



THE ART OF DOWNTOWN

Downtown Business Association of Edmonton annual report

2004



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Downtown Business  
Association of Edmonton  
annual report

**2004**

# 2004 Association Staff

From (left to right)

**Jim Taylor**  
Executive Director

**Leanne Krysa**  
Communications Coordinator

**Christine Watson**  
Information Coordinator

**Sharon Stepaniuk**  
Manager, Marketing and Communications

**Mary Davies**  
Office Manager





# 2004

## Downtown Business Association of Edmonton annual report

### Mission Statement

Our mission is to promote downtown Edmonton as the preferred place to live, work, shop and play.

#### Goals

As a non-profit organization funded by its members, the goals of the Downtown Business Association are to:

- Promote downtown Edmonton's image and identity through events, promotions and marketing.
- Encourage planning and environmental standards for new developments and promote beautification, safety and mobility.
- Provide leadership and communicate matters of concern to members, government officials and the public.

### Association Legal Profile

The Downtown Business Association of Edmonton Revitalization Zone (BRZ) was established by a City of Edmonton bylaw on November 26, 1985.

The Association represents and serves those assessed for business tax located within the geographic boundaries of 111 Street to 95 Street and 105 Avenue to 97 Avenue. The City's official Downtown BRZ is Bylaw #7968 (as amended).

The members of the Board of Directors are appointed by City Council. Board members represent large and small businesses within the BRZ. The two City Councillors who represent Downtown are ex-officio members of the Board.

The Board oversees all Association affairs, including the preparation of the annual budget. Upon budget approval by the members and City Council, a uniform rate is established for the levy to all businesses within the BRZ. Subject to minimum and maximum charge, the levy appears on the tax notice.

Every Edmonton Downtown business and citizen is encouraged to participate in this opportunity to promote Downtown and further improve the quality of life for Edmontonians.

## Message from the Chair

The Downtown Business Association of Edmonton and the downtown once again enjoyed a very successful year. Edmonton continues to be one of the country's fastest growing cities and there appears to be no end in sight. Downtown's residential building boom continues with several residential developments underway or about to break ground, reaffirming Downtown as the place to live, work, shop and play.

2004 marked a milestone in Edmonton's history as we celebrated 100 years with the unveiling of the new Churchill Square. Over eighty thousand Edmontonians came downtown to help celebrate our Centennial and enjoy everything the core has to offer. Many of the usual festivals, including the Works Art & Design Festival, Jazz City and the Taste of Edmonton, were undaunted by their temporary relocation from Churchill Square while it was under construction, and, once again, drew thousands of people to the core. The Downtown Business Association took advantage of Churchill Square in November by hosting a large portion of its re-branded Indoor Santa Claus Parade and Light Up, Jingle On, on the Square, which was packed with happy kids and parents anxiously awaiting to light up Downtown with lights and fireworks. The festivities in and around Churchill Square continued in February with the Family Festival Downtown, adding another successful DBA hosted event to its roster.

The Façade and Storefront Improvement Program, a one-year pilot project approved by City Council, was over subscribed and resulted in over a million dollars in improvement projects along

Jasper Avenue. Many once vacant storefronts along Jasper Avenue are now filled, adding a new dimension to Jasper Avenue and the core.

The DBA's unique partnership with the Boyle Street Co-op's Green Team, which addresses aboriginal youth at risk, had some great successes in its first phase. The DBA applied and received approval for continued Federal Government funding. The DBA also helped support the Edmonton City Centre Church Corporation's ArtStart Program, which offers Inner City children an opportunity to develop talent, self esteem and appreciation of the arts.

The Downtown Business Association will continue to promote the core through its many partnerships and leadership in marketing and communications. We welcome all new employees, businesses and residents to the core. Enjoy all it has to offer and make yourself at home. To the staff and many volunteers on the DBA's many committees, thank you for your outstanding work and commitment to making the downtown *the* place to live, work, shop and play.



