

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

**Tuesday, December 4, 2018 – 10:00 AM
Staff Conference Room - Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

A G E N D A

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
3. Approval of Minutes of the Board Meeting of June 26, 2018 and October 23, 2018.
4. Powers of the District under A.R.S. 48-6808.
5. Terms of the contract with the Flagstaff Downtown Business Alliance (FDBA)
6. Consideration of Resolution No. 2018-04: A resolution of the District Board of the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff calling a Special Election for February 19, 2019, for the purpose of submitting to the property owners of the District the election of Board of Directors.
7. Report by FDBA Director Terry Madeksza.
9. 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.
10. 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.

Stacy Saltzburg, MMC, District Clerk

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

**Tuesday, June 26, 2018 – 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

With Chairman Stilley and Vice Chairman Kinne-Herman absent, Member VanLandingham called the meeting of June 26, 2018, to order at 10:11 a.m.

2. Roll Call

MEMBERS PRESENT:

Member VanLandingham
Member Antoinette Beiser
Member Steve Chatinsky

MEMBERS ABSENT:

Chairman David Stilley
Vice Chairman Karen Kinne-Herman

Others present: District Attorney Dana Kjellgren; District Treasurer Brandi Suda; District Clerk Elizabeth Burke; Flagstaff Downtown Business Alliance Director Terry Madeksza.

3. Approval of Minutes of the Board Meeting of June 12, 2018.

Member Beiser moved to approve the minutes of the Board Meeting of June 12, 2018; seconded; passed unanimously.

4. Approval of Monthly Financial Reports:

- A. March 2018
- B. April 2018
- C. May 2018

Ms. Suda reported that everything looked standard. They were waiting for one more large payment from June for the property tax payments.

Member Beiser moved to approve the monthly financial reports for March, April and May of 2018; seconded; passed unanimously.

5. Consideration of Resolution No. 2018-03: A resolution of the District Board of the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff adopting the Property Tax Assessments for FY2018-2019.

Ms. Suda reported that the proposed resolution adopts the assessment for 2019 at a flat rate, the same rate as last year of 1.6637% for all properties. She said that it will equate to approximately \$14,000 over the prior year. The property owners will pay \$150,530 and pilot payments from the City and County will total \$34,772.

Member Chatinsky moved to adopt Resolution No. 2018-03; seconded; passed unanimously.

6. Consideration and approval of Amendment One to the Agreement for Audit Services between the Flagstaff Downtown Business Improvement and Revitalization District and Hinton Burdick, PLLC in the amount of \$8,200 for 2018.

Ms. Kjellgren explained that this was the third year of the agreement for audit services between the FDBIRD and Hinton Burdick, PLLC. She said that the agreement was for three years and then three one-year extensions, but the original agreement did not have a dollar figure for the third year.

Ms. Suda added that although it states \$8,200, they would only be paying \$5,500 because a Single Audit was not required to be done since the District had not received over \$500,000 in federal grants.

Member VanLandingham said that he was under the assumption that after the first year or two of the audits that the price would go down. Ms. Suda said that they had to put in a lot more the first year, but they should assume that it will be around this amount for the future.

Ms. Suda said that they may want to consider going out for a new proposal next year, but when this first went out this was the only firm to submit. Ms. Kjellgren added that next year there would be some history for others to have a better understanding of what would be required.

Member Chatinsky moved to approve Amendment One to the Agreement for Audit Services with Hinton Burdick, PLLC; seconded; passed unanimously.

7. Consideration of Process for Contracting with New Legal Counsel for the District.

Ms. Kjellgren said that her recommendation would be to go out in the future for a RSOQ (Request for Statement of Qualifications). This allows the qualifications to become the primary consideration versus price. To address this, she was recommending that she develop some Procurement Guidelines which are currently very slim. Most entities have voluminous manuals, and at this time that is not required, but going forward it would be a good idea to have more detail with regard to procurement to ensure that they are meeting state requirements.

