

**CHAPEL HILL CARRBORO DOWNTOWN  
COMMISSION CORPORATION  
Chapel Hill, North Carolina**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2001  
(With Comparative Totals for the Year  
Ended June 30, 2000)**

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**BLACKMAN & SLOOP, CPAs, P.A.**  
Certified Public Accountants  
P. O. Drawer 1140 - Bank of America Center  
Chapel Hill, North Carolina 27514  
Telephone: 919-942-8700

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Chapel Hill Carrboro Downtown  
Commission Corporation  
Chapel Hill, North Carolina

We have audited the accompanying statement of financial position of the Chapel Hill Carrboro Downtown Commission Corporation (the Commission) as of June 30, 2001, and the related statements of activity and changes in net assets, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Commission's 2000 financial statements and, in our report dated January 15, 2001, we expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Chapel Hill Carrboro Downtown Commission Corporation as of June 30, 2001, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Blackman & Sloop*

Chapel Hill, North Carolina  
December 15, 2001

**CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION**

**STATEMENTS OF FINANCIAL POSITION**

**EXHIBIT A**

**June 30, 2001 and 2000**

	<u><b>ASSETS</b></u>	<u><b>2001</b></u>	<u><b>2000</b></u>
<b>CURRENT ASSETS:</b>			
Cash		\$ 9,087	\$ 12,199
Accounts receivable - charter fees		10,843	1,705
Account receivable - Town of Chapel Hill		<u>3,875</u>	<u>3,875</u>
<b>TOTAL CURRENT ASSETS</b>		<u>23,805</u>	<u>17,779</u>
<b>OTHER ASSETS:</b>			
Account receivable - related party			679
Equipment, net of accumulated depreciation of \$144		<u>504</u>	<u>576</u>
<b>TOTAL OTHER ASSETS</b>		<u>504</u>	<u>1,255</u>
<b>TOTAL ASSETS</b>		<u><u>\$ 24,309</u></u>	<u><u>\$ 19,034</u></u>
	<u><b>LIABILITIES AND NET ASSETS</b></u>		
<b>CURRENT LIABILITIES:</b>			
Accounts payable - trade		\$ 8,497	\$ 578
Accrued salaries and payroll taxes		4,182	3,872
Deferred revenue		<u>1,010</u>	<u>1,328</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>13,689</u>	<u>5,778</u>
<b>NET ASSETS:</b>			
Unrestricted		<u>10,620</u>	<u>13,256</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<u><u>\$ 24,309</u></u>	<u><u>\$ 19,034</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

**EXHIBIT B**

**For the Year Ended June 30, 2001 and 2000**

**UNRESTRICTED ACTIVITY:**

**SUPPORT & REVENUE:**

	<u>2001</u>	<u>2000</u>
Town of Chapel Hill	\$ 46,008	\$ 46,049
Charter fees	26,474	30,616
Event sponsorships and fees	16,334	9,446
Recycling fees	7,297	6,308
In-kind contributions	28,117	24,064
T-shirt sales	40	100

**TOTAL SUPPORT AND REVENUE**

124,270

116,583

**EXPENSES:**

Program services	107,221	93,222
Management and general	7,990	7,219
Fundraising	11,695	13,699

**TOTAL EXPENSES**

126,906

114,140

**CHANGE IN NET ASSETS**

(2,636)

2,443

**NET ASSETS - BEGINNING OF YEAR**

13,256

10,813

**NET ASSETS - END OF YEAR**

\$ 10,620

\$ 13,256

The accompanying Notes to Financial Statements are an integral part of these statements.

**CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION**

**STATEMENTS OF CASH FLOWS**

**EXHIBIT C**

**For the Year Ended June 30, 2001 and 2000**

	<u>2001</u>	<u>2000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (2,636)	\$ 2,443
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	72	175
Loss on diposal of equipment		15
Increase (decrease) in cash arising from changes in asset and liabilities:		
Accounts receivable	8,459	6,951
Accounts payable-trade	(8,497)	(4,310)
Accrued salaries and payroll taxes	(191)	(132)
Deferred revenue	(319)	130
	<u>(3,112)</u>	<u>5,272</u>
<b>NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES</b>		
	<u>(3,112)</u>	<u>5,272</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of equipment		<u>(721)</u>
<b>INCREASE (DECREASE) IN CASH</b>	(3,112)	4,551
<b>CASH - BEGINNING OF YEAR</b>	<u>12,199</u>	<u>7,648</u>
<b>CASH - END OF YEAR</b>	<u>\$ 9,087</u>	<u>\$ 12,199</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Income taxes paid	<u>\$ 137</u>	<u>\$ 193</u>
<b>NON-CASH TRANSACTIONS :</b>		
Donated Facilities	<u>\$ 5,225</u>	<u>\$ 3,300</u>
Other in-kind contributions	<u>\$ 22,892</u>	<u>\$ 20,764</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

## CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION

## STATEMENT OF FUNCTIONAL EXPENSES

EXHIBIT D

For the Year Ended June 30, 2001  
 (With Comparative Totals for the Year Ended June 30, 2000)

	<u>Program</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>2001 Total</u>	<u>2000 Total</u>
Salaries and related payroll taxes	\$ 30,910	\$ 5,455	\$	\$ 36,365	\$ 34,992
Charter expense	9,456		11,558	21,014	24,606
Advertising	20,892			20,892	18,804
Special events	15,891			15,891	8,821
Rent, utilities, and telephone	6,785	1,197		7,982	6,821
Sidewalk cleanup	4,811			4,811	4,607
Professional fees	4,986			4,986	4,496
Postage, printing, and supplies	3,384	597		3,981	2,908
Health insurance	3,308	584		3,892	2,714
Promotions	3,995			3,995	2,409
Recycling	1,872			1,872	1,872
Insurance	303	53		356	356
Miscellaneous	43			43	238
Income taxes			137	137	193
Depreciation	61	11		72	175
Web fees	524	93		617	90
Property taxes					23
Loss on disposal of assets					15
<b>TOTAL EXPENSES</b>	<u>\$ 107,221</u>	<u>\$ 7,990</u>	<u>\$ 11,695</u>	<u>\$ 126,906</u>	<u>\$ 114,140</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION****NOTES TO FINANCIAL STATEMENTS**

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**ORGANIZATION AND PURPOSE**

The Chapel Hill Carrboro Downtown Commission Corporation (the Commission) is a non-profit corporation designed to develop and encourage the revitalization and growth of the downtown business district of Chapel Hill/Carrboro as an economic, cultural, recreational, entertainment, and historic center.

**SIGNIFICANT ACCOUNTING POLICIES**

- A. The Commission prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America; consequently, revenues are recognized when earned and expenses are recognized when the obligation is incurred. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.
- B. The Commission reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If donor imposed restrictions are met in the same accounting period as the contribution, the contribution is reported as unrestricted support.
- C. The allowance method is used to provide for uncollectible account receivables. At June 30, 2001, no allowance has been provided, as all receivables are considered collectible.
- D. Purchased property and equipment are recorded at cost, and donated property and equipment are recorded at fair market value at the date of the gift. Depreciation is computed over the asset's estimated useful life of 5 years using a straight-line method.
- E. The Commission is exempt from federal and state income taxes under Section 501(c)(6) of the Internal Revenue Code.
- F. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



**CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION****NOTES TO FINANCIAL STATEMENTS**

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**ACCOUNT RECEIVABLE - TOWN OF CHAPEL HILL**

The Commission has a performance agreement with the Town of Chapel Hill. The performance agreement specifies that downtown tax district fund allocations be used only for services detailed in the agreement. The account receivable at June 30, 2001, consists of the final installment of revenues allocated by the Town from downtown tax district funds for the year ended June 30, 2001.

**RELATED PARTY**

An account receivable from a related party, Friends of the Downtown, in the amount of \$679 was deemed uncollectible and written off for the year ended June 30, 2001.

**CARDBOARD RECYCLING**

The Commission provides a cardboard recycling service for the downtown merchants. Outstanding receivables for this service at June 30, 2001 and 2000, of approximately \$1,000 and \$3,100 respectively, are not reflected in the accompanying financial statements because participation and payment by the merchants is voluntary and not subject to a contract.

**FUNCTIONAL EXPENSE ALLOCATION**

Certain expenses have been allocated between program, management and general, and fundraising based on estimates made by management.

**DONATED FACILITIES, GOODS, AND SERVICES**

Donated facilities are reflected as revenue and rent expense in the accompanying financial statements for the years ended June 30, 2001 and 2000, based on the fair market value of comparable office space, in the amount of \$5,225 and \$3,300, respectively. The Commission recognizes donated goods at the value provided by the donor. The Commission recognizes donated services which create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Amounts of \$22,892 and \$20,764 for the years ended June 30, 2001 and 2000, respectively, are reflected in the accompanying financial statements for printing services, gift certificates and award plaques provided. In addition, significant amounts of time donated by a substantial number of volunteers in the Commission's program services and in its fundraising campaigns, are not reflected in the accompanying financial statements.

