

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

**Tuesday, May 26, 2015 – 10:00 AM
Staff Conference Room – Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

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
2. Roll Call

Chairman John VanLandingham
Vice Chairman David Stilley
Director Antoinette Beiser
Director Tim Kinney
Director Karen Kinne-Herman
3. Approval of Minutes of the Board meeting of May 12, 2015.
4. Consideration of Public Infrastructure Project.
5. Public Hearing for 2015-2016 Final Budget and Property Tax Levy of Flagstaff Downtown Business Improvement and Revitalization District.
6. Recess Meeting
7. SPECIAL MEETING:
 - A. Consideration of Resolution No. 2015-05 - 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
8. Adjourn Special Meeting
9. Reconvene Meeting
10. Consideration of Resolution No. 2015-06 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF ADOPTING THE PROPERTY TAX ASSESSMENTS FOR FY2015-2016

11. Presentation on Parking Program.

12. 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.

13. Report of Board of Directors.

14. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the Board with the District Clerk.

Dated this ____ day of _____, 2015.

Elizabeth A. Burke, MMC, District Clerk

**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 Kenney (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

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA**

RESOLUTION NO. 2015-05

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF
DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION
DISTRICT OF FLAGSTAFF ADOPTING THE BUDGET FOR
FISCAL YEAR 2015-2016

WHEREAS, in accordance with the provisions of A.R.S. Title 42, Chapter 17, Articles 1 – 5, the District Board did on May 12, 2015, make an estimate of the different amounts required to meet the public expenditures for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real property within the Flagstaff Downtown Business Improvement and Revitalization District (the “District”); and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the District met on May 12, 2015 at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the District Board would meet on May 26, 2015, in the Staff Conference Room at Flagstaff City Hall, for the purpose of hearing taxpayers and making tax levies as set forth in said estimates;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA AS FOLLOWS:

That said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced, or changed, are hereby adopted as the budget of the Flagstaff Downtown Business Improvement and Revitalization District for Fiscal Year 2015-2016.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 26th day of May, 2015.

Chairman

ATTEST:

District Clerk

APPROVED AS TO FORM:

Kjellgren & Speed, PLC

District Attorney

SCHEDULE A
SCHEDULE B
SCHEDULE C
SCHEDULE D
SCHEDULE E
SCHEDULE F
SCHEDULE G

OFFICIAL BUDGET FORMS

Flagstaff Downtown Business Improvement and Revitalization District

Fiscal Year 2016

Flagstaff Downtown Business Improvement and Revitalization District

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Schedule D—Other Financing Sources/<Uses> and Interfund Transfers

Schedule E—Expenditures/Expenses by Fund

Schedule F—Expenditures/Expenses by Department (as applicable)

Schedule G—Full-Time Employees and Personnel Compensation

**Flagstaff Downtown Business Improvement and Revitalization District
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016**

THE FINAL OPPORTUNITY FOR PUBLIC INPUT ON THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT BUDGET WILL OCCUR ON MAY 26, 2015 AT 10:00 A.M. IN THE CITY OF FLAGSTAFF CITY HALL, STAFF CONFERENCE ROOM, 211 W. ASPEN AVENUE, FLAGSTAFF, AZ

The budget may be reviewed at the City of Flagstaff in the City Clerk's Office, 211 W. Aspen Avenue, Flagstaff AZ 86001
or at the website: <http://downtownflagstaff.org>

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2015	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	257,700	0	0	0	0	0	257,700
2015	Actual Expenditures/Expenses**	E	0	184,260	0	0	0	0	0	184,260
2016	Fund Balance/Net Position at July 1***			112,163						112,163
2016	Primary Property Tax Levy	B	0							0
2016	Secondary Property Tax Levy	B		127,498						127,498
2016	Estimated Revenues Other than Property Taxes	C	0	66,261	0	0	0	0	0	66,261
2016	Other Financing Sources	D	0	0	0	0	0	0	0	0
2016	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2016	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
2016	Total Financial Resources Available		0	305,922	0	0	0	0	0	305,922
2016	Budgeted Expenditures/Expenses	E	0	227,850	0	0	0	0	0	227,850

