

EXHIBIT A

2019 Annual Report for the DBPTA

January 1 – December 31, 2018

Although there are no specific reporting requirements established for the DBPTA tax, City staff has used the format provided by California Streets and Highways Code Section 36533 for the DBPTA annual report. This format is as follows:

1. Any proposed change in boundary of area or benefit zone, or parcel classification.

Response: No changes to boundaries or classifications are proposed.

2. Improvements and activities to be provided for the fiscal year.

Response:

- a) In 2016, the NDA introduced a new event, “Napa Live: Inside and Out.” This live music event occurs at 30 locations, mostly inside businesses, and includes outdoor venues (up to three stages) in public parks. This event does not require any City street closures and has a minimum number of vendors. Because the event was so successful, the NDA plans to host it four times: July, August, September, and October.
- b) Napa Show & Shine/Main Street Reunion Car Show: The car show will be held on Third Street and Main Street south of Third, and Show and Shine will be held in Parking Lot X at Pearl and West streets.
- c) Blues, Brews & BBQ.
- d) Hometown Halloween, which will be jointly hosted with the City of Napa
- e) Napa Tree Lighting Ceremony
- f) Christmas Parade
- g) The Wine Tasting Card program, which now features half-price tastings at 10 downtown tasting rooms.

3. Estimated cost to provide the improvements and activities for the year.

Response: The NDA estimates it will cost \$472,688 to manage and promote the DBPTA (see “Expenses” minus “Reserve Fund” amount under Exhibit “B” to Attachment 1). The DBPTA tax revenue helps fund approximately 75 percent of the overall NDA program.

4. Method and basis of levying taxes in the Napa DBPTA:

Response: The taxes for the DBPTA are levied in an amount equal to 40 percent of the business license tax for businesses in the benefit zone. Business license taxes are imposed on each business pursuant to Napa Municipal Code Chapter 5.04.

EXHIBIT A

2019 Annual Report for the DBPTA

5. Amount of any surplus or deficit revenues to be carried over from previous fiscal year.

Response: The DBPTA concluded the 2017 year with \$107,000 net income. That balance will be carried forward into 2018.

6. Amount of any contributions to be made from sources other than taxes levied pursuant to this part.

Response: The NDA budget anticipates receiving \$463,193 from the Oxbow BPAA, carryover from the previous year, registration fees, Downtown Parking & Business Improvement District administration, commercial vendors, the Wine Tasting Card, alcohol beverage sales, sponsorships, and interest earnings (see "Income" minus "Downtown Promo Tax" amount on Exhibit "B" to Attachment 1).

The Board of Directors of the NDA serves as the Advisory Board to the DBPTA. For the 2019 DBPTA, the NDA Board of Directors and their respective affiliations are:

Steve Pierce, President - Executive Room
Tom Finch, Vice President - Filippi's Pizza Grotto
Sara Brooks, Past President - Napa River Inn
Ruth Appleby, Bank of Napa
Celeste Carducci, Uncorked at Oxbow/ McClelland – Priest Bed & Breakfast
Naomi Chamblin, Napa Bookmine
Allison Hallum, Eiko's
Bill La Liberte, Oxbow Public Market
JB Leamer, Jax White Mule Diner
Anette Madsen, Anette's Chocolate
Craig Smith, Executive Director