**CHAPEL HILL CARRBORO DOWNTOWN COMMISSION CORPORATION****NOTES TO FINANCIAL STATEMENTS**

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**CONCENTRATIONS**

Approximately 38% and 39%, respectively, of the Commission's support and revenue in the year ended June 30, 2001 and 2000, were provided by funds from the Town of Chapel Hill.

**SUBSEQUENT EVENTS**

Charter fees generated through the Chapel Hill trolleys were eliminated effective July 1, 2001, as a result of Chapel Hill eliminating the trolleys due to federal regulations. The revenue from chartered trolleys, net of related expenses, has historically been approximately \$5,000 per year.

**PRIOR YEAR INFORMATION**

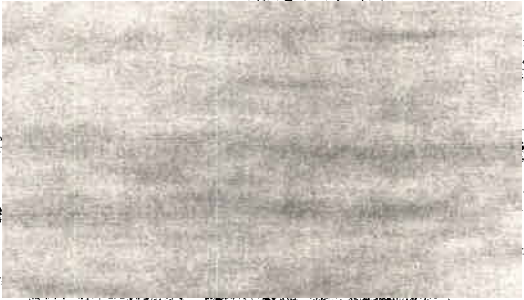
The statements of activities and changes in net assets, and functional expenses include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2000, from which the summarized information was derived.

**RESTATEMENT**

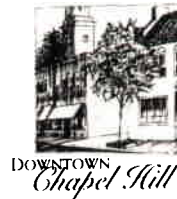
In-kind contributions and expenses for the year ended June 30, 2000, have been restated to include newspaper advertising in the amount of \$18,804. Total net assets did not change as this increase in support was offset by the related increase in advertising expenditures.



THE CHARLES HILL DOWNTOWN COMMISSION  
ANNUAL REPORT  
2001



It is the mission of the Chapel Hill Downtown Commission to develop and encourage the vitality and growth of the downtown business district of Chapel Hill as an economic, cultural, recreational, entertainment, and historic center.



## From the Chair

It has been my pleasure to serve as Chair of the Board of Directors of the Downtown Commission for 2001. This year has been both a challenge and a joy. Downtown is a remarkable place to live and do business, and the Downtown Commission is a remarkable organization. Our focus is on the development and vitality of Downtown as an economic, cultural, recreational, entertainment and historic center of Chapel Hill.

We have maintained many of our ongoing programs and added a few new ones. In 2001 we continued the focus on the beauty and energy that is so much a part of this community. Our "Adopt-a-Planter" program continues to brighten the downtown planters through all seasons and our thanks goes out to our "planter people" for their efforts. For them it is truly a labor of love..

April remains our designated "Arts" month. We continue to collaborate with the Town Parks and Recreation department, the University of North Carolina's Music and Theater departments, the Ackland Art Museum, local sculptors, artists and musicians for "Apple Chill", "Sculpture on the Green", "Arts Downtown" and other events.

The summer of 2001 was dedicated to Rock and Roll. We partnered with The Ackland Art Museum's exhibit of Linda McCartney's photographs of rock and roll legends and added our own flair with "Thursdays Rock". Every Thursday from mid-June until school started again in August, downtown hosted a "Rock" event. Concerts by "Doug Clark and the Hot Nuts", "Catbaby", "The No Tones", "The BackBeat", and "The Nomads" allowed all of Chapel Hill to see some of it's own "Rock Legends". Additionally all of our "Movies on the Plaza" had rock and roll themes. A great time was had by all, and it was truly a summer to remember.

The events of September 11th touched us all. Those of us who are fortunate enough to live and work downtown felt the true meaning of our relationships to each other. Watching merchants, restaurateurs, and customers reaching out to each other for support was like watching a family take care of each member with care and compassion. It may have been one of our nations darkest moments, but it was one of Chapel Hill's finest hours.

Our traditions for autumn and the holidays continued. The abbreviated version of the University's "Family Weekend" found many of us reaching out to our own families. Our holiday events, the Tree Lighting, the Community Sing, and the Holiday Parade all took on new meaning this year. The joy of the season was somewhat subdued, but not dampened.

I would like to take this opportunity to thank the members of our Board of Directors, the Town Council and Staff, the Town's Police, Fire and Public Works Departments and the University's personnel for their continued efforts and for the good relationships we share. This is a wonderful place to live and work, and you all make it just that much better. Among all of us, we make sure that downtown Chapel Hill truly is "Where the Town Comes to Life"

Kathleen Lord, 2001 Chair



## From the Director

The single greatest challenge for 2001 and beyond is how to compete with an ever improving and expanding regional marketplace coupled with a very tight economy. Thanks to the wisdom of the Board of Directors and the genius/generosity of Laughing Turtle Advertising and Design, a Downtown business, a "Branding" campaign was begun in the spring to better position our neighborhood in that marketplace. We adopted a new logo, a slogan, and a media campaign utilizing radio and a print series called "the Faces of Downtown". Early results are encouraging and we look forward to a greater awareness translating into increased sales for our businesses.

