

THE CWE BUSINESS COMMUNITY IMPROVEMENT DISTRICT

MINUTES OF THE MEETING OF THE COMMISSION

JANUARY 17, 2017

The meeting was called to order at 10:05 a.m. at the Chase Park Plaza.

PRESENT were Commissioners Bill Derbins, Jim Dwyer, Derek Gamlin, Pete Rothschild and Trip Straub; Kate Hahe, Executive Director of the CWE North Community Improvement District and Elisa Essner, Marketing & Communications Coordinator for the CID, and auditor Eric Stopp of Stopp & VanHoy.

Derek Gamlin moved to approve the Nov. 15, 2016, minutes; the minutes were approved.

FINANCIAL REVIEW & ADMINISTRATIVE ITEMS

Audit presentation. Eric Stopp presented the annual audit, noting that the CID's financial position had improved greatly over the past year by building up reserve funds and drastically cutting expenditures, especially those related to general operations.

Eric said he would like to see the CID continue to build its cash reserves to approximately \$300,000; Pete Rothschild questioned why it was necessary to have so much in reserves if the CID's goal is to spend revenue on projects and improvements in the neighborhood. Eric said there is no set standard for cash reserves, but he feels organizations such as the CID should keep at least three months' worth of operating expenses on hand.

Eric said the CID had made its largest cut in expenditures related to marketing and special events, and asked whether this was a long-term reduction or if the CID expected those costs to go back up in coming years. Kate Hahe said that by bringing most marketing efforts in-house, the CID had been able to scale back on those costs and there was no expectation for those expenditures to rise in the foreseeable future.

Eric said his primary recommendation was that the board continue to stay involved and provide oversight of Kate's accounting work, noting that to be the case in all small organizations.

Eric also said he would like to see a better internal invoicing system for the various vendors (ie. street performers, musicians, etc.) employed by the CID. Trip Straub suggested putting the burden on the vendors and requiring them to create an invoice in order to receive a check.

Pete requested more detailed notation about checks written by the CID to help the board better understand what checks they're approving. Kate said she could add additional details when running the GL report.

Eric asked whether any progress had been made on determining the expiration of the TIF, a liability that is tying up much of the CID's reserve funds. Trip said no progress had been made at this point, but hoped that if Alderwoman Lyda Krewson is elected mayor there might be more access to this information.

Eric said that once the management letter had been signed, he would provide four hard copies of the final audit as well as a PDF version.

Review of December financials. Trip Straub reviewed the CID's latest financial position statement, noting that everything was in decent shape YTD and that revenues were once again in line with projections after several large checks cleared in November.

He noted that the report showed the insurance payment earlier than projected and higher than shown in the budget, and asked for an explanation. Kate said she would check the history of insurance payments and adjust the placement in the year's budget as needed. She said the expense listed in the budget was less than what was paid because she had already factored in a refund from the CID's liability pool, which would not be received until later in the year.

MARKETING, COMMUNICATIONS & EVENTS

Window Walk Recap. Kate provided a brief recap of the CWE's seventh annual Window Walk, which featured three full Saturdays of programming (traditionally the event has been held only on the first Saturday in December). She highlighted new activities (ie. the trolley and the children's arts & crafts area), new media partnerships (including a live remote with 102.5 KEZK and the Post Dispatch's holiday guide), and visitors from throughout the metro area (such as St. Peters, St. Charles and O'Fallon).

Kate said the event brought in \$16,000 in sponsorships, almost \$4,000 more than was originally budgeted, and that while projected expenses were about \$1,000 over budget, those numbers also included costs associated with the Selfie Elfie Pub Crawl held on Dec. 7.

Kate said that based on conversations with neighborhood businesses, the CID would plan to hold Window Walk on multiple Saturdays in the future, and would focus its efforts on communicating the expanded programming to the public, and the need for consistent participation to the businesses. She said that while the event had not drawn as large of crowds as it had in years past — perhaps due to the spreading of programming across three weekends or increasingly inclement weather — the businesses had enjoyed having holiday activation throughout the entire season.

Pete Rothschild questioned the cost of the event and questioned whether the current format was doing enough to drive traffic during the holiday season. He noted that he was disappointed more of the businesses were not willing to truly participate or create over-the-top, destination-worthy window displays. Jim Dwyer said he agreed, and felt it was a good idea to reallocate prize money to instead be used for hiring professional window designers. Derek Gamlin said he would also like to see more emphasis on holiday lighting, referencing Candy Cane Lane and the Anheuser-Busch Brewery Lights as top destinations in St. Louis during the holiday season. Trip Straub suggested the Streets of St. Charles as another model of popular holiday programming that might serve as inspiration for the CWE.