EXHIBIT A
2017 Budget to Actuals
for the Oxbow BPAA and the DBPTA

Income		
	Budget	Actuals
Oxbow Promotional Assessment	40,300	35,115
Downtown Promotional Tax	117,100	112,321
Main Street Registration Fee	25,600	17,109
PBID Administration	54,000	54,000
Commercial Vendors	2,000	11,084
Wine Tasting Card	13,500	35,530
Event Co-op Fees		1,500
Alcohol Beverage Sales	146,160	82,800
Sponsorships	136,500	91,000
Bank Interest	45	66
Total Income	535,205	440,524
Expense		
	Budget	Actuals
Job Fair	6,000	0
Printing	500	0
Contributions	1,000	1,000
Trolley		2,200
Supplies/ Materials	23,015	29,894
Collateral	1,398	7,521
Event Entertainment	80,204	47,194
Alcoholic Beverage	50,394	42,400
ABC Permit	450	250
Accountant	6,000	6,521
Advertising	81,830	59,376
Bank Charges		440
Contract Services	82,913	92,104
Dues/Subscription		2,066
Employee Payroll	126,520	113,955
Federal Taxes		189
Franchise Taxes		97
Insurance	32,840	23,914
Offices Supplies		1,988
Permits and Licenses	49,142	1,498
Postage/Box Rental	400	945
Printing and Reproduction	2,800	11,818
Rent	12,310	8,460
Storage Unit	0	2,952
Telephone	5,900	4,527
Travel/Expenses		450
Hard/software maintenance	6,200	3,297
Total Expense	569,816	465,056
Net Ordinary Income	-34,611	-24,533
Other Income		
Shop Napa Guide		10,160
Total Other Income		10,160
Net Income	-34,611	-14,373

EXHIBIT A

2018 Budget for the Oxbow BPAA and the DBPTA

Income	
Oxbow Promotional Assessment	30,000
Downtown Promotional Tax	113,000
Carryover from 2017	107,000
Main Street Registration Fee	19,275
PBID Administration	54,000
Commercial Vendors	9,000
Wine Tasting Card	36,000
Alcohol Beverage Sales	107,000
Sponsorships	100,900
Bank Interest	18
Total Income	576,193
Expense	
Contributions	1,000
Supplies/ Materials	20,396
Collateral	7,400
Event Entertainment	67,850
Alcoholic Beverage	39,090
Porta-Potties	500
ABC Permit	800
Accountant	5,500
Advertising	52,900
Bank Charges	480
Contract Services	84,760
Dues/Subscription	1,800
Employee Payroll	118,548
Franchise Taxes	96
General Membership Meeting	400
Insurance	23,782
Offices Supplies	828
Permits and Licenses	10,100
Postage/Box Rental	1,782
Printing and Reproduction	10,000
Rent	12,210
Telephone	6,000
Travel/Expenses	466
Hard/Software maintenance	6,000
Reserve Fund	75,000
Total Expense	547,688
Net Ordinary Income	28,505
Net Income	28,505

EXHIBIT A

2019 Budget Estimate of Revenue Contribution to the Oxbow BPAA and DBPTA

**2019
Projected
Tax and
Assessment
Revenue**

Oxbow Promotions Assessment	\$40,400
Downtown Promotion Tax	\$121,200
Total	\$161,600

** 2017 Assessment and Tax rates were negatively impacted by the fires. 2019 Budgeted amounts are based on a return to normalcy as well as new business openings.*

25% = Oxbow 'percentage share"

The DNA will budget 25% of the following revenue sources (except for PBID Admin Costs) for expenditure in the Oxbow BIA.

Other Income Used by the NDA	Other Total Income	Oxbow Percentage Amount of Total	
PBID Admin	\$54,000	\$27,000	<i>PBID Administrative Costs (50% of total instead of 25%)</i>
Commercial Vendors	\$9,000	\$2,250	
Wine Tasting Card	\$36,000	\$9,000	
Alcohol Beverage Sales	\$107,000	\$26,750	
* Sponsorships	\$100,900	\$25,225	
Bank Interest	\$18	\$5	
Total	\$306,918	\$90,230	<i>equals outside revenue budgeted for Oxbow BPAA expenditures</i>
		\$40,400	<i>plus projected Oxbow BPAA Assessment amount</i>
		\$130,630	Total expenditures within the Oxbow BPAA

** Includes contributions from TID and PBID, reflecting overlapping strategies and goals.*

$\$90,230 \div 40,400 = \2.23

For every \$1 of assessment in revenue spent, DNA is expending and additional \$2.23 in the Oxbow.

EXHIBIT A

BOUNDARY MAP

for the

Downtown Business Promotions Tax Area