Our Summer Series 2001 combined our Concert Series with our Movies on the Plaza to become "Thursdays Rock in Downtown Chapel Hill!" Nine consecutive Thursdays were planned to bring people Downtown for fun and enjoyment. Never before had the Board undertaken such an intense time commitment to programming and a good time was had by all!

Eighteen new businesses were introduced to the neighborhood with our ratio of independently owned and operated businesses to corporate/franchise operations maintaining the historical four to one balance. For each space that became available due to a closing, there were many requests to fill that vacancy. We remain a vibrant, diverse, friendly neighborhood with goods and services that are available no where else in the state.

We thank all the citizens of Downtown and Chapel Hill, the many visitors, the UNC students and faculty, and everyone else who has supported our programs this past year. We also thank, and could not survive without the support of, the Town of Chapel Hill and its outstanding staff. From the peaceful celebrations on Franklin Street, made that way by the Police Department, to the clean up afterwards, by Public Works; from the design and construction of Streetscape to the delivery of thousands of people a day to our doorsteps by Transit; Town staff provides a level of service that is without equal. We, the Downtown Commission, pledge in return to aspire to that level of service for Downtown in the current year.

Robert Humphreys, Executive Director



The Chapel Hill Carrboro Downtown Commission was formed in September 1987 following a Public Private Partnership visit to Princeton, New Jersey. Community leaders recognized the need for a group dedicated to the betterment of the Downtown area in Chapel Hill and Carrboro. Funding for this new organization came from grants from the Towns of Chapel Hill and Carrboro, and UNC.

In 1989 the newly-formed Commission petitioned the Town of Chapel Hill and the Town of Carrboro to establish a Service Tax District in the Downtown area in order to bring a trolley service to Downtown Chapel Hill and Carrboro that would provide convenient mid-day access to the central business districts. Effective July 1989, this request was granted by Chapel Hill and a \$.07 per \$100 valuation tax was imposed. The Town of Carrboro did not establish a similar tax district. A capital campaign by the Commission raised \$30,000 in private funding (10% of the cost of the trolleys) and the Town of Chapel Hill subsequently purchased the vehicles using Federal and State capital grants so that the Chapel Hill Transit could operate the service.

The next year the Commission opened a welcome center in the Hudson McDade house, a historic property in the heart of Downtown Chapel Hill. The welcome center provided a central greeting area for visitors where the staff could promote the efforts of local businesses. The McDade House required extensive renovation and due to mounting budget constraints and staff cuts, the Commission operated the center using volunteers for nearly two years. Robert Humphreys led those volunteer efforts. In 1993 the Commission merged with The Downtown Association and was renamed the Chapel Hill Downtown Commission, an organization consisting of all the members of the Downtown Service Tax District. Robert Humphreys was hired as Executive Director and in 1994 a new board structure was implemented with an eleven member board overseeing the work of the Commission.

The trolley shuttle service was discontinued in 1995 and the fund appropriations to the Chapel Hill Downtown Commission to operate them was eliminated. The funds derived from the Town's Downtown Special District Tax were allocated to the Commission with a request that they seek assistance from the Chapel Hill/Orange County Visitors Bureau in developing a marketing program to bring people downtown and help businesses prosper. In addition to promotional efforts, the Commission established several long-running programs to support local businesses and provide additional funding. One such program was the cooperative recycling program which would allow businesses to comply with a ban on cardboard from the local landfill. The program is completely funded by those using the service and saves those participants approximately \$30,000 a year over individual hauler fees.

The Chapel Hill Downtown Commission office moved locations several times with the loss of the McDade House in 1997. Although not operating a storefront welcome center any longer, the Commission has delved deeper into fostering cooperative programs with member businesses and organizations, beautifying Downtown, advocating for Downtown businesses to other organizations, and improving awareness of Downtown Chapel Hill within the regional marketplace. Promotions such as Fabulous Fridays Family Fun Nights gave residents and families a reason to come downtown. Light Up Chapel Hill, a cooperative effort with the Chapel Hill News/Village Advocate and the Chapel Hill-Carrboro Chamber of Commerce, brought new holiday snowflake displays for downtown. Round Up for a Cure raised thousands of dollars for the UNC Lineberger Comprehensive Cancer Center. A week of events in 1999 welcomed visitors from all over the world as they attended the Special Olympics World Games. Adopt a Planter enlivened the streetscape in Downtown and involved many businesses, individuals and community groups. 2001 saw advertising and branding efforts for Downtown, as well as new business recruitment for unoccupied retail spaces in Downtown become a part of the Commission's work.