Jim Macdonald  
Association Chair



## Message from the Executive Director

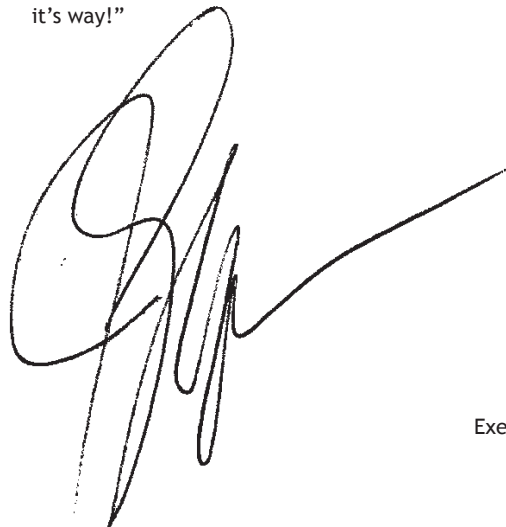
As the final touches are made to our fabulous Centennial gift, Sir Winston Churchill Square, we already know it's a success. We've packed the Square with several events since the grand opening last October and we haven't even started the summer season yet. Just watch as our incredible downtown festivals explode into their new venue, one after another, for the first time this summer. A summer when mega events like the Champ Car and the Edmonton 2005 World Masters Games will bring a flood of people from around the world in numbers never before seen in our city. The summer of 2005 promises downtown sidewalks teeming with people from early in the day until late at night, and that's what vibrant city centers are all about.

But it won't stop as summer fades to autumn. A new, more permanent wave of downtowners will have started to appear. The new 900-bed MacEwan student residence will create a spike in the already rapidly growing downtown student population. You can bet they'll be on the sidewalk on Jasper Avenue interacting with CHUM's new, youth oriented, FM radio and TV stations located right there at street level in the storefronts along the old Bay Building. The students will only be a part of a diverse and growing population as more than 3,000 new residents begin to move into more than a dozen new residential projects now under development in the 8 by 14 block area that is officially Downtown. This will mean an increase of about 25% to a population that has already doubled in the last 6 years. Of course, we can't

forget the high-density employers like Capital Health Authority, Dell Computers and others who will continue the explosive growth of new downtown workers adding, literally, thousands of new employees this year.

Visitors, students, new residents, more workers; this all translates to broader demographics and extended hours of activity in the core. That translates to new and established businesses seizing the opportunity to service a new, captive market.

So, if it's true that crowded streets and sidewalks over extended hours of the day are a sure indication of a successful city center, I guess you'd have to say "In 2005, Edmonton's Downtown is on it's way!"

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Jim Taylor  
Executive Director

# Business Recruitment Committee

## Members

Chair, Darrin Geddes  
Standard Life Assurance Company

Ian Bradley

Colliers International

Adam Farr

City of Edmonton Planning & Development

Randy Ferguson

Westcorp Inc.

Mark Hicks

Healy Ford

Kelley Janel

Oxford Properties Inc.

Phil Markovich

Bentall Real Estate Services

Kent McMullin

Edmonton Economic Development Corporation

Darin Rayburn

Melcor Developments

Brad Smith

The Canapen Group

Cory Wosnack

Avison Young Commercial Real Estate

The **Business Recruitment Committee** is part of the Economic Development function of the Association. This project originated as an initiative of the Capital City Downtown Plan. The purpose of the committee is to promote and encourage business development in the downtown by:

**Business Recruitment** - The objective is to attract new businesses into the downtown core with an emphasis on storefront retail, restaurant and commercial services.

**Business Development** - To assist new businesses in starting up their business in the downtown core. The main objective will be to provide services that will assist in fast tracking the process to establish a positive business environment downtown.

**Business Retention** - To retain existing businesses in the downtown core. This objective involves encouraging businesses to stay downtown by providing them with any information they require to make educated, well informed decisions.

## Highlights:

- Continued to work with the Downtown Economic Development Partnership, an initiative of the City of Edmonton Planning Department, Edmonton Economic Development Corporation and the Downtown Business Association in creating Business Recruitment Packages for pro-active retail, commercial services and restaurant recruitment in the core.
- Through assistance from a University of Alberta CIRAS student, continued with market analysis research by updating the Downtown Business Association's electronic database from 2003 and surveying Downtown's residential sector.
- Completion of the Business Recruitment Package with the addition of the 2004 Residential Survey Summary to the four existing documents developed in 2003, including the Economic and Demographic Overview of Downtown Edmonton, 2003 Survey Summary of Downtown Employees, Opportunities for Downtown Restaurants and Opportunities for Downtown Retailers. The Business Recruitment Package remains available online at [www.edmontondowntown.com](http://www.edmontondowntown.com) or through the Downtown Business Association office.
- Developed the implementation plan for the completed Business Recruitment Package involving an aggressive and proactive approach to recruitment in the core for 2005 and beyond, targeting businesses indicated as in-demand from the results of the 2003 & 2004 surveys.

