

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

**Tuesday, May 12, 2015 – 10:00 AM
City Council Office - Administration – Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

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 VanLandingham called the meeting to order at 10:05 a.m.

2. Roll Call

Present

Absent

Chairman John VanLandingham
Vice Chairman David Stilley
Director Antoinette Beiser
Director Karen Kinne-Herman

Director Tim Kinney (excused)

Others present: District Attorney Dana Kjellgren; District Treasurer Brandi Suda; District Clerk Elizabeth A. Burke; District Executive Director Terry Madeksza; Mark Lamberson.

3. Approval of Minutes of the Board meeting of April 7, 2015.

Director Kinne-Herman noted that Terry Madeksza's name was misspelled throughout the document.

Director Kinne-Herman moved to approve the minutes of April 7, 2015, as amended; seconded; passed unanimously.

4. Review/approval of March 2015 financial reports.

Ms. Suda reported that she had talked with the County Assessor's Office and there were two properties in the District that have not paid their assessments. As of mid April they had collected \$41,000 and she would have another update when they receive the May payment in June.

Vice Chairman Stilley moved to approve the March 2015 financial report; seconded; passed unanimously.

5. Consideration of Public Infrastructure Project requirement.

Chairman VanLandingham reviewed the two upcoming deadlines noted in the IGA. The first required that twelve months after the successful election (June 2015) they must have secured funding for the proposed infrastructure project. He asked if it was funded from the District's own budget, if that funding would be considered secured. Ms. Kjellgren noted that it would as long as it had been appropriated.

Chairman VanLandingham said that the second deadline required that 24 months after the successful election (June 2016) they must have contracted for and managed construction of the proposed infrastructure improvement project.

Chairman VanLandingham said that it appears that they do not have to have selected a project at this point, which would give them a little more time to consider their options. Ms. Kjellgren said that it would be good to make sure that is how the City Attorney's office is interpreting that as well.

Director Kinne-Herman suggested that the City Attorney's office be give three options and have them determine if they met the requirements. She said that the DBA could prepare an estimate of the associated costs of each of the projects. Ms. Kjellgren said that they need to remember that there is a partner in this, the City, and it would be good to include them in the discussion.

Chairman VanLandingham also noted that the IGA requires that 15 months after the successful election (September 2015) that the District prepare the project plans. He said that they had been discussing one project, but they did not think it would fit the definition of a project—that being equipment to clean sidewalks in the downtown area. They could have the City Attorney decide if it met that requirement since they wrote the IGA.

Chairman VanLandingham said he and Ms. Madeksza had been discussing this equipment and whether it would be considered infrastructure. Ms. Kjellgren said that it would meet the definition of enhanced municipal service, but she did not believe it came within infrastructure. She said that it needs to be constructed versus improvement of a service. She said that it would still be wise to pass it by the City Attorney's Office.

Ms. Madeksza said that they could flush that out, get some costs and write a description. The other conversation they have had was regarding parking kiosks and she could do the same for that. She will come up with three projects, with the related costs and detail, and get the City Attorney's feedback.

Chairman VanLandingham said that at their last meeting they talked about the possibility of using some of the City's budgeted money for a project downtown. They ran that idea by the City Attorney's Office and they said no. He said that they could probably work that to a yes in the future, but that would take time which they do not have. He added that they are dealing with the District's budget which currently is \$15,000.

Ms. Kjellgren said that it would be good if they could put together the three projects and present them to the City Attorney's Office before the meeting in two weeks.

Chairman VanLandingham said that they would discuss Item 7 next since they were somewhat related.

7. Consideration of Resolution No. 2015-04 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE BUDGET AND FIXING THE TAX LEVY, ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE DISTRICT FOR THE FISCAL YEAR 2015-2016; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNT PROPOSED TO BE RAISED BY DIRECT PROPERTY TAXATION; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS

Ms. Suda reviewed the proposed budget which included two legal documents that will be published for two weeks and posted on the website, as well as a hard copy in the District Clerk's Office.

She recommended that they consider not going below a \$40,000 or \$50,000 fund balance so they have the cash flow, if needed.

Chairman VanLandingham noted that the \$100,000 they showed for a Contribution and Project could be \$1 trillion. It is a placeholder and at the last meeting they decided on \$100,000. After further discussion about the perception that may give the public, it was agreed to reduce that amount to \$25,000 which could be done out of pocket if necessary and stay within the parameters suggested for the budget.

Brief discussion was held on the tax levy and it being through a separate resolution. It was noted that the current resolution included that wording, and staff was directed to remove that text from the resolution. The resolution fixing the levy would be held at the May 26, 2015, meeting, along with the public hearing for the final budget adoption and tax levy.

Vice Director Stilley moved to adopt Resolution No. 2015-04 as amended; seconded; pass unanimously.

6. Update on Management Contract with Flagstaff Downtown Business Alliance.

Ms. Madeksza passed out and reviewed the Executive Director's Activity Report (Exhibit A attached hereto and made a part hereof) that covered their three areas of focus: Management, Communication, and Parking.

She reported that she currently has \$13,000 toward *Movies on the Square*, with a few large sponsors that have not yet committed. She said that they are working to provide some new energy to the *Movies on the Square*, and they are engaging the Arboretum, Museum of Northern Arizona and Observatory.

She said that she is nearly complete with the E-mail listing through which a lot of communication will take place in the future.

Additionally, she said that she has a Parking Program written and would like to present at an upcoming meeting. It was suggested that she present at the May 26, 2015, Board meeting.

She said that she was trying hard to communicate the successes and activities taking place downtown, and she has been using Facebook to do that. She has seen the reaches go up 300% since she arrived so the more she can get folks around the table, and going back into their own organizations to share and generate interest, it will continue to grow.

She said that she posted something this morning on Flagstaff being a finalist as Best Town Ever with Outside Magazine. She encouraged everyone to vote and share the information with others. They are competing with Hilo, Hawaii.

Chairman VanLandingham said that he has spent quite a bit of time with Ms. Madeksza in meetings and discussing ideas. It is difficult to quantify advocacy, but he thinks the benefits are immeasurable. What she has been doing at different levels is working toward greater benefit for downtown on everything they are doing. He then reviewed the handout from the Convention and Visitors Bureau.

8. Planning for Future Meetings, Calendar, Communications.

Ms. Burke said that she would send out an e-mail after meetings to notify members of future meeting dates.

Brief discussion was held on the best way for District board members to communicate with Ms. Madeksza. Chairman VanLandingham asked that everyone be cognizant of the many bosses that Ms. Madeksza has. Ms. Madeksza said that she should be the contact person. Ms. Kjellgren agreed that Ms. Madeksza would be best to alleviate the potential of Open Meeting Law violations.

Ms. Madeksza said that this is what she is here to do. Anyone in her position knows that this is what they do—they manage work and relationships. That is one of the things she can offer as a strength. She appreciated everyone's mindfulness, but said she would be the right person to contact.

9. PUBLIC PARTICIATION

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.

None

10. Report of Board of Directors.

Vice Chairman Stilley reported that they were meeting with prospective developers of the Marriot Hotel later this afternoon. They have indicated a willingness to use some of their parking for downtown merchants. They want to be good partners and citizens.

11. Adjournment

The Special Meeting of May 12, 2015, adjourned at 11:01 a.m.

John VanLandingham, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk