

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

**Tuesday, April 14, 2020 – 10:00 AM**

To reduce the spread of COVID-19 and protect the safety of district members and the public, in person attendance at the district meeting has been suspended until further notice.

The public and the board members may access the online meeting via Zoom Video Conference at:

<https://us04web.zoom.us/j/506053297?pwd=OUJvMis3SFIsVWxhQWgxeHVMM3g3UT09>

Meeting ID: 506 053 297  
Meeting Password: 020551

**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 David Stilley called the Regular Meeting of April 14, 2020 to order at 10:02 a.m.

2. Roll Call

**MEMBERS PRESENT:**

Chairman David Stilley  
Vice Chairwoman Karen Kinne-Herman  
Member Steve Chatinsky  
Member John VanLandingham

**MEMBERS ABSENT:**

Member Jerry McLaughlin

3. Approval of Minutes of the Regular Board Meeting of January 14, 2020

**Vice Chairwoman Karen Kinne-Herman moved to approve the minutes of January 14, 2020; seconded by Member John VanLandingham; passed unanimously.**

4. Acceptance/Approval of the FY2019 Financial Statements

Ms. Suda presented the FY2019 financial statement. She stated that everything looked to be in order with nothing unusual, and the District ended with an ending fund balance of \$107,862 which was an increase of \$13,324.

**Member John VanLandingham moved to accept and approve the FY2019 Financial Statements; seconded by Member Steve Chatinsky; passed unanimously.**

5. Discussion of FDBIRD Budget FY21

Ms. Suda stated that there are two options for the Board to consider; flat revenue meaning that the same amount is collected as the previous year, and flat rate which increases revenues by approximately \$8,000 over the previous year. She stated that the property tax evaluations were done last fall and most property values did go up the maximum amount of 5%, most likely due to improvements to properties.

Chairman Stilley stated that it is likely that there will be some property devaluation due to the current economic crisis, he asked when it is likely that it would affect the budget. Ms. Suda stated that it is usually a two-year lag and it would likely not be realized until 2022 or 2023.

Vice Chairwoman Kinne-Herman asked if there is a need for the additional funding in the budget. With property owners and businesses struggling with the economic impacts of the pandemic everyone will be dealing with tighter budgets in the coming year. Member VanLandingham noted that the last two years have been budgeted with the flat rate.

Ms. Suda stated that last year the additional funding was used for the management contract with the FDDBA. She indicated that even with the increased management contract the District is at a point where there is a balanced budget even with the flat revenue. She added that they have built in a contingency of \$30,000 if there is ever a need for expenditures mid-year. One thing to consider is that if businesses close or have financial difficulties it may be difficult to get 100% of the revenues with if people delay paying their property taxes. That has not been an issue in the past, but it is something that can happen during a recession.

Chairman Stilley suggested moving forward with a flat revenue. The Board agreed and provided direction to Ms. Suda to bring forward a budget utilizing the flat revenue option.

6. Consideration and Possible Action to Approve Payment of the Semi-annual payment to the FDDBA in in the amount of \$88,250.

**Member Steve Chatinsky moved to approve the payment of the semi-annual payment to the FDDBA in in the amount of \$88,250; seconded by Chairman David Stilley; passed unanimously.**

7. Discussion: Sales Tax Information from the Arizona Department of Revenue

No additional information to report.

8. FDDBA Director Report

Ms. Madeksza provided the Board with the attached report.

Ms. Madeksza stated that the report outlines the efforts from the past two months, but right now all efforts are focused on managing the current pandemic/economic situation. A three-pronged approach with stakeholder communication, forward facing outlook, and advocacy at the state and national levels. Ms. Madeksza is very engaged in the International Downtown Association and there are a lot of resources available and information about what other communities are doing. Many other communities are looking to Flagstaff and what our city is doing in response to the current pandemic. The FDDBA communicated early in the crisis with businesses, and that helped generate communication to the public about which

businesses are doing carry out and delivery. There is a special webpage on the FDBA website dedicated to the businesses, with information on who is open and the financial and support resources available.

Ms. Madeksza indicated that she has been in communication with the City Manager and Mayor about what is coming next and events going forward. She stated that Movies on the Square is coming up, and the DBA board is starting to have conversations about what that will look like since it is such a big fundraiser for downtown. Many large-scale festivals across the country have been cancelled, but some smaller events are still being considered. Downtown will be ready to go when it's safe to open Movies on the Square.

Ms. Madeksza indicated that the CARES Act did not provide any financial aid for 501(c)6 organizations. They are working with the Mayor and Senator Sinema's office, along with other DBAs, to advocate for the addition of that type of funding. They will continue to look for options to help the downtown businesses.

Ms. Madeksza also reported that the Downtown Vision process is underway. The vision plan is more important now than ever before, and they are fortunate to have experts to assist in planning for the recovery efforts. The consultant team is engaged and has taken a deep dive into Flagstaff; they continue to gather information and they are meeting with the City and community stakeholders.

Vice Chairwoman Kinne-Herman expressed her appreciation for the resources being provided and communicating with the public about what is still open and how to access businesses. She also expressed appreciation for Ms. Madeksza and the DBA's work to provide information to businesses on the financial support available to them and where to access that information.


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.*

There was no public in attendance.

10. Adjournment

The Regular Meeting of the Flagstaff Downtown Business Improvement District of April 14, 2020 adjourned at 10:24 a.m.

  
\_\_\_\_\_  
David Stilley, Chairman  
*Karen Kinne-Herman, for David Stilley*

ATTEST:

  
\_\_\_\_\_  
Stacy Saltzburg, District Clerk