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2015	2016
1.	\$ 257,700	\$ 227,850
2.		
3.	257,700	227,850
4.		
5.	\$ 257,700	\$ 227,850
6.	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**Flagstaff Downtown Business Improvement and Revitalization District
Tax Levy and Tax Rate Information
Fiscal Year 2016**

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	127,498	127,498
C. Total property tax levy amounts	\$ <u>127,498</u>	\$ <u>127,498</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ 127,498	
(2) Prior years' levies	\$ _____	
(3) Total secondary property taxes	\$ <u>127,498</u>	
C. Total property taxes collected	\$ <u>127,498</u>	
5. Property tax rates		
A. District tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	1.7905	1.7896
(3) Total District tax rate	<u>1.7905</u>	<u>1.7896</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Intergovernmental			
Payment in Lieu of Taxes	\$ 41,002	\$ 41,261	\$ 41,261
Municipal contribution	127,000	127,000	25,000
Interest Income		664	
	\$ 168,002	\$ 168,925	\$ 66,261
Total Special Revenue Funds	\$ 168,002	\$ 168,925	\$ 66,261
TOTAL ALL FUNDS	\$ 168,002	\$ 168,925	\$ 66,261

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016**

FUND	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	
	SOURCES	<USES>	IN	<OUT>
SPECIAL REVENUE FUNDS				
None	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
Total Special Revenue Funds	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
TOTAL ALL FUNDS	\$ _____	\$ _____	\$ _____	\$ _____

**Flagstaff Downtown Business Improvement and Revitalization District
Expenditures/Expenses by Fund
Fiscal Year 2016**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
SPECIAL REVENUE FUNDS				
Revitalization District	\$ 257,700	\$	\$ 184,260	\$ 227,850
Total Special Revenue Funds	\$ 257,700	\$	\$ 184,260	\$ 227,850
TOTAL ALL FUNDS	\$ 257,700	\$	\$ 184,260	\$ 227,850

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Expenditures/Expenses by Department
Fiscal Year 2016**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
<u>Revitalization District</u>				
<u>Special Revenue Funds</u>	\$ 257,700	\$	\$ 184,260	\$ 227,850
Department Total	\$ 257,700	\$	\$ 184,260	\$ 227,850

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Full-Time Employees and Personnel Compensation
Fiscal Year 2016**

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
SPECIAL REVENUE FUNDS						
Downtown Revitalization	None	\$	\$	\$	\$	\$
Total Special Revenue Funds		\$	\$	\$	\$	\$
TOTAL ALL FUNDS		\$	\$	\$	\$	\$

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA**

RESOLUTION NO. 2015-06

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF
DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION
DISTRICT OF FLAGSTAFF ADOPTING THE PROPERTY TAX
ASSESSMENTS FOR FY2015-2016

WHEREAS, by the provisions of State law, the resolution levying taxes for fiscal year 2015-2016 is required to be finally adopted not later than the third Monday in August, and

WHEREAS, the County of Coconino is the assessing and collecting authority for the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff, Arizona ("District").

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA AS FOLLOWS:

Section 1. There is hereby levied a secondary property tax which is a sum certain based on the 2015 Tax Year assessed value of all real property within the boundaries of the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff, Arizona, except such property as may be by law exempt from taxation or is excluded from the District, which includes any story above the second floor, for the fiscal year ending on the 30th day of June, 2016.

Section 2. That the District Clerk is hereby directed to transmit a certified copy of this resolution to the County Assessor and the Board of Supervisors of the County of Coconino, Arizona.

Section 3. Effective Date. The tax levy imposed by this Resolution shall take effect August 1, 2015.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 26th day of May, 2015.