# Finance Committee

## Members

Chair, Sheldon Jacobs  
KPMG LLP

Pat Hutchison

The Edmonton Journal

Vince LaChance

Chance Restaurant

Jim Macdonald

Expert Parking

Jim Taylor

Downtown Business Association

The **Finance Committee** is a component of the Planning function of the Association and is established by the Executive Committee in January of each year. The objectives of the Committee are to provide input on:

- Finances and financial procedures of the Association
- Staffing and staff operations
- The Annual Spring Luncheon
- The Fall Annual General Meeting



# Marketing Committee

## Members

Chair, Dianne Allen  
EPCOR

Co-Chair, Martha Jamieson  
DDB Canada

Mary Barendrecht-Kohn  
Edmonton Tourism

Don Belanger

City of Edmonton Corporate Communications

Greg Burns

Oxford Properties Inc.

Michael Chow

Bennett Jones LLP

Pat Church

Edmonton Transit System

Ed Hawkes

Morguard Investments

Wade King

Edmonton Transit System

Kevin Kwan

Kwantum Wellness

Sharon Lopatka

Grant MacEwan College

Fred Munn

ATB Financial

Judy Stelck

TIX on the Square

The **Marketing Committee** is a key component of the Events and Promotions function of the Association. The Committee consists of numerous professional marketers from a broad range of downtown businesses who donate their expertise to the development and maintenance of the Downtown Business Association events and promotions.

The objective of the committee is to advise and provide input on the marketing and events that create and support the downtown image. The goal is to consistently create the image that downtown Edmonton is the preferred place to live, work, shop and play.

## Highlights:

- Drew thousands of people downtown for the Family Festival Downtown, an afternoon of family-oriented games and activities with a Harry Potter theme.
- Implemented a Downtown Dining Week campaign in early March based on the extremely successful Calgary and Vancouver models.
- Developed and implemented a Summer Ambassador Program; the Core Crew, involving a team of summer students that patrol the streets of downtown providing hospitality to businesses, residents and visitors.
- Developed a roster of Downtown Tours, including a walking Downtown History Tour as well as "Lofts & Lifestyles" Tour, and initiated a Downtown Real Estate Open House day to coincide.
- Brought together several enthusiastic downtown businesses, street sweepers and the Core Crew in an Operation Downtown Clean Sweep mini-parade to encourage the downtown business community to keep their streets and storefronts neat and tidy.
- Promoted and supported existing Downtown Canada Day events and programming.
- The "Stay and Play Parade Day" promotion rewarded downtown business patronization with a free gift package on the day of the K-Days parade.
- Developed a campaign geared at post-secondary students, "Cruise the Core", highlighting easy accessibility to downtown shopping and services via LRT and bus services.
- Continued to support the CFR (Canadian Finals Rodeo) through the 14th Annual Chili Cook Off.
- Combined the Annual Indoor Santa Claus Parade and Light-Up Downtown into one full day event called Jingle On - Downtown's 17th Annual Indoor Santa and Holiday Light Up.
- Drew attention to downtown events with the "There's More in the Core" campaign through advertising in various publications.
- Continued to promote Downtown's offerings through radio advertisements, including Eskimo pre-game advertisements on 630 CHED.
- Assisted the Arts District Partnership on several marketing initiatives, including the Arts District Open House and "Be a Part of the Arts" fall campaign.

## 2004 Festival and Event Grants Awarded:

- Arts District Open House
- Edmonton Dragon Boat Festival
- Edmonton International Street Performers Festival
- Edmonton Police Service Bicycle
- Festival During Klondike Days/A Taste of Edmonton
- Jazz City International Music Festival
- LitFest
- New Year's Eve Downtown
- Syncrude NeXt Generation Arts Festival
- The Works Art & Design Festival
- VisualEyez

# Member Services Committee

## Members

Chair, Lindy Lambeth  
Choice Office Personnel

Jacqui Jurgens  
The Edmonton Journal  
Kevin Kwan  
Kwantum Wellness  
Laura McNabb  
CBC - Radio Communications  
Sarah Sinclair  
National Bank of Canada

The Member Services Committee is part of the Member Services function of the Association. The Member Services Committee offers input for publications and programs that promote networking opportunities for business-to-business and business-to-resident relations. The strategy is to improve internal, external and inter-business communication by applying a variety of communication vehicles. Working closely with the Marketing Committee, Member Services assists in the communication of event information, campaigns and downtown issues.

## Highlights:

- Production and distribution of new booklet-style Guide to Downtown Edmonton and tear-away maps.
- Continued development and maintenance of the interactive web site [www.edmontondowntown.com](http://www.edmontondowntown.com).
- Production of six Downtown Advantage Newsletters.
- Event related email & fax broadcasts (media/press releases).
- Planning function of the Annual Spring Luncheon, which featured Global Edmonton News Anchor, Lynda Steele, a sneak peek inside some of Downtown Edmonton's most prestigious lofts and hi-rise condos and exclusive interviews with those who design, build, sell and live in them.
- The design and production of the Annual Report for launch at the Annual Spring Luncheon.
- Continued production and distribution of the Board and Committee Member Three Minute Update.
- Planning function of the Fall Annual General Meeting and Luncheon, which gave an exciting look at Downtown's past, present and future with the help of CFRN News Anchor, Daryl McIntyre, CFRN Reporter, Graham Neil and special guests.
- The production and distribution of Welcome Packages for new downtown businesses.
- Planning function of the Board and Committee Mixer.

# Urban Design Review Panel

## Members

Chair, Allan Partridge  
HIP Architects

Giuseppe Albi  
G Albi Studios  
Wes Candler  
LUP Consultants  
Dean Cooper  
Stantec Consulting Inc.  
Gene Dub  
Dub Architects  
Gino Ferri  
Read Jones Christofferson  
Barry French  
1st Avenue Real Estate Inc.  
Lydia Kawun  
Market Response  
Ian MacLeod  
Qualico Developments  
Don McKenzie  
Citizen at Large  
Peter Odinga  
City of Edmonton Planning & Development  
Jan Pierzchajlo  
Rockliffe Pierzchajlo Architects  
Virginia Stephen  
Citizen at Large  
Cnst. Patrick Tracy  
Edmonton Police Service

Sponsored by the Downtown Business Association, The Urban Design Review Panel (UDRP) works co-operatively with the City of Edmonton Planning & Development Department in the review of development plans and initiatives, both public and private, in the downtown.

Formed in 1986, The Urban Design Review Panel provides impartial advice to the community on matters concerning urban design within the planning area as legislated by the Capital City Downtown Area Redevelopment Plan (ARP) Bylaw and the Land Use Bylaw. The UDRP is advisory to the development approval process.

The Panel is composed of recognized experts from a cross-section of disciplines. It is made up of primarily volunteer members representing various associations from such areas as the development industry, architects, landscape architects, planners, engineers and citizens at large.

## Projects reviewed in 2004 included:

- Coachman Tower 97 Ave. & 106 St.
- Alta Vista Towers 103 Ave. & 111 St.
- Shaw Conference Centre, Hall D
- Vivacity 9827 - 104 St.  
(formerly Melrose Tower in the Park)
- Raintree Condominiums 9720 - 106 St.
- The Parliament 100 Ave. & 109 St.
- 68 Unit Walkup Apartment 98 Ave. & 105 St.
- Professional Building Retrofit Jasper Ave. & 108 St.
- Century II 102 Ave. & 104 St.
- Rosedale Manor Phase V Pedway Addition  
102 Ave. & 111 St.
- Maverick Brewery 10229 - 105 St.
- Omega 2 99 Ave. & 104 St.
- Morris Lofts (former CHQT Building) 10154 - 103 St.
- Founders Ridge Condominium 98 Ave. & 105 St.



# Operations Services Committee

## Members

Co-Chair, Lance Frazier  
Frazier Realty Corp.

Co-Chair, David McCalla  
Corbett Smith Bresee

Co-Chair, Greg Smith  
GWL Realty Advisors Inc.

Sgt. David Christoffel  
Edmonton Police Service

Cnst. Kyle Deeg  
Edmonton Police Service

Braden Formanek  
Imperial Parking

Sgt. Kevin Galvin  
Edmonton Police Service

Erika Gray  
City of Edmonton Bylaw Enforcement

Cnst. Andrew Hoglund  
Edmonton Police Service

Cnst. Kim Jay  
Edmonton Police Service

Cnst. Don Kightley  
Edmonton Police Service

Dave Kinsman  
City of Edmonton Parking & Bylaws

Cnst. Glen Klose  
Edmonton Police Service

Mike Koziol  
Transportation & Streets

Jim Macdonald  
Expert Parking

Bohdan Maslo  
City of Edmonton Public Works

Jorge Molina  
Advance Parking

Walter Pigeon  
City of Edmonton Corporate Security

Cnst. Jody Ponto  
Edmonton Police Service

Frank Robinson  
Oxford Properties Inc.

Glen Scheuerman  
Morguard Investments

Lorna Stewart  
Edmonton Transit System

Brian Van Sickle  
City of Edmonton Planning & Development

Bob Watson  
City of Edmonton Community Services

Phil Young  
Mayfair Shoes

The **Operations Committee** works extensively with various Departments of the City of Edmonton regarding infrastructure, safety and security issues. The objectives of the Committee include proactive projects and monitoring in the areas of downtown beautification, maintenance, parking, safety, security and operational matters in both public and private sectors.

## Highlights:

- The Security Network Subcommittee addressed a variety of security issues downtown through discussions with members of Council and the City's administration. These issues included:
  - reviewing and increasing resources directed toward police presence in the downtown;
  - increasing resources directed towards crime prevention by partnering closer with various stakeholders and Edmonton Police;
  - reviewing the City's security procedures regarding bus shelters and LRT stations, more specifically problem bus shelters downtown;
  - reviewing the enforcement of bylaws in general.
- Other items brought to City Council in 2004 included:
  - improving derelict and unsightly buildings downtown by strengthening bylaws and enforcement in dealing with commercial properties;
  - issues regarding the new Sir Winston Churchill Square;
  - major infrastructure revitalization to Jasper Avenue.
- Hosted a Downtown Security Seminar with the Downtown Business Association and Edmonton Police Service. Discussions and presentations included a variety of security topics from crime prevention through environmental design to graffiti culture and street drugs.
- The Banner Subcommittee received approval for the Permanent Public Art Project in Rice Howard Way, which may include a grant from the Alberta Lottery Fund Community Initiatives Program. The project involves the installation of permanent metal sculptures to the light posts throughout north and south Rice Howard Way.
- Initiated the removal of a redundant and leaning bus shelter on Jasper Avenue and 101 Street.



# Financial Statements Auditor's Report

To the Members of the  
Downtown Business Association of Edmonton

We have audited the balance sheet of the Downtown Business Association of Edmonton as at December 31, 2004, and the statements of changes in net assets, revenue and expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants  
Edmonton, Canada  
March 3, 2005

Downtown Business Association of Edmonton

# BALANCE SHEET

As at December 31

	2004 \$	2003 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	275,707	365,207
Accounts receivable	23,090	33,987
Prepaid expenses	10,980	12,988
	<b>309,777</b>	<b>412,182</b>
Capital assets <i>[note 3]</i>	7,930	10,613
	<b>317,707</b>	<b>422,795</b>

**LIABILITIES AND NET ASSETS**

<b>Current</b>		
Accounts payable and accrued liabilities	42,217	28,115
Provision for redemption of parking tokens <i>[note 4]</i>	102,541	97,042
Current portion of capital lease obligations <i>[note 5]</i>	719	5,987
Deferred contributions - restricted <i>[note 6]</i>	55,900	198,248
	<b>201,377</b>	<b>329,392</b>
Deferred contributions - capital <i>[note 7]</i>	2,172	1,881
Capital lease obligations <i>[note 5]</i>	266	960
	<b>203,815</b>	<b>332,233</b>