There can be no doubt the ever-changing economy and growing community will continue to shape the Chapel Hill Downtown Commission and its future work on behalf of local businesses. The Commission is dedicated to adapting to these changes and providing a positive business climate in Downtown Chapel Hill.

## 2001 Board of Directors

**Kathleen Lord, Chair**  
Emma Contemporary Fashions

**Chris Rice, Co-Chair**  
Carolina Brewery

**Linda Convissor**  
University of North Carolina

**Missy Julian-Fox**  
Julian's

**Julie Raymond Jennings**  
Uniquities

**Scott Maitland**  
Top of the Hill

**Dana McMahan**  
The Laughing Turtle

**Aaron Nelson**  
University of North Carolina  
The Chapel Hill-Carrboro  
Chamber of Commerce

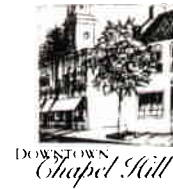
**Jared Resnick**  
West End Wine Bar

**Carol Richards**  
Chapel Hill News

**Scott Roberts**  
Blue Skies Clothiers

**Margaret Skinner**  
The Carolina Inn

# Branding of Downtown Chapel Hill



## Where the Town Comes to Life

The year 2001 brought new concerns for Downtown Chapel Hill. The changing economy, the increase in competition for consumer dollars, and a continued influx of new residents unfamiliar with Downtown businesses, all created the need for an advertising campaign aimed at marketing the uniqueness of this special place called Downtown Chapel Hill.

With the help of a local advertising agency, the Commission adopted a new logo along with the tagline, "Downtown Chapel Hill, Where the Town Comes to Life." NPR sponsorship began in the fall of 2001 to increase awareness and direct visitors to the Downtown Chapel Hill website where events and places to visit are outlined along with links to supporting organizations. A print ad series, "The Faces of Downtown" was developed featuring people from member businesses with copy expressing their personal connection to Downtown Chapel Hill through their business. The goal of the print campaign was to show the diversity of the independent retailers, restaurants and service businesses in the Downtown area, and recognize the people connected with those businesses as citizens, caretakers and champions of Downtown Chapel Hill. The campaign also includes several ads dedicated to visitors and faces from the larger Downtown community.

Early results of the campaign have been very positive and the Commission will continue its efforts with this campaign to create greater awareness for Downtown and help translate that visibility into increased sales for local businesses.

Newspaper ads from top left: The Carolina Inn, Emma Contemporary Fashions, Wentworth and Sloan Jewelers, Michael Jordan's 23 Restaurant, Top of the Hill, Children playing at Apple Chill Festival, Elaine's on Franklin, The Laughing Turtle, Julian's, Uniquities, and Carolina Brewery.







## Service to Business

To fulfill its mission of encouraging positive growth and vitality in Downtown Chapel Hill, the Chapel Hill Downtown Commission focused its work in 2001 on creating better awareness of Chapel Hill within the regional marketplace and servicing the changing needs of businesses. The Commission stepped up efforts to support new and existing businesses through established programs and added new initiatives in response to the tightening economy, increased competition from new shopping areas and changing Town ordinances.

### New Services for 2001

**Branding Efforts for Downtown Chapel Hill**-instituted a comprehensive advertising campaign in print and radio to increase awareness of Downtown Chapel Hill and local businesses. The Commission funded this effort by requesting an increase in the Service District Tax, which the Town granted. Additional funding came through co-op sponsorships where each business funded the ad featuring their business. Creative development and production was provided by a Downtown advertising agency.

**Recruitment of new businesses into Downtown Chapel Hill**-expanded efforts to attract desirable businesses to fill vacancies and add positively to the business mix. Local and national chains, corporations and independents were contacted via phone, fax, email and networking. The Commission maintained a list of available spaces in Downtown and the contact and rental information on each vacancy.

**Glass and Aluminum Recycling**-helped Orange Community Recycling increase glass and aluminum recycling to better service Downtown retailers, and, most notably, Downtown restaurants.

**Garbage Pickup**-provided assistance to Downtown businesses with the implementation of the Town's reduced garbage pickup. Coordinated the combined usage of dumpsters and helped alleviate health concerns, pests, and improve the general appearance of alleyways.

### Continuing Services for 2001

**The Cardboard Recycling Program**-provided a service that allowed Downtown businesses to comply with the cardboard ban at the landfill and saved participating businesses approximately \$30,000 a year.

**The Downtown Business Directory**-published a small brochure listing all Downtown businesses. This promotional piece was distributed throughout Chapel Hill and to groups visiting Chapel Hill.

**The Quarterly Newsletter**-produced a newsletter which kept the business community informed of issues concerning Downtown.

**Chapel Hill Downtown Commission Website**-maintained a comprehensive website listing all calendar events for Downtown as well as area information and links to places of interest and community organizations.

**Business Assistance**-provided assistance with ordinance compliance, town regulations and general set up for new businesses entering Downtown Chapel Hill, as well as problem solving for established businesses.

**Liaison to Town of Chapel Hill, UNC, and Orange County**-acted as a representative for business to all cooperative organizations throughout Orange County. This important service provided a voice for Downtown businesses to those organizations.

**Media spokesperson**-represented Downtown businesses and issues regarding Downtown to press and media.

**Orange County Visitors Guide**-assisted in the updating of the guide on behalf of Downtown businesses.  
**Downtown booth at Apple Chill and Festifall**-distributed Downtown promotional materials to visitors at the festivals.

**Presentation at the Chapel Hill - Carrboro Chamber of Commerce Annual Leadership Program**-informed participants of the role of the Chapel Hill Downtown Commission.

**Anti Panhandling Posters**-produced and distributed to Downtown businesses.

**"I Love Downtown Chapel Hill" stickers**-produced stickers and distributed them throughout Downtown.

## 2 0 0 1 Y e a r i n R e v i e w

The Commission continued to foster cooperative efforts with local businesses, the Town of Chapel Hill and local organizations to create programs that maintain and improve Downtown Chapel Hill for all of the community's residents. This year community service programs included some new initiatives as well as a number of long running services.

### New Services for 2001

**Shuttle service for local election candidates**-cosponsored with the Chapel Hill - Carrboro Chamber of Commerce, a special shuttle service to ferry local candidates among three public forums during the election.

### Continuing Services for 2001

**Welcome Center**-provided visitor information and contact for anyone seeking information about Downtown Chapel Hill and the community. The Welcome Center helped promote the interests of local Downtown businesses.

**Adopt a Planter**-involved various businesses in a streetscape beautification program to maintain sidewalk planter boxes. These businesses ensure that the boxes are planted and cared for throughout the year.

**Arts Downtown-Murals**-commissioned and funded a new mural, "Tropical Birds," painted on Patio Loco on West Franklin Street.

**The Annual Jap Allen Award**-presented the 2001 award to Eva Kohn in appreciation of her outstanding service to Downtown by managing the trolleys and buses.

**Event Services**-provided a full sound system (\$1000 value) for Apple Chill & Festifall and assisted with organizational logistics. Coordinated with organizers on arrangements for numerous events such as the UNC Career Fair, the Kenan Flagler Business School Symposium, and various workshops and conferences.

**Chartering Agent for Trolleys and Chapel Hill buses**-provided transportation service for weddings, conferences and meetings.

**Walking Tours**-led walking, trolley & bus tours for residents, visitors, and groups.

**Downtown Employees Canned Food Drive**-provided food to the IFC Food Pantry for those less fortunate and allowed Downtown workers to share in the holiday spirit.

**Out on the Town Arts Shuttle**-provided a trolley to ferry people to and from Downtown and Memorial Hall for the three Spring events of the Carolina Union Performing Arts series which allowed patrons to enjoy dinner, and the show without the worry of driving.

**Streetscape Implementation**-helped pick the site for the annual streetscape improvement and consulted with businesses adjacent to the site regarding the work schedule of the project.

**Street Lighting**-worked with Duke Power and Town Staff to improve lighting and safety in Downtown.

**Alley cleanup**-provided supplemental cleanup throughout Downtown five days per week with special attention to problem alleys as needed.

**Street Scene Teen Center**-Advised and supported this after school and weekend activity center.



## 2001 Year in Review

### Events and Promotions



Every year the Chapel Hill Downtown Commission provides Chapel Hill with a full calendar of events aimed at promoting Downtown and fostering a sense of community for all the residents and visitors to this area. Well-loved events, such as the many that take place around the holidays, were enthusiastically attended and new events introduced this summer brought large crowds and new faces to Downtown Chapel Hill.

#### New Events and Promotions for 2001

**Thursdays Rock!**-created a summer-long promotion, in conjunction with the Ackland Art Museum's Linda McCartney photography exhibit of the 60's rock era. Events included a Summer Concert Series cosponsored with the Chapel Hill Parks and Recreation Department and the UNC Music Department featuring four concerts in various locations Downtown, and movies on the Plaza.

**UNC Homecoming Parade**-assisted the Carolina Athletic Association in reviving the parade.

#### Continuing Events and Promotions for 2001

**Art Springs to Life**-organized and funded the second annual celebration which included various arts performances all over Downtown. The Commission coordinated the event and handled promotion and advertising of all the performances throughout the festival.

**GalaxyFest**-cosponsored a community celebration with Morehead Planetarium

**Arts Downtown**-joined with the Chapel Hill Carrboro City Schools and Chapel Hill Parks and Recreation Department to provide a one day showcase that celebrated the creative talents of our community's young people. This year's performance took place on the James C. Wallace Plaza.

**Welcome Back Students**-produced and distributed 2000 banners to greet students at the start of the University school year.

**Banners for the NCHSAA Football Championships**-produced and distributed banners that welcomed athletes and their families from all over North Carolina.

**Chapel Hill Public Works Holiday Luncheon**-provided food in appreciation and recognition of their outstanding service to Downtown.

**Community Dinner**-participated in planning the annual dinner. This year's dinner included Robert Humphreys as master of ceremonies.

**Franklin Street Mile Run**-co-sponsored this annual event.

#### Holiday Events and Promotions for 2001

**Holiday Treelighting and Community Sing**-organized an event that attracted 1400 participants.

**Holiday Parade**-coordinated this 54 year old tradition as the Commission has done since its inception.

This year's parade included 2,000 participants and drew nearly 15,000 spectators to Downtown Chapel Hill.

**Downtown Holiday Window Decorating Contest**-organized and judged business holiday window displays.

**Downtown Shopping Spree**-collected \$2000 in gift certificates which were awarded to 4 winners picked from over 5,000 entries who registered at 60 participating businesses.

**Holiday Lights Downtown**-encouraged businesses to provide special holiday displays.

**Holiday Happenings**-provided advertising and promotion for all holiday events in Downtown Chapel Hill.

**Downtown Holiday Open House**-provided advertising and promotion to remind locals of shopping opportunities in Downtown Chapel Hill. Free parking was included by the Town of Chapel Hill for 2001.

**Caroling on Franklin Street**-coordinated with McDougle Elementary School Chorus to carol along the street and inside participating businesses.

## 2 0 0 1 Year in Review

The Chapel Hill Downtown Commission holds regular forums for Downtown businesses to express concerns or present ideas for Downtown. 2001 brought new issues to the table for many businesses and the Chapel Hill Downtown Commission provided a place for their voices to be heard.

### Continuing Events for 2001

**Weekly Downtown Business Lunch**-maintained weekly lunch gatherings that served as a place to discuss issues affecting Downtown and as a place for social interaction among business people, town staff and elected officials.

**The Downtown Employees Annual Picnic**-brought together owners, managers and workers for a social event to help build a stronger sense of community.

**New Business Welcome**-greeted every new business to Downtown Chapel Hill in order to include them in the neighborhood and provide them with the resources of the Chapel Hill Downtown Commission.

**The Chapel Hill Downtown Commission Annual Meeting**-provided a forum for member businesses to recap the year and outline the issues and needs for the coming year.

Complete financial information on the Chapel Hill Downtown Commission is available in the Fiscal Year 2000/2001 Audited Financial Statement. The audit represents the period beginning July 1, 2000 to end date June 30, 2001.

### Note to Cashflow in the Audited Financial Statement

Total operating cash for the Chapel Hill Downtown Commission in 2001 came from the Special District Tax, net fees from charter bus and trolley services, and net fees from cardboard recycling services. All other expenses for the Commission's programs came from in-kind contributions and sponsorships from businesses, individuals, and partner organizations.

Operating Cash FY 2000/2001	
Special District Tax	\$46,008
Net Fees from Charter Bus Services	\$5425
Net Fees from Cardboard Recycling Program	\$5460
Total	\$56,893

## Supporting Partners in 2001

Much of the work of the Chapel Hill Downtown Commission depends on support from its member businesses, as well as the Town of Chapel Hill, UNC, community organizations, and individuals. In addition to funding, many partners provide extensive volunteer hours to make Commission events, promotions and services possible. The following is a list of partners for 2001.