Chairman

ATTEST:

District Clerk

APPROVED AS TO FORM:

Kjellgren & Speed, PLC
Dana H. Kjellgren

Attorney for the District

ATTACHMENTS:

Attachment A: Legal Description of District

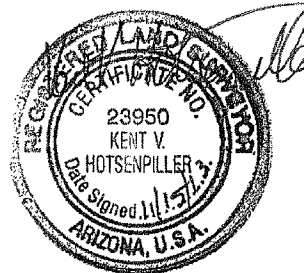
Attachment B: Assessment by Parcel within the District

EXHIBIT A

The following is a description of parcels of land as shown on the Flagstaff Plat as recorded in Book 1 of Maps, Page 16, Coconino County Records, situate in the SE¼ of section 15 and the SW¼ of section 16, Township 21 North, Range 7 East, G.& S.R.M., Flagstaff, Coconino County, Arizona being more particularly described as follows:

Lots 1 through 12, Block 3A of said plat;
Lots 1 through 12, Block 34 of said plat;
Lots 1 through 12, Block 33 of said plat;
Lots 1 through 24, Block 32 of said plat;
Lots 1 through 27, Block 2A of said plat;
Lots 1 through 26, Block 19 of said plat;
Lots 1 through 24, Block 18 of said plat;
Lots 1 through 24, Block 17 of said plat;
Lots 1 through 24, Block 1A of said plat;
Lots 1 through 24, Block 6 of said plat;
Lots 1 through 24, Block 5 of said plat;
Lots 1 through 24, Block 4 of said plat;

Assessor Parcel 100-44-006A, ATSF Railroad;
Assessor Parcel 100-44-001, BNSF Railroad;
Assessor Parcel 100-44-002A, BNSF Railroad;
Assessor Parcel 100-44-006B, Flagstaff Chamber of Commerce;
Assessor Parcel 100-44-005A, City of Flagstaff;
Assessor Parcel 100-44-004D, City of Flagstaff;
Assessor Parcel 100-44-003E, BNSF Railroad;
Assessor Parcel 100-44-003C, City of Flagstaff;
Assessor Parcel 100-44-004E, City of Flagstaff;
Assessor Parcel 101-27-002D, City of Flagstaff;
Assessor Parcel 101-27-002C, ATSF Railroad;
Assessor Parcel 101-27-001C, BNSF Railroad;



Expires: 8/31/15

Including the Rights-of-Way as shown.

Exclusions from District:

1. With respect to any multi-story building located in the district, any story above the second floor shall be excluded from the district. In the event a new building is constructed after formation of the district, the same rule shall apply. For district purposes, the property value of that portion of a multi-story building located within the district shall be determined by the Coconino County Assessor.
2. All personal property, as determined by the Coconino County Assessor.

Said parcels shown on the attached Exhibit B which by this reference is made a part hereof.

Mogollon Engineering and Surveying, Inc.

411 W. Santa Fe Ave. Flagstaff, AZ 86001- P.O.-Box 1952 Flagstaff, AZ 86002-mogollon99@aol.com- 928-214-0214

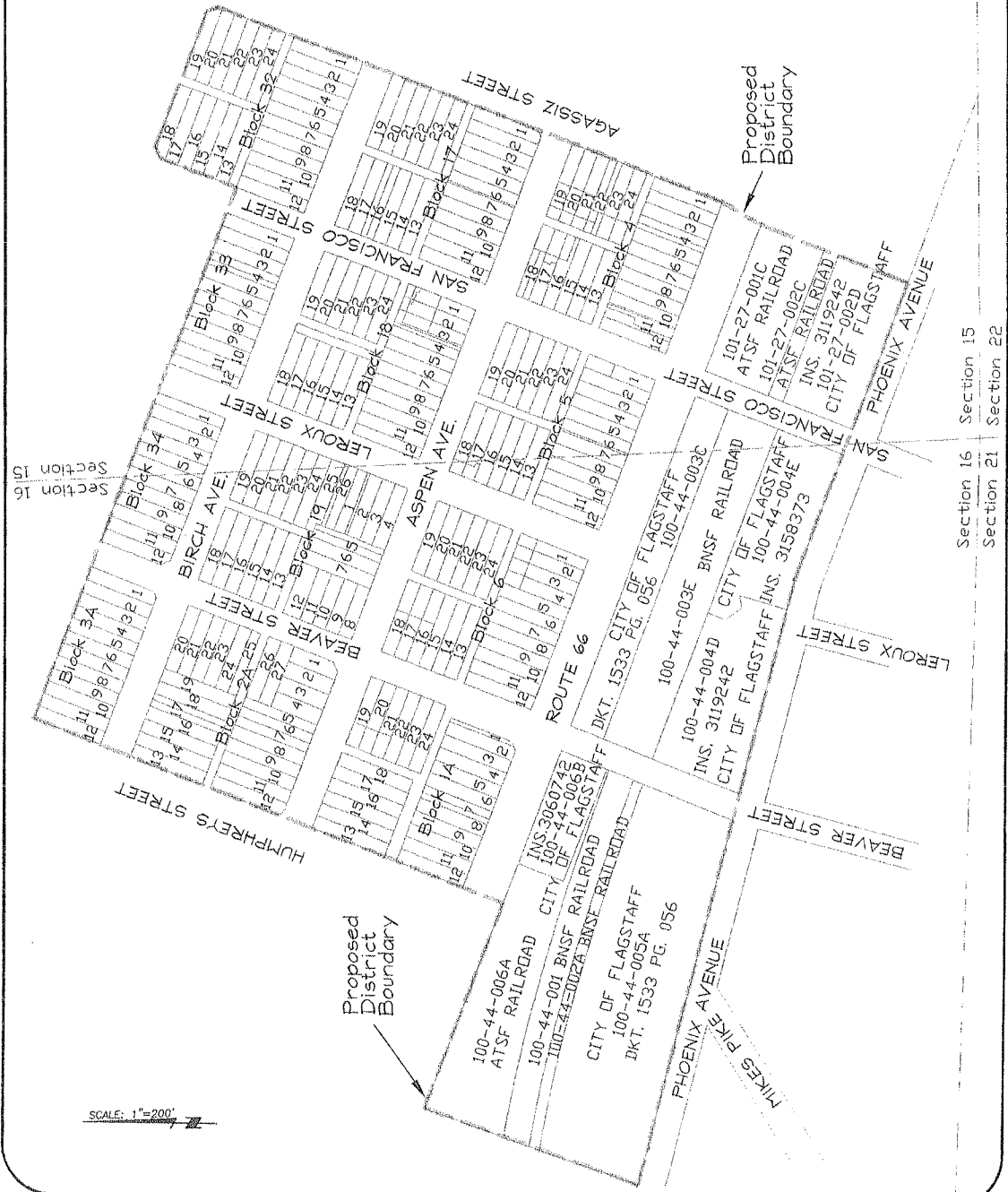
**FLAGSTAFF BUSINESS
IMPROVEMENT AND
REVITALIZATION DISTRICT
LEGAL DESCRIPTION EXHIBIT**

FLAGSTAFF TOWNSITE, BOOK
1 OF MAPS PAGE 16,
COCONINO COUNTY RECORDS
LOCATED IN THE SE1/4
SECTION 16 AND THE SW1/4
SECTION 15, T 21 N, R 7 E,
FLAGSTAFF, COCONINO
COUNTY, ARIZONA

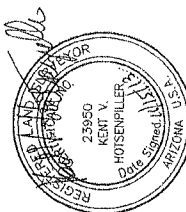
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2. All personal property, as determined by the Coconino County Assessor.



SCALE: 1"=200'



Expires on 3/31/12

Information shown hereon is from City of Flagstaff G.I.S. No field work was performed by **MOCOLLON** Engineering & Surveying, Inc.

Mogollon Engineering & Surveying, Inc.
 All in State Fee Ass. Payable At 6/30/12
 P.O. Box 1822, Flagstaff, AZ 86002
 Phone: 929-24-0244 Fax: 929-49-0055

Mogollon Engineering & Surveying, Inc.
 PROJECT NO. 10508 REVISIONS: 11/16 Add exclutions
 DRAWN BY: KWH
 CHECKED BY: [Signature]
 DATE: 11/15/10
 VERT. SCALE: 1"=200'
 HORIZ. SCALE: 1"=200'

EXHIBIT B
 FLAGSTAFF BUSINESS IMPROVEMENT
 AND REVITALIZATION DISTRICT
 MESH#13058
 11/15/13

Tax Year 2015
Flagstaff Downtown Business Improvement and Revitalization District
Tax Assessments

