



photo: Andy Alfaro, Modesto Bee

Partnered with E & J Gallo Winery and City of Modesto to produce commemorative wine bottles for Modesto's sesquicentennial



2020: DETAILS THAT MATTER

Digitizing, Winterizing and Reopening



Created Winterization Program to aid downtown businesses' outdoor operations, reimbursing up to \$1,000 for propane heat lamps, canopies, etc.

+ \$7.9K



Created a digitize-your-business guide, helping businesses simplify digital commerce & marketing so they could get back to what they do best



WE PROVIDED:

- ✓ social media marketing tips
- ✓ mobile phone camera tricks
- ✓ easy DIY website resources
- ✓ call-to-action management advice
- ✓ free consultation and photography by DMP staff

Worked on Stanislaus County Safe At Work Task Force to create Good2Go, a training program designed to get businesses open while meeting safety goals



2020: PLAN AND PIVOT

Where We Are Today

When the pandemic turned how we do business on its head, some challenges were more difficult in our urban setting than others. That's because downtown, the urban core of the city, is build for density – not for vast parking lots and big box stores.

OPEN AIR INITIATIVE



DMP worked with City of Modesto to create the Open Air Initiative, an emergency response to COVID-19 meeting all city, county and federal guidelines. DMP staff mapped each outdoor dining space, providing consultation, application assistance and materials to businesses.

constrained sidewalk along J Street



DMP spearheaded a message of support from community benefits organizations for a City-adopted Open Air Initiative. Co-signers of this endeavor included:

Modesto Chamber of Commerce
Opportunity Stanislaus
Stanislaus Community Foundation
Modesto Downtown Improvement District
Modesto Convention and Visitor's Bureau



MODESTO CITY COUNCILMEMBERS VOTED UNANIMOUSLY IN SEPTEMBER TO ADOPT THE MODESTO OPEN AIR INITIATIVE

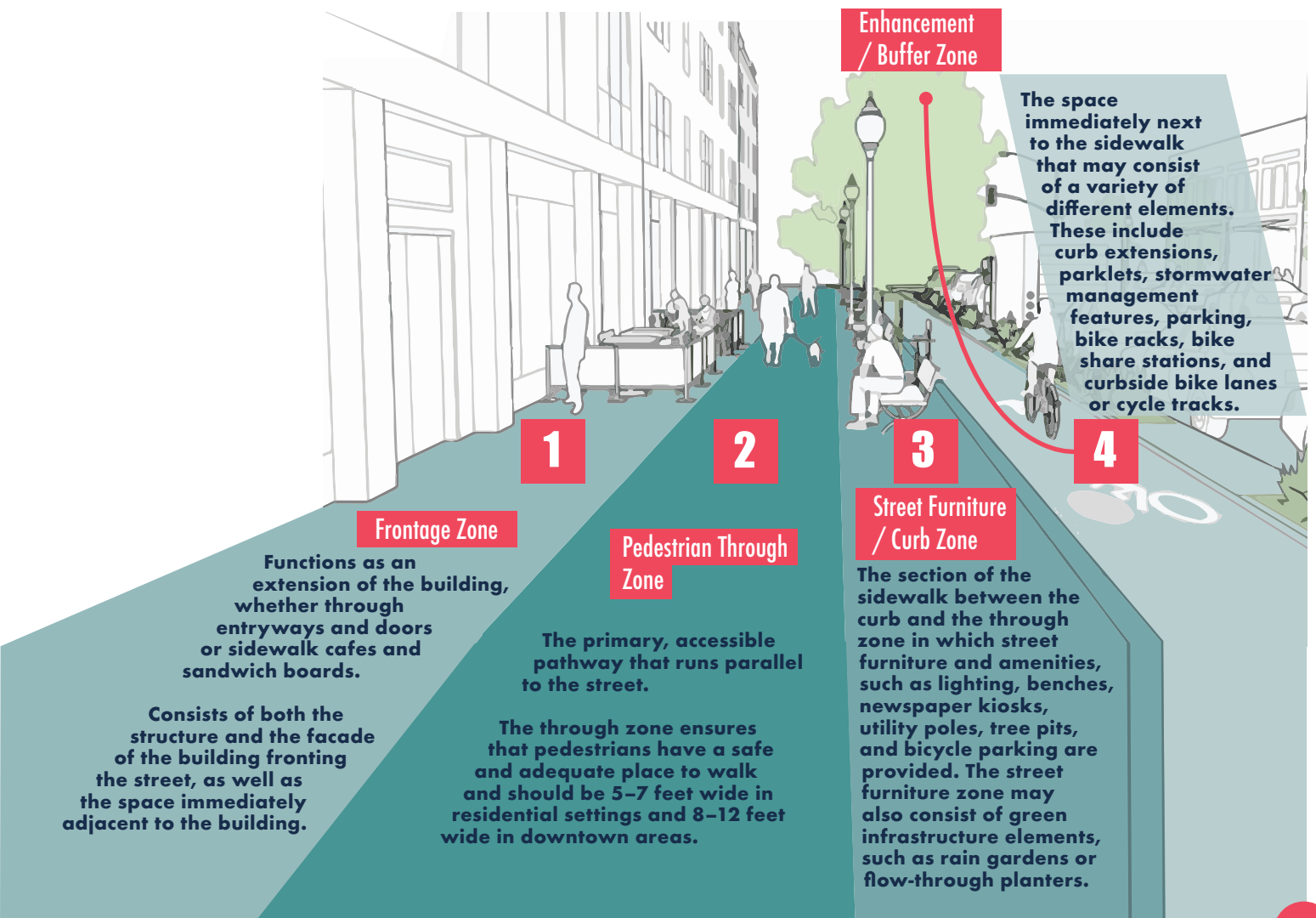
2020: PLAN AND PIVOT

Where We're Headed

SIDEWALK ZONES FOR SUCCESS

The sidewalk is the area where people interface with one another and with businesses most directly in an urban environment.

Most sidewalks in the central business district of downtown Modesto are narrow, often only 10 feet wide, leaving less-than-desirable conditions for establishing outdoor dining, shopping, and waiting in line to enter stores during occupancy restrictions.



2020: PARKLETS

Environments and Policies That Work



OUR PARTNERS

RED Inc. Architects
Shelter Cove Community Church
Hawn Engineering
Redeemer Modesto church
Millcreek Construction
Trophy Works Inc.
Renew Church
City of Modesto

We didn't exactly have permission to build the first parklet with Shelter Cove Community Church on 11th Street between J and K Streets, but it was reviewed by City staff and electeds, after which we quickly responded to the economic emergency to create downtown's first official outdoor dining parklet program, adding valuable outdoor real estate to struggling restaurants while beautifying downtown.

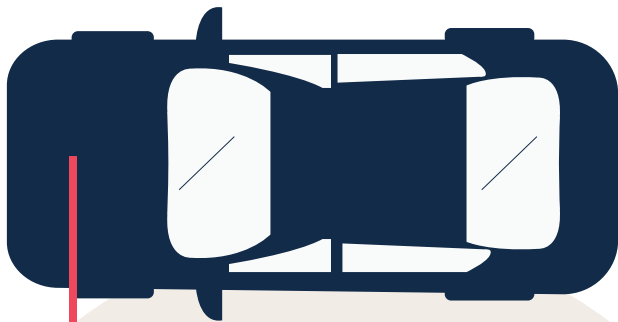


2020: PARKING PEOPLE

What 200 Square Feet Can Do



INSTEAD OF THIS



- vehicle storage use
- passengers per car: 1.59
- typical parking time: 1-2 hrs
- passengers parked during business hrs: max 16
- may or may not be patrons

WE'RE TRYING THIS



200 sq. ft.

- paying customer use
- patrons per parklet: 15
- typical turnover time: 40 minutes
- patrons served during business hours: max 150
- visible patrons attract more patrons



FINANCIALS

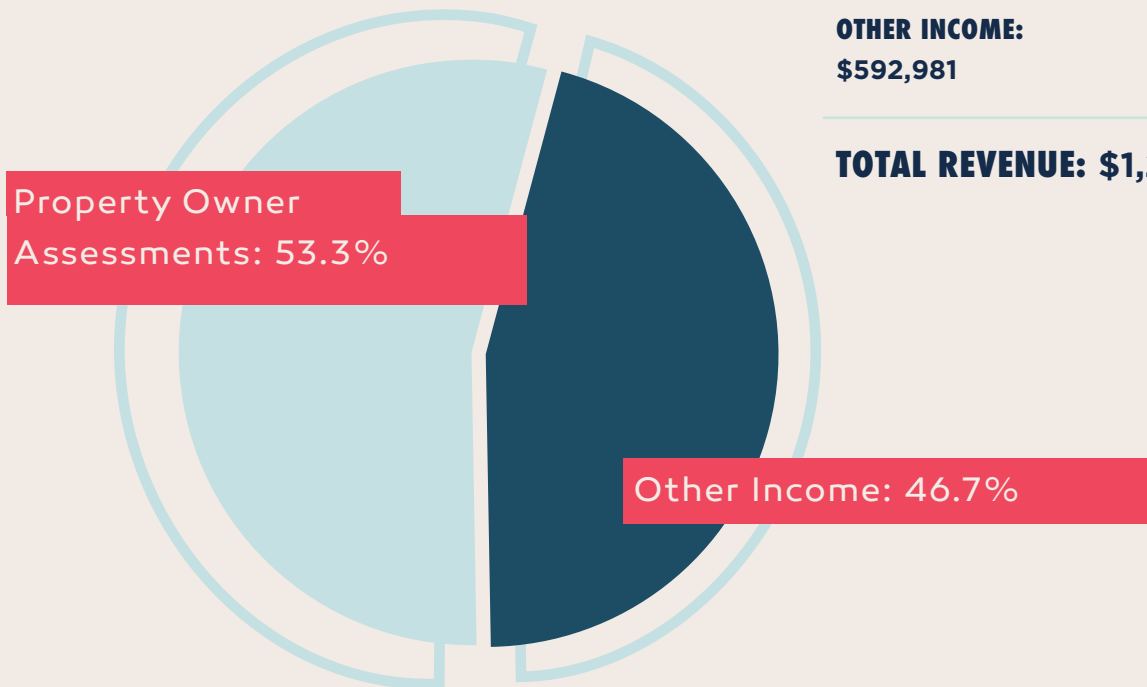
The Partnership is on Solid Financial Footings