**Commitments *[note 8]***

**Net Assets**

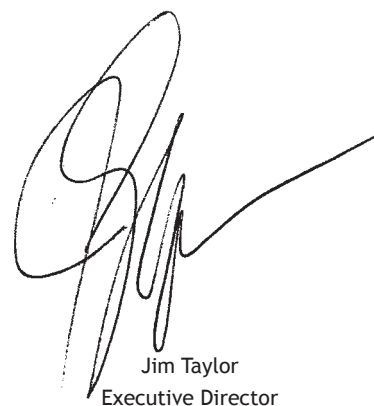
Invested in capital assets	4,773	1,785
Internally restricted <i>[note 9]</i>	89,119	68,547
Unrestricted	20,000	20,230
	<b>113,892</b>	<b>90,562</b>
	<b>317,707</b>	<b>422,795</b>

See accompanying notes

On behalf of the Board:



Jim Macdonald  
Chair



Jim Taylor  
Executive Director



Downtown Business Association of Edmonton

## STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

	2004				2003
	Invested in capital assets	Internally restricted	Unrestricted	Total	Total
	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	1,785	68,547	20,230	90,562	22,290
Excess of revenue over expenditures	-	-	23,330	23,330	68,272
Transfer to internally restricted <i>[note 9]</i>	-	20,572	(20,572)	-	-
Capital asset additions	2,472	-	(2,472)	-	-
Amortization of capital assets	(5,905)	-	5,905	-	-
Repayment of capital lease obligations	5,962	-	(5,962)	-	-
Amortization of deferred contributions - capital <i>[note 7]</i>	459	-	(459)	-	-
<b>Balance, end of year</b>	<b>4,773</b>	<b>89,119</b>	<b>20,000</b>	<b>113,892</b>	<b>90,562</b>

See accompanying notes

Downtown Business Association of Edmonton

## STATEMENT OF REVENUE AND EXPENDITURES

Year ended December 31

	2004	2003
	\$	\$
<b>REVENUE</b>		
Business revitalization zone levy <i>[note 6]</i>	685,469	653,635
Sponsorships <i>[note 10]</i>	237,415	228,305
Downtown Dollar token sales	92,175	80,400
Advertising and other	51,658	51,404
Interest	4,627	3,518
Amortization of deferred contributions - capital <i>[note 7]</i>	459	99
	<b>1,071,803</b>	<b>1,017,361</b>
<b>EXPENDITURES</b>		
Special events and programs	380,779	361,119
Public relations and marketing communications	151,017	135,477
Downtown Dollar program	90,922	73,412
<b>Administration</b>		
Wages and employee benefits	270,338	240,672
Rent and occupancy costs	67,460	53,539
Office	32,735	31,963
Professional fees	14,424	14,422
Telephone and utilities	11,124	11,554
Postage and courier	8,161	5,830
Amortization of capital assets	5,905	3,747
Meetings	5,804	6,336
Interest and bank charges	3,424	4,727
Insurance	3,398	1,632
Travel and training	1,646	3,548
Miscellaneous	1,336	1,111
	<b>1,048,473</b>	<b>949,089</b>
<b>Excess of revenue over expenditures</b>	<b>23,330</b>	<b>68,272</b>

See accompanying notes



Downtown Business Association of Edmonton  
**STATEMENT OF CASH FLOWS**

Year ended December 31

	2004	2003
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Received from business revitalization zone levy <i>[note 6]</i>	514,102	825,002
Received from federal government <i>[note 6]</i>	55,000	-
Received from sales, programs and special events	167,637	151,569
Amounts paid to vendors and employees	(821,536)	(754,301)
Interest received	3,731	2,236
<b>Cash flows from (used in) operating activities</b>	<b>(81,066)</b>	<b>224,506</b>
<b>INVESTING AND FINANCING ACTIVITIES</b>		
Purchase of capital assets	(2,472)	(3,612)
Repayment of capital leases	(5,962)	(5,895)
<b>Cash flows from (used in) investing and financing activities</b>	<b>(8,434)</b>	<b>(9,507)</b>
<b>Increase (decrease) in cash during the year</b>	<b>(89,500)</b>	<b>214,999</b>
Cash and cash equivalents, beginning of the year	365,207	150,208
<b>Cash and cash equivalents, end of the year</b>	<b>275,707</b>	<b>365,207</b>
<b>Cash and cash equivalents comprised of:</b>		
Cash	80,257	170,207
Term deposits <i>[note 2]</i>	195,450	195,000
	<b>275,707</b>	<b>365,207</b>

*See accompanying notes*

# Downtown Business Association of Edmonton

## NOTES TO FINANCIAL STATEMENTS

December 31, 2004

### 1. NATURE OF THE ORGANIZATION

On November 26, 1985, the City of Edmonton Municipal Council passed a bylaw establishing the Edmonton Downtown Business Revitalization Zone and incorporating the Downtown Business Association of Edmonton under the Municipal Government Act.

The mandate of the Association is to "Promote Downtown Edmonton as the preferred place to work, shop, live and play." Its goals are to promote Downtown Edmonton's image and identity through events, attractions and marketing; to encourage planning and environmental standards for new developments and to promote beautification, safety and mobility; to provide leadership and to communicate matters of concern to members, government officials and the public.

The Association is a not-for-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

These financial statements have been prepared in accordance with accounting principles generally accepted in Canada and reflect the accounting policies summarized below.

#### Cash and cash equivalents

Cash and cash equivalents consist of cash and term deposits as follows:

Certificate #	Term	Maturity Date	Rate	Amount
GIC 005	12 months	January 5, 2005	2.25%	\$65,450
GIC 006	12 months	September 27, 2005	2.10%	\$65,000
GIC 007	12 months	September 27, 2005	2.10%	\$65,000

These term deposits can be redeemed, without penalty, prior to the stated maturity date.

#### Capital assets

Capital assets are recorded at cost and amortized on a straight-line basis over the following periods:

Tokens	3 years
Office equipment and furniture	5 years
Computer equipment	3-5 years
Website	5 years
Leasehold improvements	Over the lease term

#### Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is assured.

Contributions for the acquisition of capital assets are deferred contributions - capital and are amortized to revenue on the same basis as the acquired capital assets are amortized.



Downtown Business Association of Edmonton  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2004

**2.SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributed materials, services and facilities**

The Association records contributed materials, services and facilities in those cases where:

- a) the Association controls the way they are used;
- b) there is a measurable basis for determining fair value; and
- c) the services are essential services which would normally be purchased and paid for if not contributed.

Otherwise, contributed materials and services are not recorded in the financial statements. Volunteers contribute hours in carrying out governance and certain operating activities of the Association. Due to the difficulty in determining their fair value, contributed volunteer services are not recognized in the financial statements.

**Financial instruments**

Financial instruments are comprised of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, provision for redemption of parking tokens, and capital lease obligations. Unless otherwise disclosed, the fair value of these instruments approximates their carrying value.

**3.CAPITAL ASSETS**

	2004		2003	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Tokens	16,150	16,150	16,150	16,150
Office equipment and furniture	69,893	68,651	68,752	68,280
Computer equipment	18,852	17,741	19,298	13,953
Website	7,129	1,552	5,049	253
Leasehold improvements	37,884	37,884	37,884	37,884
	149,908	141,978	147,133	136,520
<b>Net book value</b>	<b>7,930</b>		<b>10,613</b>	

As of December 31, 2004 computer equipment includes assets under capital lease in the amount of \$1,992 (2003 - \$1,992) and related accumulated amortization in the amount of \$1,107 (2003 - \$443). At December 31, 2003 office equipment and furniture includes assets under capital lease of \$17,428 and related accumulated amortization in the amount of \$14,039.

During the year, the Association recorded \$750 of contributed services related to the development of the Association's website (2003 - \$1,980).

**4.PROVISION FOR REDEMPTION OF PARKING TOKENS**

The provision for redemption of parking tokens represents the Downtown Dollar parking tokens sold but not redeemed at year-end. The provision is based on 100% of the tokens sold being redeemed. The actual redemption expense may be lower if some of the tokens sold are not ultimately redeemed.

Downtown Business Association of Edmonton  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2004

**5. CAPITAL LEASE OBLIGATIONS**

The future minimum lease payments under capital lease that have initial non-cancelable lease terms in excess of one year as at December 31, 2004 are as follows:

	\$
2005	839
2006	276
<b>Total future minimum lease payments</b>	<b>1,115</b>
Less imputed interest	(130)
<b>Present value of minimum lease payments</b>	<b>985</b>
Less current portion	(719)
<b>Long-term portion</b>	<b>266</b>

The interest rate implicit in the capital lease, which expires in April 2006, is 18%.

