

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

Tuesday, April 12, 2022 – 10:00 AM

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 April 12, 2022 to order at 10:03 a.m.

2. Roll Call

MEMBERS PRESENT:

Chairman Dave Stilley (virtually)
Vice Chairwoman Karen Kinne-Herman (virtually)
Member Steve Chatinsky (virtually arrived at 10:04)
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 January 11, 2022.

Vice Chairwoman Kinne-Herman requested an amendment to Item 9 of the minutes to state that Mountain Line indicated that they have the ability to apply for grant funding for parking but is unsure if those efforts are currently underway.

Vice Chairwoman Karen Kinne-Herman moved to approve the minutes of January 11, 2022 as amended; seconded by Member Jerry McLaughlin; passed unanimously.

4. Acceptance and Approval of Monthly Financial Reports.

- A. October 2021
- B. November 2021
- C. December 2021

Ms. Suda noted that there is nothing unusual to report and that everything is in order.

Member John VanLandingham moved to approve the Monthly Financial Reports of October, November, and December 2021; seconded by Member Steve Chatinsky; passed unanimously.

5. Acceptance and Approval of the FY 2021 Financial Statements and Annual Report.

Ms. Suda reviewed the financials from Hinton Burdick, she reported that the District did well over the last year with an increase in revenues by over \$4,000. The year ended with a fund balance of \$107,000. She also noted that everything went very smoothly and quickly with the review.

Member Chatinsky asked if there is any concern with the revenues increasing. Ms. Suda indicated that there are no concerns and the revenues will continue to build the fund balance. The Board has been conservative with the budget over the last few years which has allowed the fund balance to do well.

Vice-Chairwoman Kinne-Herman noted that they have been very cautious in their expenditures and are not spending as much as anticipated. Ms. Suda agreed stating that they always budget a large contingency to allow for flexibility if things come up mid-year. On-going revenues and expenses are well matched and balanced.

Vice Chairwoman Karen Kinne-Herman moved to accept and approve the FY 2021 Financial Statements and Annual Report; seconded by Member Jerry McLaughlin; passed unanimously.

6. Review of 2022 Budget Calendar

Ms. Suda stated that the calendar is similar to prior years. She reviewed the calendar with the Board. Vice-Chairwoman Kinne-Herman noted a conflict with the first meeting in June.

7. Consideration and Approval of Contract for Legal Services effective January 2022 through December 2024.

Ms. DeBoard reviewed the amendments she requested to the legal services contract and presented the new contract for consideration. The points of amendment are as follows:

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.

The Board thanked Ms. DeBoard for her work and service to the District.

Vice Chairwoman Karen Kinne-Herman moved to approve the contract for legal services effective January 2022 through December 2024.; seconded by Member John VanLandingham; passed unanimously.

8. Consideration and Approval of Payment of the Semi-annual Payment to the FDBA in the Amount of \$88,250.

Member Jerry McLaughlin moved to approve the semi-annual payment to the FDBA in the amount of \$88,250; seconded by Member John VanLandingham; passed unanimously.

9. Possible Appointment of FDBIRD Board Chairperson and Vice-Chairperson.

Member Steve Chatinsky volunteered to serve as the FDBIRD Vice-Chairperson until the end of his term. The Board was supportive of appointing Member Chatinsky as the Vice-Chairperson.

10. FDBA Director Report

Ms. Madeksza reported that the District's renewal term is coming up; she will be working with Ms. DeBoard on the timeline and process. They will update the Board at a future meeting.

Ms. Madeksza stated that the DBA recently applied for its first beautification grant through the City for \$4,500 to add a beautification element downtown. It is a four-cabinet electrical box in the Leroux alley adjacent to the Creperie. The box will be wrapped in something unique and colorful and will add to the vibrancy downtown. The Beautification and Public Art Commission approved the grant and they will begin working to identify a local artist and design. The DBA will continue to apply for grant opportunities to continue adding new elements downtown.

Member McLaughlin asked how often the grant can be applied for. Ms. Madeksza stated that there are two times per year that businesses are able to apply for the grants.

Ms. Madeksza reported that she is working with the city on a comprehensive approach to looking at infrastructure downtown. They are developing a path forward that identifies solutions to tree wells, sidewalks, and alleys. She will continue to report out as more information becomes available.

In terms of events Ms. Madeksza noted that there were not a lot of larger events in the last couple of years. This year there will be more events and the DBA has taken a larger role in events. The DBA is now producing the First Friday Artwalk in the hopes of engaging with business owners and generating more participation. The April event saw great energy and increased participation by the businesses. Movies on the Square is resuming and will run from Memorial Day through Labor Day. There is also a Friday night concert series on the second, third, and fourth Friday of each month at Heritage Square. The DBA is hosting the Kids on the Square events on Tuesday and Thursday mornings. They have adjusted the time so it ends at 11:00 a.m. in hopes that it will encourage participants to stay downtown for lunch. She also noted that the Community Market is returning in June along with Spin on the Square and Yoga on the Lawn on the weekends.

Ms. Madeksza reported that the Downtown Vision is moving forward. There was delay in connecting with the County due to their significant transition in leadership. They have been able to present to them and they have future meetings scheduled to discuss how to move forward to ensure the vision of the County is reflected in the plan.

Lastly, Ms. Madeksza reported on parking. Two new parking lots opened with about 150 spaces. The Foundation for Senior Living (FSL) lot across from the courthouse has 90 spaces and there are 56 spaces at the former courthouse site. Both lots are open to the public and are managed by Park Flag. There is a lot of conversation about structured parking; the City Council approved the variance requests from FSL which includes a parking structure. This is a step forward for the project. It is also planned that there will be a structured parking component at the former courthouse site. There is no project in mind at this time, but it is part of the city's plan and downtown vision to see parking at that site. The Downtown Connection Center (DCC) plan includes surface parking, civic space, and plans have been added for structured parking at that site. It is part of phase three and no timeline has been established yet. There is a continued awareness and commitment for there to be structure parking in the downtown.

Chairman Stilley asked if the public parking within the FSL structure will be funded through public funds. Ms. Madeksza stated that the 100 spaces will be public parking and the residents will have separate parking and there will be separate entrances for each. She is not sure about the specific funding source other than it will not be coming from Park Flag revenues. This is the city's attempt to provide what was committed in the bond; it will not get all the way there but it shows the commitment to finding solutions to address the bond.

Vice Chairwoman Kinne-Herman asked if there is any sense of cost and timeline associated with the structure parking at the DCC site and former courthouse location. Ms. Madeksza stated that she only has vague information. The former courthouse site has no plans currently; the city is waiting for the Downtown Vision to advance first. It is identified as mixed-use development with structure parking. In terms of the DCC there is not a timeline but rather it has been identified as part of phase three because it is dependent upon completion of the Rio de Flag project.

Member VanLandingham asked if there would be a net gain in parking with the addition of the DCC site to which Ms. Madeksza answered yes.

Vice Chairwoman Kinne-Herman requested that Ms. Madeksza continue to keep apprised of Mountain Line's opportunity and activity in seeking grant funding. Ms. Madeksza agreed stating that there are efforts ongoing to identify grant funding for the Rio de Flag as well which could assist in overall efforts in the area. She is working to get involved in the Rio de Flag conversations in an effort to be more aware of the project and how it interacts with the downtown needs.

11. 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.

12. Adjournment

The Regular Meeting of the Flagstaff Downtown Business Improvement District of April 12, 2022 adjourned at 10:44 a.m.

Chairman

ATTEST:

Stacy Saltzburg, District Clerk