REVENUE

PROPERTY OWNER ASSESSMENTS:
\$675,592

OTHER INCOME:
\$592,981

TOTAL REVENUE: \$1,268,573



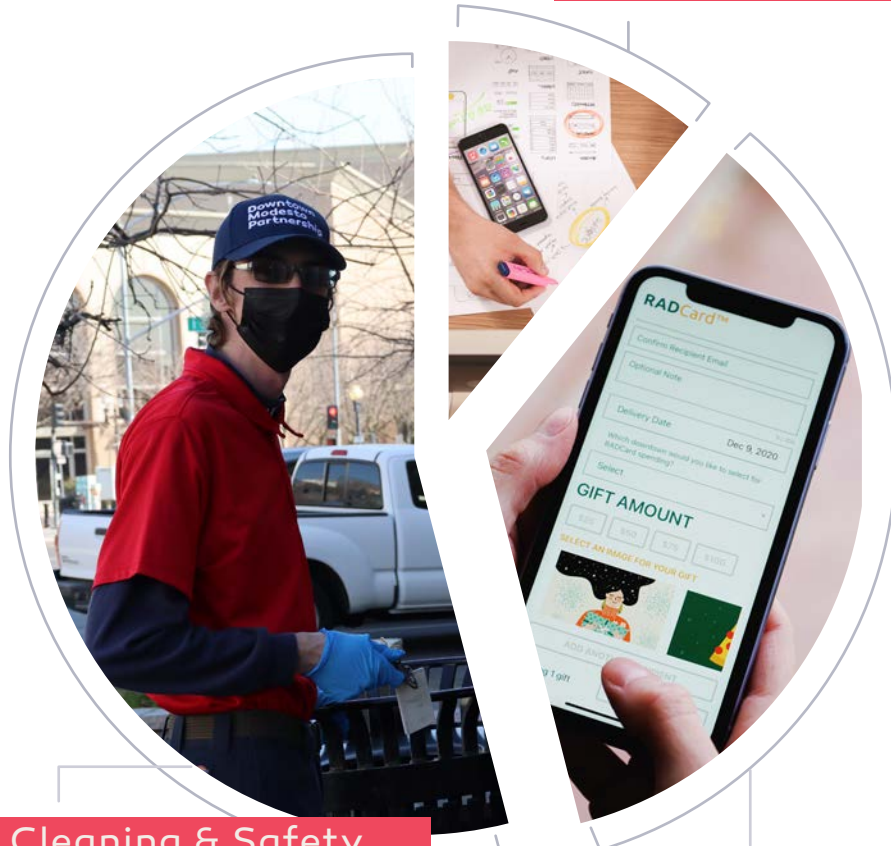
METHOD OF FINANCING:

The financing of the Downtown Modesto Partnership is based primarily upon the levy of special assessments of properties that receive special benefits from the improvements and activities provided. There are four factors used in the determination of proportional benefit to the parcels.

- Linear frontage
- Lot size or footprint
- Building square footage (excluding parking structures built within the building that predominantly serve the tenants of the building and are not open to the public)
- Future residential condos that will be constructed within the District.

EXPENDITURES*

Administration: 10%



Cleaning & Safety Programs: 55%

Image Enhancement Services: 35%

*reflects property owner assessment expenditures only

Statement of Financial Position

December 31, 2020 • End of Fiscal year

ASSETS:

Current Assets

Cash and Cash Equivalents	\$	602,075
Cash and Cash Equivalents, Restricted		2,091,406
Contributions Receivable		103,498
Prepaid Expenses		1,480
Total Current Assets		\$2,798,459

NON CURRENT ASSETS:

Security Deposit		2,108
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FIXED ASSETS: (Net of Accumulated Depreciation of \$108,978) 59,516

Total Assets **\$2,860,083**

LIABILITIES AND NET ASSETS:

Current Liabilities

Accounts Payable	\$	44,957
Credit Cards Payable		12,768
Accrued Wages and Benefits		1,887
Accrued Compensated Absences		25,469
Stanislaus County RAD Card		2,091,406
Current Portion of Notes Payable		39,498
Total Current Liabilities		\$2,215,985

NET ASSETS:

Net Assets Without Donor Restrictions		595,505
Net Assets With Donor Restrictions		59,181
Total Net Assets		626,686

Total Liabilities and Net Assets **\$2,860,083**



Downtown Modesto Partnership

Administration

Josh Bridegroom

President/CEO

josh@domopartnership.org

Stephanie Foster

Director of District Identity

stephanie@domopartnership.org

Doris Daniel Brima

Director of Organizational Assets

doris@domopartnership.org

Phone:

209.303.0411

Location and Mailing Address:

1003 10th Street Suite A
Modesto, CA 95354

domopartnership.org