

**REGULAR MEETING OF THE
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT**

Tuesday, January 11, 2022 – 10:00 AM

To reduce the spread of COVID-19 and protect the safety of district members and the public, in person attendance at the district meeting has been suspended until further notice.

MINUTES

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the FDBIRD Board of Directors and to the general public that, at this meeting, the Board may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the District's attorney on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A) (3).

1. Call to Order

Chairman Dave Stilley called the Regular Meeting of January 11, 2022 to order at 10:04 a.m.

2. Roll Call

MEMBERS PRESENT:

Chairman Dave Stilley (virtually)
Vice Chairwoman Karen Kinne-Herman (virtually)
Member Steve Chatinsky (virtually)
Member Jerry McLaughlin (virtually)
Member John VanLandingham (virtually)

MEMBERS ABSENT:

Others present: District Attorney Ashley DeBoard; District Treasurer Brandi Suda; District Clerk Stacy Saltzburg; FDBA Director Terry Madeksza

3. Approval of Minutes of the Regular Board Meeting of October 19, 2021.

Member Jerry McLaughlin moved to approve the minutes of October 19, 2021; seconded by Vice Chairwoman Karen Kinne-Herman; passed unanimously.

4. Acceptance and Approval of Monthly Financial Reports.

- A. May 2021
- B. June 2021
- C. July 2021
- D. August 2021
- E. September 2021

Chair Dave Stilley moved to approve the Monthly Financial Reports of May, June, July, August, and September 2021; seconded by Member John VanLandingham; passed unanimously.

5. Consideration and Approval of Financial Review Services Contract with HintonBurdick, PLLC.

Ms. Suda explained that an informal Request for Proposals was advertised for financial review services for the District. Three proposals were submitted; all three were qualified and had the experience necessary to provide the services. They all ranked similarly, and Hinton Burdick was the most cost beneficial. Ms. Suda indicated that she feels confident that they can provide the services needed by the District.

Vice Chairwoman Karen Kinne-Herman moved to approve the Financial Review Services Contract with HintonBurdick, PLLC for four years with an option for three additional one-year term extensions; seconded by Member Jerry McLaughlin; passed unanimously.

6. Consideration and Approval of Payment of the Semi-annual payment to the FDDB in in the amount of \$88,250.

Member Steve Chatinsky moved to approve the semi-annual payment to the FDDB in in the amount of \$88,250; seconded by Vice Chairwoman Karen Kinne-Herman; passed unanimously.

7. Discussion and Direction Regarding Renewal and Proposed Changes to Legal Services Contract.

Ms. DeBoard reviewed the following proposed changes to her existing contract:

1. Rather than appoint Ms. DeBoard personally, appoint the firm of Flagstaff Law Group to ensure that legal coverage is always available. Ms. DeBoard would serve as primary counsel for the District but others at the firm could step in if there are any scheduling conflicts.
2. Consider extending the term of the contract from one year to three years.
3. Increase compensation from \$200 per hour to \$220 per hour.
4. Modify payment terms to a 5% interest rate on balances past due for 30 or more days.

Ms. DeBoard stepped away from the meeting to allow the Board to discuss her requested contract amendments. The Board briefly discussed the amendments and agreed that they were reasonable adjustments. Ms. DeBoard returned to the meeting and the Board gave direction for her to revise the contract and bring it forward for approval at the next meeting.

8. Discussion and Possible Action for Vice-Chairperson Appointment.

Vice Chairwoman Kinne-Herman shared that she would like to step down as Vice Chairwoman. She has enjoyed her time as Vice Chairwoman but feels that it is time to provide an opportunity for others to step up and fill the position. Chairman Stilley expressed a similar desire to step away from the Chairman position. Both remain fully committed to the Board and they hope to see others take on different roles.

The Board asked for the matter to be placed on the agenda for the next meeting to allow members the opportunity to think about possibly stepping into one of the roles.

9. FDBA Director Report

Ms. Madeksza reported that there had been recent transition with the DBA team and two new employees have come on board. She reviewed some of the events held downtown during the holidays including Breakfast with Santa, 12 Beers of Christmas, and the Winter Wonderland event that brought in 6,000 people to downtown. She shared that there was more participation in 2021 with more business involvement, more decorations, and sponsored light poles. There was a big push around the importance of shopping local and the Shopping Passport program had 18 participating businesses; the event tracked more than \$35,000 of shopping.

Ms. Madeksza indicated that 2022 already has key projects on the horizon. Back in November 2020 the DBA sponsored the small business grant program. There was \$30,000 available which was distributed to 24 businesses. The program went so well and there is still such a large demand that it will be brought back through the use of ARPA funds and a partnership with the City of Flagstaff. There is \$360,000 available for a small business program city wide. NAU has also contributed \$10,000 and there may be opportunity for more. Coconino County will also be discussing a possible contribution and it is possible that the program could see close to \$1 Million for small business grants. DBA has been asked to administer the program which further demonstrates the downtown's commitment to all small businesses in the city.

Ms. Madeksza reported that she and Ms. DeBoard have begun looking into the possible renewal of the District and the possible timeline associated with that. She is also working with the Southside on how the formation of their own district may be beneficial.

Ms. Madeksza stated that two new surface parking lots opened on the northside; the first is 90 spaces at the northwest corner of Cherry and Beaver and the second is 55 spaces where the former municipal courthouse was. She also noted that there is a lot of work being done on the southside as it related to the proposed Downtown Connection Center. There will be some disruption in parking and the city continues to work Mountain Line on a possible parking garage in the area. Parking is being viewed as necessary infrastructure to support downtown, the City Manager understands the importance and is a strong advocate.

Chairman Stillely asked if the city remains committed to keeping the old municipal lot open in the future. Ms. Madeksza stated that they will leave it open until the site is developed. The site is part of the Downtown Vision and it calls for structured public parking as part of any development.

Vice Chairwoman Kinne-Herman noted that Mountain Line has mentioned that their plans include not only the bus hub but also civic space and parking. They are seeking additional grant funding for parking. Ms. Madeksza stated that the cost to build parking is so exorbitant so any opportunity to identify external funding is a good path. She will continue to work with Mountain Line and support any efforts to find and leverage funding.

10. PUBLIC PARTICIPATION

Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.

There were no members of the public in attendance.

11. Adjournment

The Regular Meeting of the Flagstaff Downtown Business Improvement District of January 11, 2022 adjourned at 10:58 a.m.

Chairman

ATTEST:

Stacy Saltzburg, District Clerk

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