20001 - FLAG DWTN REV DIST				
Tax Year:	2015		*Note: Salmon highlight indicates adjusted value calculated.	
Budget:	\$ 127,498			
Tax Rate:	1.7896			
Account Number	Parcel Number	Owner	Primary Net Assessed	Assessment Amount
C0008407	10019002	QWEST CORPORATION	21,735	389
R0012364	10019007	GEILE MANAGEMENT LLC	115,517	2,067
R0028356	10019012	THOMPSON FLOYD W & DOROTHY J	109,568	1,961
R0028359	10019016	MATTINGLY ALBERT PAUL JR & PATSY S	46,508	832
R0028360	10019017	KKHMH PROPERTIES LLC	55,337	990
R0028361	10019018	ABLE BUILDING LLC	75,732	1,355
R0028362	10019019	THOMPSON FLOYD W & DOROTHY J	25,903	464
C0008407	10019020	QWEST CORPORATION	28,980	519
R0061633	10020002	BEISER STEPHEN & ANTOINETTE	34,848	624
R0061634	10020003	DENUNE LIVING TRUST DTD 10/25/00	28,920	518
R0061637	10020007	RAMSEY'S PROPERTIES LLC	21,707	388
R0061638	10020008	KIRSCHNICK RON	26,409	473
R0061639	10020009	GEE ROBERT & LILY TRUSTEES	31,324	561
R0061640	10020010	LEROUX/66 LLC	64,216	1,149
R0061642	10020013	MERKLI EDWARD A & MARTHA M REVOCABLE LIVING TRUST DTD 7-20-09	83,383	1,492
R0061643	10020014	STILLEY PETER B & MOLLY W	21,518	385
R0061644	10020015	ASPEN GROVE LLC	110,234	1,973
R0061645	10020016	SWITZER BUILDING GROUP L L C	71,152	1,273
R0023890	10020017	ASPEN CONSOLIDATED INVESTMENTS LLC	107,679	1,927
R0010378	10020018	FLEMING BROTHERS LLC	123,098	2,203
R0010381	10020023	MT JULIET PROPERTIES LLC	75,845	1,357
R0010382	10020024	ODEGAARD VAN H	43,620	781
R0010384	10020026	WEATHERFORD HOTEL INC	138,188	2,473
R0046285	10020027	STILLEY PROPERTIES LLC	53,244	953
R0046286	10020028	SCHEURING MARY L TRUSTEE ; SCHEURING ML RVCBL LVNG TRST DTD 8-12-04	16,748	300
R0046289	10021005	BERARDI INVESTMENTS NO 2 LLC	66,809	1,196

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R0046290	10021006	RAMADADA INVESTMENTS INC	21,735	389
C0055218	10044001	BNSF RAILWAY COMPANY	11,645	208
R0011648	10118001	BENNETT FRANKIE KATHERINE	9,369	168
R0011649	10118002	BOYER RC & PM FMLY TRUST DTD 10-19-98	65,027	1,164
R0011651	10118004	ARIZONA BANK	172,915	3,094
R0042526	10119002	121 EAST BIRCH LLC	17,611	315
R0042529	10119004	CRAVEN ENTERPRISES L L C	9,051	162
R0042530	10119005	CRAVEN ENTERPRISES L L C	194,371	3,478
R0064326	10119012	VANLANDINGHAM PROPERTIES LLC	327,441	5,860
R0064327	10119013	AWD II LTD	483,555	8,654
R0027573	10121007	STILLEY PROPERTIES LLC	75,397	1,349
R0027574	10121008	COAST & MOUNTAIN PROPERTIES	20,873	374
R0027575	10121009	COAST & MOUNTAIN PROPERTIES	92,156	1,649
R0027576	10121010	WONG FAMILY TRUST U/A DTD 7/1/10	38,982	698
R0027577	10121011	BARNETT P & M TRUST DTD 11-13-08	23,731	425
R0016235	10121012	COAST & MOUNTAIN PROPERTIES	60,883	1,090
R0017152	10121017	TANN SANDRA	29,001	519
R0017153	10121018	POUENMUANG ARIN & CHENNAPHA	16,831	301
R0017154	10121019	MCCORMICK DAVID L & PATRICIA E	38,292	685
R0017155	10121020	MCCORMICK DAVID L & PATRICIA E	90,188	1,614
R0027699	10121022	STILLEY PROPERTIES LLC	8,211	147
R0033992	10138001	BABBITT FOUNDATION	79,314	1,419
R0033993	10138002	107 CORPORATION THE	55,608	995
R0033994	10138003	BABBITT FOUNDATION	106,178	1,900
R0053276	10010001C	VALLEY NATIONAL BANK ARIZONA NA NKA	313,719	5,614
R0030400	10019001A	LEVITAN FAMILY TRUST DTD 10-15-98	98,994	1,772