### Chapel Hill Carrboro Holiday Parade

Chapel Hill News/Advocate Classified  
The Chapel Hill - Carrboro Chamber of Commerce  
University Square  
University Mall  
The Laughing Turtle  
Emma Contemporary Fashions  
Sutton's Drug Store  
Central Carolina Bank  
Wachovia Bank and Trust  
Bank of America  
Blackman and Sloop, CPA  
The Better Sleep Store  
UNC Healthcare  
Chapel Hill Parks and Recreation  
Chapel Hill Herald  
Orange County Water and Sewer Authority  
Carolina Brewery  
Ye Old Waffle Shop  
University Florist  
Mediterranean Deli & Catering  
Michael Jordan's 23  
Meadowmont Community Association  
Breadman's Restaurant  
Aquaduct Conference Center  
McAlister's Deli  
Pappa John's Pizza  
Johnny T-Shirt  
Carrboro Business Association  
Nomadic Trading Company  
Spotted Dog  
Crazy Mae's  
Chapel Hill Museum

### Downtown Chapel Hill Branding Campaign

Laughing Turtle Advertising and Design  
Chapel Hill News/Advocate Classified  
Chapel Hill Herald  
National Public Radio  
Carolina Brewery  
Top of the Hill  
Emma Contemporary Fashions  
Wentworth and Sloan Jewelry  
Michael Jordan's 23  
The Carolina Inn  
Uniquities  
The Laughing Turtle  
Elaine's on Franklin  
Julian's  
Jack Lord  
Andrew Ross Photography

### Thursdays Rock

Ackland Art Museum  
UNC Music Department  
Chapel Hill Parks and Recreation  
Chapel Hill News/ Advocate Classified  
Emma Contemporary Fashions  
CO Copies  
Wentworth and Sloan Jewelers  
Top of the Hill  
Carolina Brewery  
Blue Skies Clothiers  
Franklin Street Pizza and Pasta  
The Laughing Turtle  
Julian's  
The Carolina Inn  
West End Wine Bar  
Suttons Drug Store  
Ratskellar  
Uniquities  
The Chapel Hill / Orange County Visitors Bureau

### Art Springs to Life

Ackland Art Museum  
Chapel Hill Museum  
UNC Music Department  
Carolina Performing Arts Series  
Playmakers Repertory Company  
Chapel Hill News/Advocate Classified  
Chapel Hill Parks and Recreation  
Chapel Hill Public Arts Commission  
Carolina Arts

### Arts Downtown

Phylis Lochan  
Bill Friday  
Joe and Joy Hakan  
Joe Herzenberg  
Diane Brown  
Lee Pavao  
Sherrie Ontjes  
Pat Evans  
Thomas Kenan III  
Chapel Hill Parks and Recreation  
Franklin Street Pizza and Pasta  
CO Copies  
The Chapel Hill - Carrboro Chamber of Commerce

### Fireman's Fund

Oasis Cafe  
Goodfellows  
Cal Horton  
University Florist  
CO Copies  
Franklin Street Pizza & Pasta  
David Nash  
Joe Buckner  
Woody's Tavern  
Sutton's Drug Store  
Emma Contemporary Fashions  
Wentworth and Sloan Jewelry  
Spanky's  
411 West  
Squid's  
Julian's  
The Chapel Hill - Carrboro Chamber of Commerce  
Top of the Hill  
Edward Jones  
Players  
Kirkpatrick's  
Ratskellar

### Holiday Shopping Spree Giveaway

Anjana's  
Avie's Hallmark  
Bandido's Mexican Cafe  
Blue Skies Clothier  
Breadman's  
Burrito Bunker  
Carolina Brewery  
The Carolina Inn  
Carolina Pride  
Carolina Theater  
The Chapel Hill - Carrboro Chamber of Commerce  
Chapel Hill Sportswear  
CO Copies  
Coffee Mill Roastery  
Creative Metalsmiths  
East End Oyster & Martini Bar  
Emma Contemporary Fashions  
Four Eleven West  
Franklin Street Pizza and Pasta  
I Love NY Pizza  
Internationalist Books  
Johnny T-Shirt  
Julian's  
Katie's Pretzels  
Lucky Stars  
McAlister's Deli  
McFarling's Exxon  
Mediterranean Deli & Catering  
Michael Jordan's 23  
Oasis Cafe  
Office Supplies and More  
Paint the Earth  
Painted Bird  
Patio Loco  
Pyewacket Restaurant  
Ratskellar  
Schoolkids Records  
Shoes at the Square  
Shrunken Head  
Squeakey's Hot Dogs  
The Stock Exchange  
Sutton's Drug Store  
Swenson's Ice Cream  
The Laughing Turtle  
The Tannery  
Time Out Restaurant  
Top of the Hill  
Uniquities  
University Florist  
University Square Merchants  
Valentino's  
Varsity Theater  
Wentworth and Sloan Jewelers  
Whims  
Whistlestop  
XO South  
Ye Olde Waffle Shop

### Out on the Town Arts Shuttle

Spanky's  
Top of the Hill  
Julian's  
Uniquities  
Carolina Brewery