The board agreed the event is an important neighborhood tradition, but additional brainstorming was needed to further engage visitors and enhance the CWE throughout the holiday season.

Digital Marketing Recap. Elisa presented the CID's annual digital marketing report, which focuses on website, social media and email marketing efforts.

Elisa noted that the CID's website, relaunched in June 2015, was continuing to perform well, with strong traffic to its primary resource pages (ie. parking, business directory, events). She said that the CID would continue to update and enhance these pages in order to provide current and compelling information for potential CWE visitors. For example, in 2016 the CID had worked with its web developers to improve user experience in the events section of the site by adding a calendar view and allowing users to filter events by interest.

Elisa also spoke to the CID's email marketing efforts, which she identified as an area for great potential growth moving forward. She said that the CID's email list had grown by more than 60 percent in 2016, but noted concerns about decreased engagement. She said that in mid-2016, she had begun a strategy of segmenting the email list to better target potential CWE customers, which had resulted in great improvements in both open rates and click rates. She said she would be continuing to build upon this strategy in 2017, as well as working to reactivate users through unique, engaging content.

Trip Straub questioned whether an email sign-up popup had ever been used on the website, which had been very effective on the Straub's website; Elisa said she tested one briefly over the summer on a few key webpages, but removed it after unimpressive results and user complaints about its clunky design. She said she would do further research and speak to the web developers about placing a more user-friendly option on the homepage.

CWE Communications Plan. Kate distributed the safety and PR communications plan developed by Jennifer Volk of Creative Entourage, and asked the board to review it before February's meeting. The plan was devised with input from the NSI and the SCID to provide a blueprint for communicating with the media during negative news cycles, strategies for increasing the CWE's positive PR and ideas for improved communication with business owners and other neighborhood stakeholders.

Book Festival. Kate said she spoke with Kris Kleindienst of Left Bank Books, and that due to some developments at the bookstore, the proposed book festival would likely need to be moved from June to late September. Kate said Kris was concerned about competing with University City's Lit in the Lou — a late October event with which she has also been involved — and wanted an opportunity to speak with them before announcing the CWE's date. Kate said she felt the September timeframe was a better option for the CWE, as it would be difficult to dedicate the amount of time a new event needs while also planning for the CWE Cocktail Party just a few weeks prior.

Pete questioned whether it was necessary to work with Left Bank Books directly on this event, as he felt holdups on their end were preventing the CWE from planning or promoting this new event. Kate said she thought it was in the CID's best interest to work with the bookstore, as this is their area of expertise and because their foundation has agreed to a \$10,000 sponsorship.

The board agreed to confirm a date in late September and start reaching out to vendors and local libraries. Jim said he would like the chosen date to coincide with the installation of the final author bust in the Writer's Corner project.

PUBLIC REALM

Lighting Project Update. Kate provided a brief update on the ongoing lighting project, stating that she, Jim and Pete had met recently with Randy Burkett to further discuss his proposal for a lighting feature focused on the CWE's history and architecture. Kate said she anticipated receiving a schematic lighting

design from Burkett's team within a few days that would include the buildings at the Euclid/McPherson intersection and would forward to all board members once received. She added that this schema would offer the CID a "kit of parts" to be used in other CWE lighting projects moving forward.

OTHER BUSINESS

Bill Derbins announced that he was being relocated to California and would be giving up his seat on the board. Kate said she had no update on the board's other open seat, vacated by Aaron Teitelbaum, but said she had received an official resignation letter from Aaron, which she had forwarded to Alderwoman Lyda Krewson along with a reminder that both Jim and Trip were up for renewal of their positions.

Pete suggested reaching out to Mac Properties, which had recently bought a number of properties from him in the neighborhood, to see if they had anyone local who might be interested in a position.

Derek Gamlin said he had been contacted by David Harris of the Racquet Club, who had been interested in learning more about the CID and its activities, as well as starting a dialogue about ways to use CID funds to help beautify the corner outside their building at McPherson and Kingshighway. Jim said he agreed the intersection deserves more attention. Kate said she agreed this was a great opportunity to enhance that area as another entrance to the neighborhood and that she would reach out to David.

ADJOURNMENT

The meeting was adjourned at 11:26 a.m.

RESPECTFULLY SUBMITTED,

JAMES DWYER, SECRETARY