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R0030401	10019001B	BABBITT JIM & HELENE RVCBL TRUST TDT 10/22/12	55,171	987
R0056732	10019004A	M2M2 INVESTMENTS LLC	260,885	4,669
R0012365	10019008A	DARK SKIES LLC	73,257	1,311
R0028355	10019011A	THOMPSON FLOYD W & DOROTHY J	26,864	481
R0028357	10019013A	THOMPSON FLOYD W & DOROTHY J	39,943	715
R0028358	10019014B	BIRCH STREET PROPERTIES L L C	126,946	2,272
R0061631	10020001A	L & D BUILDING LLC	24,594	440
R0061632	10020001B	TIRAKUL SUCHADA	19,739	353
R0061635	10020004A	PHX AV PROPERTIES LLC	101,012	1,808
R0061636	10020006A	RAMSEY'S PROPERTIES LLC	42,504	761
R0010379	10020019A	SCHEURING MARY L TRUSTEE ; SCHEURING ML RVCBL LVNG TRST DTD 8-12-04	34,005	609
R0010380	10020021A	LOLA'S KIDS LLC	90,428	1,618
R0046288	10021003A	BUS STATION LLC	67,633	1,210
R0010074	10021007A	ASPEN LLC	69,099	1,237
C0055218	10044002A	BNSF RAILWAY COMPANY	10,341	185
C0055218	10044003E	BNSF RAILWAY COMPANY	11,730	210
R0043118	10044006A	ATCHISON TOPEKA & SANTA FE RY CO NKA ; BURLINGTON NORTHERN & SANTA FE RY CC	14,458	259
R0043119	10044006B	FLAGSTAFF CHAMBER OF COMMERCE	78,166	1,399
R0011650	10118003C	STILLEY PROPERTIES LLC	92,659	1,658
R0011655	10118008A	HERMAN & KINNE LLC	375,193	6,714
R0055571	10119001A	121 EAST BIRCH LLC	17,999	322
R0042527	10119003A	CRAVEN ENTERPRISES L L C	8,558	153
R0042528	10119003B	121 EAST BIRCH LLC	8,806	158
R0042531	10119006A	LIMBER PINE ENTERPRISES LLC	174,493	3,123
R0042532	10119007A	FLAGSTAFF LODGE NO 7 F & A MASONS	103,688	1,856
R0064323	10119008B	121 EAST BIRCH LLC	5,972	107

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Tax Rate:	1.7896			
Account Number	Parcel Number	Owner	Primary Net Assessed	Assessment Amount
R0064324	10119008C	121 EAST BIRCH LLC	301,072	5,388
R0064325	10119009E	HOPI TRIBE ECONOMIC DEVELOPMENT CORP	532,408	9,528
R0016236	10121013A	COAST & MOUNTAIN PROPERTIES	104,403	1,868
R0016237	10121016A	PUCHTECTA INVESTMENT GROUP LLC	20,037	359
R0016238	10121016B	FLAG RETAIL CENTER LLC	25,283	452
R0016239	10121016C	WESTBROOK FAMILY TRUST U/D/T DTD 2-24-2000	27,001	483
R0016240	10121016D	DA VINCI INVESTMENTS LLC	40,414	723
R0016241	10121016E	WESTBROOK FAMILY TRUST U/D/T DTD 2-24-2000	11,807	211
R0027698	10121021A	COAST & MOUNTAIN PROPERTIES	57,504	1,029
R0017236	10127002C	ATCHISON TOPEKA & SANTA FE RY CO NKA ; BURLINGTON NORTHERN & SANTA FE RY CC	11,107	199
88			7,124,479	127,498