

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

**Tuesday, June 21, 2016 – 10:00 AM
Staff Conference Room – 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

Vice Chairman Kinne-Herman called the meeting to order at 10:03 a.m.

2. Roll Call

MEMBERS PRESENT:

Vice Chairman Karen Kinne-Herman
Member Antoinette Beiser
Member John VanLandingham

MEMBERS ABSENT:

Chairman David Stilley
Member Tim Kinney

Others present: Dana Kjellgren, District Attorney; Elizabeth Burke, District Clerk; Brandi Suda, District Treasurer; Terry Madeksza, DBA Director.

3. Approval of Minutes of the Board meeting of June 7, 2016.

Member Beiser moved to approve the minutes of June 7, 2016; seconded; passed unanimously.

4. Public Hearing for 2016-2017 Final Budget and Property Tax Levy of Flagstaff Downtown Business Improvement and Revitalization District.

Vice Chairman Kinne-Herman opened the Public Hearing. There being no public input, the public hearing was closed.

A. Consideration of Resolution No. 2016-03: A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF ADOPTING THE BUDGET FOR FISCAL YEAR 2016-2017.

Vice Chairman Kinne-Herman moved to adopt Resolution No. 2016-03; seconded; passed unanimously.

B. Consideration of Resolution No. 2016-04: A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND

REVITALIZATION DISTRICT OF FLAGSTAFF ADOPTING THE PROPERTY
TAX ASSESSMENTS FOR FY2016-2017.

Brief discussion was held on a prior question raised regarding an increase in the assessment for a public utility. Ms. Suda said that these are the final numbers; the time to appeal has passed.

Vice Chairman Kinne-Herman noted that the name of their LLC was spelled incorrectly on the rolls, and she had corrected it in the Recorder's Office. Ms. Suda said that she had received this information awhile back, so it may not have made its way from the Recorder's Office to the Assessor's Office.

Member VanLandingham moved to adopt Resolution No. 2016-04; seconded; passed unanimously.

5. Approval of Audit Contract between FDBIRD and Hinton Burdick.

Member VanLandingham questioned why there was such a large number in Year 2 and 3 for the single audit. Ms. Suda explained that if the District were to get a grant over a specific threshold, a compliance audit is required. If that does not occur, that expense would not be realized. Ms. Suda added that the budget for the audit was \$9,000, so they were pleased with this amount.

Ms. Kjellgren said that she drafted and revised the agreement. There was a sample agreement attached to the RFP and the parties should have responded with exceptions to the agreement when they submitted. She said that they tried to accommodate that, but some were far-reaching, and they eventually agreed to go forward as is.

Ms. Suda said that now that they have a contract she will make sure to get all of the documents together, to go the accrual basis. She said that there will be a Management Discussion and Analysis prepared as part of the audit which she will distribute a draft of to the Board for comments. She said that they would also be contacting the District Attorney for her input on related legal issues.

Vice Chairman Kinne-Herman moved to approve the audit contract with Hinton Burdick; seconded; passed unanimously.

6. Authorization to cancel the regularly-scheduled Board meeting of July 5, 2016.

Ms. Kjellgren said that she had added this item to the agenda as they were holding two special meetings in June, and there was really no need for a meeting in July, but the Procedures required such, unless the Board voted to eliminate the meeting.

Member Beiser moved to cancel the meeting regularly scheduled for July 5, 2016; seconded; passed unanimously.

Ms. Kjellgren said that the next regular meeting would be the first Tuesday in October (October 4), and they would need to include on the agenda authorization for payment of the other half of the fee to the DBA.

7. 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.

Ms. Madeksza gave a quick update, noting that they have been repainting the green assets downtown, using a local company. She said that for their management of that project the DBA received \$25,000 from the City of Flagstaff.

She reported that Movies on the Square has been close to their peak numbers in the past. She said that last year sponsorship levels were around \$4,000; this year they are at almost \$40,000. She said that they are hoping that the relationships being put into place, looking at businesses outside of Flagstaff, will help bring in more revenues so it does not fall on the shoulders of the few who have covered these costs in the past.

Ms. Madeksza reported that they did hire a staff person officially; they are now at 1.75 staff members. This person, Brooke, is a social media expert and will serve as the Marketing and Communications Manager.

She reported that they have already started planning for Christmas activities. They have a contribution of \$12,500 from the City of Flagstaff and they are continuing to work with the property owners. They are talking about trying to increase the holiday presence at Heritage Square, and addressing past problems with electronic capabilities. Member VanLandingham noted that they had the old elevator provides a large concrete building for use with displays, should they so choose.

8. Report of Board of Directors.

None.

9. Adjournment

The Special Meeting of the Flagstaff Downtown Business Improvement and Revitalization District held June 21, 2016, adjourned at 10:25 a.m.

David Stilley, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk