

Walnut Creek Downtown Association
Board of Directors Meeting

Wednesday, March 8, 2023

Meeting Minutes

Attendance: Brian Hirahara, Tracy Dietlein, Jennifer Perry, Bob Linscheid, Kristy Lincoln, Teri Killgore, Loella Haskew, Sue Rainey, Jonathan Bartlett, Joanna Sibley, Margot Stanford, Kelsey Wendt, Donna Labriola, Jim Fidelibus, Gary Skrel, Bob Power, Kathy Hemmenway

- I. Welcome & Introductions – Brian Hirahara, WCD Board President, BH Development
- II. Public Comment – No public comment.
- III. President’s Report - Brian Hirahara, WCD Board President, BH Development
 - A. Excited to see Shake Shack is open on Mt. Diablo Blvd.
 - B. Continuing discussions with city staff regarding Measure O funding. More details will be shared as the city goes through their budget cycle.
- IV. City Council Report – Loella Haskew, Mayor Pro Tem, Walnut Creek City Council
 - A. Discussed council priorities: diversity, equity, and inclusion, economic development, environmental sustainability, climate action, public safety & wellness. This year’s priorities, compared to last year, are more sophisticated and staff have worked hard to continue this and get closer to making these priorities happen.
 - B. Council is establishing metrics and finding funding that is needed to progress the general concept plan. Goals are to increase innovation, effective responses to homelessness, proactive police responses to crime trends, improved safety for traffic, transit, pedestrian, and bike safety.
 - a. Gary Skrel – When looking at the council priorities, are you ignoring the ranking of them, with the top two being public safety & wellness, & Economic Development & Job Creation?
 - i. Loella Haskew – We are ignoring the order and spending time carefully and wisely, as no one priority is more important than the other and they are working hard on each of them.
- V. City Staff Report –Teri Killgore, Assistant City Manager, City of Walnut Creek
 - A. The rebound program has transitioned to make pieces more permanent, such as the curbside pickup zones and outdoor dining. The city is asking for an extension from council through May 2022 for the program. This extension is requested due to construction and needing more time to assess needs.
 - B. The application process for the outdoor dining program launches March 21st. This program includes sidewalk dining, on-street dining, etc.
 - C. The city is in the bi-annual budget process and will go before council beginning in May. Noted that others have retail envy of Walnut Creek, auto is strong, property tax is strong. A solid budget is expected to address the strategic priorities of the council.
 - D. Council approved hiring a project manager for the Heather Farms Aquatic Center. The project will use Measure O funding and was originally projected to be a \$50 million project and now estimated at \$77 million. HDL estimated \$12 million per year will be

generated by Measure O funding, with an estimated \$9 million per year to go to the aquatic center.

- a. Gary Skrel – Are there any updates on the downtown construction?
 - i. Jim Fidelibus – The construction started at 6:50am on Bonanza Street without any warning.
 - ii. Teri Killgore – Yes, the construction is underway. EBMUD is jumping around block by block and reporting they are on track. After EBMUD, Central San will come in, and then the streets will be resealed.
 - iii. Kathy Hemmenway – Steve Waymire said there will be a short gap between EBMUD and Central San projects.
- b. Bob Power - How is the \$77million financed overtime?
 - i. Teri Killgore – We won't see first revenue until next month. The initial projections compared to what the consultants are projecting differ.

VI. WCD Staff Report – Kathy Hemmenway, Executive Director, WCD

- A. Walnut Creek on Ice – recently conducted a recap meeting with Special Ice. The season ended with an estimated 22,500 skaters. In the past, 40-42,000 skaters for a 10-12 week season, so with a half season the numbers are good. The rink was closed for 1 day due to rain, however, additional weather caused unpleasant and unsafe conditions and reduced skating numbers for nine days. Overall, it was a positive season given the timeframe. First year moving to an entirely cashless operation. A great new rink manager was hired who was responsive to Neil G. (WCOI Committee Chair) and the WCD team. Overall, the rink was clean and had positive staff with new programming and a partnership with Trinity Center. Although the final finances are not complete, estimated net income will be around \$15,000. Sponsorships were \$30,000. This year, an additional \$5,000 was spent on marketing. WCD will update with final numbers once they are complete. Monthly meetings begin in March in preparation of next season. Season dates for this year are being assessed and discussions are underway comparing a 6-week vs a 10-week season.
- B. A new member resources webpage was added for downtown business members. The page is interactive and includes marketing resources, a new job board feature, construction updates, and will include any future downtown business alerts.
- C. Retail Alliance – currently working with the Economic Development team and conducting outreach to current retailers to assess their business health and remind of WCD's resources.
- D. BID Renewal is scheduled for the annual presentation on March 21st, with a follow-up meeting on April 18th.
- E. WCD is hiring a new admin for 20 hours a week to help with office and accounting support.
- F. WCD attended the East Bay Women's Conference yesterday. Hats off to Bob and the team for a successful event. It was great to have the conference at the Leshner Center.
- G. Donna Labriola & Kathy Hemmenway will be attending the California Downtown Association conference in San Jose at the end of March.
- H. Upcoming Events – Coffee with a Cop is tomorrow at 9:00am. The PD/Bar/Restaurant meeting is at 10:00am. Uncorked is on April 26th and 120 presale tickets have already sold but additional volunteer and onsite support is needed. See WCD's event postcards handed out for upcoming events and save the dates.