**6. DEFERRED CONTRIBUTION - RESTRICTED**

Contributions received relating to future years' expenditures are deferred and recognized as revenue in the year in which the related expenses are incurred as follows:

	2004			
	Beginning balance \$	Funding received / receivable \$	Recognized to revenue \$	Ending balance \$
Business revitalization zone levy	171,367	514,102	(685,469)	-
Federal government grant				
- Business Action Program	16,881	55,000	(16,881)	55,000
Other grants	10,000	900	(10,000)	900
	<b>198,248</b>	<b>570,002</b>	<b>(712,350)</b>	<b>55,900</b>
	2003			
	Beginning balance \$	Funding received / receivable \$	Recognized to revenue \$	Ending balance \$
Business revitalization zone levy	-	825,002	(653,635)	171,367
Federal government grant				
- Business Action Program	50,000	-	(33,119)	16,881
Other grants	-	10,000	-	10,000
	<b>50,000</b>	<b>835,002</b>	<b>(686,754)</b>	<b>198,248</b>

The Business Action Program is sponsored by the National Crime Prevention Centre and represents the first of two phases of the Green Team Project. The Downtown Business Association will work in partnership with the Boyle Street Co-op and the Boyle Street Education Centre to pilot both phases of the project. As at December 31, 2004, \$50,000 (2003 - \$33,119) of the expenditures have been incurred in the first phase of the project. A grant for \$55,000 for phase two was received during the year with no related expenditures to date.



Downtown Business Association of Edmonton  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2004

**7.DEFERRED CONTRIBUTIONS - CAPITAL**

Contributions that are used to purchase capital assets of various programs are deferred and amortized to revenue on the same basis as the purchased capital assets are amortized as follows:

	2004 \$	2003 \$
<b>Balance, beginning of the year</b>	<b>1,881</b>	-
Received	750	1,980
Less amounts amortized to revenue	(459)	(99)
<b>Balance, end of the year</b>	<b>2,172</b>	1,881

**8.COMMITMENTS**

The Association is committed to future annual lease payments required under its operating leases for office equipment and premises as follows:

	\$
2005	67,863
2006	67,211
2007	5,493
2008	3,522

The Association, acting as agent for the Art and Design in Public Places Program, is committed to provide to The Works Visual Arts Society various services and support with a cash and in-kind value of \$24,150 per annum ending December 31, 2008. Services and support expected to be provided include meeting facilities, access to office equipment, clerical support, volunteer support and general support.

**9.INTERNALLY RESTRICTED**

The Board of Directors has formally imposed restrictions on certain of the Association's net assets. Internally restricted net assets are to be used either to fund unforeseen expenditures or to fund specific spending initiatives as determined by the Executive Committee. For the year ended December 31, 2004, the Board of Directors approved the transfer of \$20,572 to internally restricted resources.

**10.SPONSORSHIPS**

Included in sponsorships are contributed materials, services and facilities of \$204,465 (2003 - \$198,216).

**11.COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the presentation adopted for the current year.

Downtown Business Association of Edmonton  
**Board of Directors**



**Chair**  
**Jim Macdonald**  
 Expert Parking



**Vice-Chair**  
**Vince LaChance**  
 Chance Restaurant



**Past Chair**  
**Pat Hutchison**  
 The Edmonton Journal



**Treasurer**  
**Sheldon Jacobs**  
 KPMG LLP



**Dianne Allen**  
 EPCOR



**Ian Bradley**  
 Colliers International



**Darrin Geddes**  
 Standard Life Assurance Company



**Martha Jamieson**  
 DDB Canada



**Lindy Lambeth**  
 Choice Office Personnel



**David McCalla**  
 Corbett Smith Bresee LLP



**Greg Smith**  
 GWL Realty Advisors Inc.



**Richard Wong**  
 Sutton Place Hotel



**Ex-Officio**  
**Jane Batty**  
 City of Edmonton  
 Ward Four Councillor



**Ex-Officio**  
**Bob Caldwell**  
 City of Edmonton Planning  
 & Development



**Ex-Officio**  
**Ian MacLeod**  
 Qualico Developments



**Executive Director**  
**Jim Taylor**  
 Downtown Business Association

no photo  
 available

**Ex-Officio**  
**Michael Phair**  
 City of Edmonton  
 Ward Four Councillor





Downtown Business  
Association of Edmonton  
annual report

**2004**

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Chair: Jim Macdonald  
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