Board members directed Ms. Kjellgren to go forward with developing such guidelines.

She said that she would send out a draft to everyone, but she reminded them to not hit "REPLY ALL." Member VanLandingham asked what process they would need to follow to fill Ms. Burke's position since she was leaving. Ms. Kjellgren said that she was comfortable with them appointing Stacy Saltzburg under a sole source process because there are not others available in Flagstaff with the specific experience.

8. Report by FDBA Director Terry Madeksza.

Ms. Madeksza said that they had been meeting quite frequently so she did not have much to report other than the following:

PARKING: The parking revenues continue to come in higher than anticipated. Over the weekends (Friday, Saturday, Sunday) they are generating about 50% of the total revenues. During the summer they are seeing anywhere from \$14,000 to \$16,000 on a weekend. They will end up somewhere over the \$1 million mark by the end of the fiscal year (October).

She said that they are now starting to see some of the expenses as well. They will get the reports showing expenses finalized and sent out to the Board as soon as she has had a chance to weigh in.

Member VanLandingham said that it appeared that the reports are similar to the templates used by other parking districts. He asked if they planned to continue with that template as it did not make sense to reinvent the wheel. Ms. Madeksza said that they would be following the same template and at the end of the year (October) they would prepare an annual report and provide a report to the Council. They will also review policy changes going in to the next year.

Member Beiser asked when the appropriate time was to talk about the need to either restripe, or possibly increase the number of, parking spaces. Ms. Madeksza said that she had conveyed her comments from the last meeting to the ParkFlag office and they will be addressing it. Currently they are focusing their time on correcting the software program used for the employee parking renewal process and once they are done with that, they will turn their attention to this effort.

Ms. Madeksza said that the revenues received are restricted to parking related issues, so it would seem possible that they could use such revenues for either restriping or perhaps increasing the number of spaces. She said that there has also been some discussion of using diagonal parking on those streets that are wide enough to accommodate them and traffic.

Ms. Madeksa noted that a customer's first interaction for a parking violation is a warning and then they would be cited. She said that in the short term, while it may not be ideal, anyone that received a ticket because they could not see the lines could contact the ParkFlag office and they could waive the citation.

MOVIES ON THE SQUARE – Ms. Madeksza said that they just had their fourth week of *Movies on the Square*; one was raised out. She said that the crowds are larger than last year at this time, but the sponsorship is down. It continues to be an event that the community comes out to enjoy. It is free, fun and family-friendly.

9. 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.

None

10. Report of Board of Directors.

None

11. Adjournment

The Special Meeting of the Flagstaff Downtown Business Improvement and Revitalization District Board of Directors held June 26, 2018, adjourned at 10:35 a.m.

David Stilley, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk

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

**Tuesday, October 23, 2018 – 10:00 AM
Council Chambers
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

M I N U T E S

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 Stilley called the meeting of October 23, 2018, to order at 10:07 a.m.

2. Roll Call

MEMBERS PRESENT:

Chairman David Stilley
Vice Chairman Karen Kinne-Herman
Member Antoinette Beiser

MEMBERS ABSENT:

Member Steve Chatinsky

Others present: District Attorney Dana Kjellgren; District Clerk Stacy Saltzburg

3. Approval of Minutes of the Board Meeting of June 26, 2018.

Member VanLandingham indicated that there may be a misprint in the minutes regarding the tax assessment; the minutes read .6637% and he thinks it should be 1.6637%. The Board asked for clarification and to bring the minutes back at the next meeting.

4. Consideration of Authorization of Semiannual Payment to Flagstaff Downtown Business Alliance in the amount of \$79,250.

Vice-Chairwoman Kinne-Herman stated that the contract ends in December 2019 and asked if there would be time to do a new contract without a special meeting. Ms. Kjellgren stated that there is a meeting in the first week of July and that should allow ample time to get a contract in place

Vice-Chairwoman Kinne-Herman moved to authorize the Semiannual Payment to Flagstaff Downtown Business Alliance in the amount of \$79,250; seconded; passed unanimously.

5. Consideration of Process for Contracting with New Legal Counsel for the District.

Vice-Chair Woman Kinne-Herman indicated that Ms. Kjellgren is available to continue with the District for an additional year. Ms. Kjellgren stated that she will be renewing her license next year and will continue practicing until at least December 2019. With a District election this coming year it will be helpful for her to provide historical knowledge and support through that process.

Vice-Chairwoman Kinne-Herman moved to continue legal services with Ms. Kjellgren; seconded; passed unanimously.

6. Approval of an Independent Contract with Stacy Saltzburg for District clerk services for calendar year 2019.

Chairman Stillely thanked Ms. Saltzburg for her willingness to provide clerk services to the District.

Vice-Chairwoman Kinne-Herman moved to approve and sign the contract with Stacy Saltzburg for District clerk services; seconded; passed unanimously.

7. Discussion regarding upcoming Board Member term expirations.

Chairman Stillely stated that the election is coming up in 2019 and asked about the term expirations for the Board. Ms. Kjellgren explained that all terms expire at the same time in February 2019. She indicated that the election was able to be cancelled last year because there were not enough candidates to merit and election.

Ms. Saltzburg indicated that the election would need to be called in December and candidate packets made available for those who are interested in running. Ms. Kjellgren indicated that a special meeting will be needed in December to take this action. The Board agreed to schedule a special meeting on Tuesday, December 4, 2018 at 10:00 a.m. at City Hall.

Member Beiser stated that it may be time for others to step up and consider running for the Board and she hopes that there will be some interest.

8. Report by FDBA Director Terry Madeksza.

Member VanLandingham offered that Ms. Madeksza is out of town attending the International Downtown Association Annual Conference. She provided a written report that she would like to share with the Board.

Attached is the Flagstaff Downtown Business Alliance board approved work plan for the current fiscal year (August 2018 - July 2019). Please note that this is a new report that provides the FDBA with:

- a tracking mechanism for accomplishments and project status
- a structure to tell our story to stakeholders
- accurate reporting to both the FDBA and FDBIRD boards
- focus for staff

The work program follows the FDBIRD's original priorities - Parking, Management, and Advocacy, and adds Administration and Vibrancy as two new priorities. The FDBA budget allows for approximately 3.5 FTEs, and the staff is delivering at a capacity of 4.8 FTEs. As new projects or priorities arise, a process is now in place for discussion and decisions to be made by the FDBA Board.

ParkFlag has been in operation just over one year. As indicated during the approval process, the one year mark offers an opportunity to review policies and make changes where necessary for improvement of the system. An annual report is scheduled at the November 13, 2018 City Council meeting.

Vice-Chairwoman Kinne-Herman shared that she is not sure how vibrancy would be defined. Member VanLandingham offered that administration is logistical awareness to run the operations and making sure that there are time and resources available. He added that he sees goals one and two leading to vibrancy which Ms. Madekzsa has taken to the next step with some of their other events downtown that are less resource intensive.

Ms. Kjellgren cautioned that the District Board needs to keep in mind the purpose of the District which is to provide tangible improvements to the District. These things are Downtown Business Alliance focused and the revitalization focus is to provide tangible municipal benefit. That benefit would be increased through the bike racks, parking structure, and additional municipal services such as cleaning of the sidewalks. The bike racks are in storage and she is not sure what the delay is in getting them installed. The installation was the last requirement of the IGA. It is easy for the line between DBA and FDBIRD to be blurred and it is important to fully understand the purpose of both.

Vice-Chairwoman Kinne-Herman stated that she was not aware that the bike racks had not been installed and asked if there is a problem now with the contract. Ms. Kjellgren stated that the District received a reprieve because the installation has to be coordinated with the City. Member VanLandingham added that the intent is to communicate and work with the City's Public Works department to make sure the racks are not installed only to be removed for future work. He has been in contact with the City and will keep the Board apprised of any movement towards installation.