VII. WC Chamber of Commerce & Visitor's Bureau Report – Bob Linscheid, CEO, WCCCVB

- A. Held the State of the City last month featuring Mayor Cindy Silva and council members at Boundary Oaks. Cindy Silva did an outstanding job presenting goals for the city and fielding questions.
- B. State of the Chamber is next month on April 11th with the transition between Ed Del Beccaro and Audrey Gee. The presenting sponsor is F&M Bank.

- C. East Bay Women's Conference – The event has shifted after 17 years to focus more on entertainment, with a great MC who has been invited back next year. Next year's event is March 5, 2024. Many attendees went from the event into the downtown and were there dining until late. Thank you for all of your support in bringing the conference to Walnut Creek.
 - a. Jennifer Perry – Overheard a lady telling a friend that it's the first time she had been in the Leshner Center. We often assume everyone has been to the center, but they haven't and its great exposure.
 - b. Bob Linscheid – There were guests from San Jose, Napa, Sacramento, and beyond. It is great to attract these visitors to the city.
 - c. Jim Fidelibus – Was the conference sold out?
 - i. Bob Linscheid – No, there were about 100 more spots than previously were accommodated, as the Leshner is a larger event space. There was concern regarding food but that was addressed with a boxed lunch.
- D. The visitor's guide is getting great remarks. The guides were recently distributed to Oakland Airport.
 - a. Jim Fidelibus – Is the Art & Wine Festival scheduled for this year? Haven't heard anything about it.
 - i. Bob Linscheid – Yes, June 3rd & 4th. The Chamber is exploring the cashless option for this event.

VIII. Macerich/Broadway Plaza Report – Tracy Dietlein, Senior Marketing Manager, Broadway Plaza, WCD Vice-President

- A. Broadway Plaza Updates:
 - a. Intimissimi opens end of March/early April and has Italian Intimates.
 - b. Chanel Beauty & Fragrance, April.
 - c. Louis Vuitton pop-up, April.
 - d. Lifetime Fitness, sales office opening in April where Innovation Gateway to Travel was previously located.
 - e. Innovation changed name, moving to Brighton space, April.
 - f. Be Public closed and a sneaker resale temp shop is opening.
 - g. Brilliant Earth, May.
 - h. Allbirds, June.
 - i. Alo Yoga, June.
 - j. State & Liberty, June, where Pandora was.
 - k. Swarovski, previously estimated opening in November 2022, new opening date is unknown.
 - l. Reformation, July.
 - m. Lifetime Fitness, August.
 - n. Everread, old Soft Surroundings location, September/October.
 - o. Pinstripes, December.
 - p. Original Joes, 2024 opening.
 - q. Blue Nile, possibly in Arc'teryx spot.
 - r. PF Changes, closing in June.
 - s. Lease out for former Heritage Eats space, new restaurant.
- B. Broadway Plaza is 98.99% leased.
- C. Broadway Plaza Street is reopening. Ballards have arrived and the street is estimated to open in April.
- D. Upcoming Events – Makers Market open street fairs are coming back. Animals on Broadway is back on May 2nd.
 - a. Bob Linscheid – Anything new with Neiman Marcus space?
 - i. Tracy Dietlein – Crate & Barrel is in the Neiman Marcus space until June. Things are happening but cannot be shared yet. The PF Changes location will likely stay a restaurant.

- happen with the businesses. The ED team tries to have those conversations but are consistently seeing 2 factors: lease rates are too high to support small independent retailers and shoppers are back but coming back differently. We aren't seeing the boutique shopping as much. We need to continue working to get the shoppers downtown but then it is up to the retailer to also close the deal.
- b. Kristy Lincoln – This is also being discussed on the retail committee. Discussed conducting exit interviews and encouraging retailers to share that they are in trouble so we can support them. The committee is looking at other cities with active recruitment from other successful businesses in those cities. However, the high rent makes this complex.
- E. Donna Labriola – How are lease rates downtown compared to Lafayette and other neighboring cities?
 - a. Teri Killgore – Unsure. Walnut Creek provides a different experience than places like Lafayette, where you can park right in front of business. Our downtown is different.
 - F. Gary Skrel – Any update for the Locust St. Garage first floor?
 - a. Teri Killgore - 5 Tacos & Beers is under construction. Melos Pizza are working on plans, no estimate on their opening. There is a leak in the roof from the garage that is also delaying opening.
 - G. Donna Labriola – Update on Model Bakery?
 - a. Teri Killgore – Plans are in for the bakery.
 - H. Jennifer Perry – Things to consider like grouping like-minded retailers and other businesses. For example, The Ballet Schools impacted 5 Little Monkeys when they relocated, due to similar demographic of customers.
 - I. Joanna Sibley – WC Board & Brush was #6 of all Board & Brush retailers, but they barely made it through Covid with expenses, such as materials, increasing. They couldn't adjust prices due to it being a franchise, which was also a struggle.
 - J. Bob Linscheid – Jim, regarding your point on taxing vacancies, like San Francisco, it isn't good on businesses. We want to promote the fact that we don't have those taxes and they lead to unintended consequences.
 - K. Tracy Dietlein – There are ups and downs in retail no matter where you are located. We should be looking at those vacancies as opportunities.

Meeting Adjourned at 5:15pm.

Next Meeting:

May 10, 2023