

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT**

**Wednesday, April 9, 2014 – 2:00 PM
Council Room – Second Floor (in Administration)
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

MINUTES

1. Call to Order

Chairman VanLandingham called the meeting of the Flagstaff Downtown Business Improvement and Revitalization District of April 9, 2014, to order at 2:02 p.m.

2. Roll Call

Board Members Present

Board Members Absent

John VanLandingham, Chairman
Antoinette Beiser
David Stilley

None

Others present: Dana Kjellgren, District Attorney; Barbara Goodrich, District Finance Director; Elizabeth A. Burke, District Clerk; Public Members Mark Lamberson; Maury Herman

3. Approval of minutes of the March 4, 2014, meeting.

Minutes of the March 4, 2014, District Board meeting were approved by unanimous consent.

4. Consideration of Resolution No. 2014-01 adopting the Rules of Procedure and Operation of the District.

Member Stilley moved to adopt Resolution No. 2014-01; seconded; passed unanimously.

(Further action taken at the end of Item 6)

5. Discussion of Future Assessment Election.

Ms. Kjellgren stated that the District needs to complete the tax election in time to provide results to the Assessor's Office by August 1, 2014. They had discussed holding the election on June 4, as that was the earliest they could accomplish the election, but before most people were out of town for the summer.

She said that it would be a polling place election, but if voters were not going to be in town they could request an early ballot. Ms. Burke added that the Council Conference Room on the first floor of City hall had been reserved for the election, to be held from 9:00 a.m. to 3:00 p.m.

Ms. Kjellgren reviewed the process of identifying eligible voters, which would include residents within the District that were registered voters as well as property owners. Those property owners that were a corporation, LLC, partnership, etc. would have to provide documentation ahead of time to the District Clerk to identify their eligibility to vote as their representative.

Brief discussion was held on the ability of District members to solicit support for the election. Ms. Kjellgren explained that they were permitted to do so as long as District resources were not used.

Discussion was held on the need for the District to adopt a budget prior to the election. It was noted that Ms. Goodrich and Chairman VanLandingham would be meeting to discuss the budget and bring it back on May 6, 2014.

Mr. Herman said that one of the difficulties in developing a budget is the inability of two board members to discuss anything outside of a meeting. He asked how soon they could consider expanding the size of the Board. Ms. Kjellgren explained that under State Statute the initial board is required to be three members; however, it would appear that after the first year the membership may be expanded.

Brief discussion was held on the time of the budget meetings. Ms. Goodrich said that she would be glad to meeting prior to the next regular meeting to allow more time for public comment and discussion by the Board of the budget before final action had to be taken at the May 6, 2014, meeting. It was agreed that a Work Session would be held on Tuesday, April 29, 2014, at 10:00 a.m. to review the proposed budget.

6. Consideration of Intergovernmental Agreement between the City of Flagstaff and the Flagstaff Downtown Business Improvement and Revitalization District.

Chairman VanLandingham said that he and Mr. Eberhard had gone through the IGA and amended some of the deadlines, making them “so many days after the election,” since the tax election would not be happening as early as hoped. The draft IGA will have to go before Council again and Mr. Eberhard said that he has that scheduled for May 6, 2014. Mr. Eberhard said that he sent the amended IGA back out to all concerned and has received no comments. Board members agreed to hold off and reconsider the IGA until after Council approved it and the election was held. The District Clerk noted that once it went to Council substantial changes could not be made unless it went back to them again.

At this time the Board returned to Item 4, Resolution 2014-01, to consider amendments to the Rules of Procedure to allow for a different meeting time for regular meetings.

Member Stilley moved to reconsider this item; seconded; passed unanimously.

Member Stilley moved to adopt Resolution No. 2014-01, amending Section 3.01 of Exhibit A to read, “The District Board shall hold regular meetings on the first Tuesday of every month at 10:00 a.m. ...;” seconded; passed unanimously.

7. Legislative Update.

None

8. Discussion on Bank Account / Bookkeeping of the District.

Ms. Goodrich noted that the District would require a federal and state ID number. It was agreed that she and Chairman VanLandingham would work on that issue. It was also noted that at the next meeting they would need a resolution authorizing signers for an account.

Brief discussion was held on the software program to use for the books; it was agreed that they would move forward using Quick Books.

Ms. Kjellgren said that she did not believe that the selection of a bank would require the public procurement process. Ms. Goodrich noted that if it did, she would suggest that they consider going through the State contract, since nearly every bank was available.

9. Discussion of relationship between the District and a non-profit.

Chairman VanLandingham said that this was an issue he had discussed previously with Nancy Horman who has been a consultant and executive in many districts, including the Downtown Tempe District. He said that there are some working examples of other improvement districts that have legal structures similar to the District working with a non-profit.

Ms. Kjellgren said that she took a look at several documents online related to the Downtown Phoenix Partnership; although the business improvement districts are different than a revitalization district in that they are formed by the City, but do not have an independent existence. However, she said, she still thinks that they can contract with a 501(c)(3) to provide a full range of services. She said that they may need to go through a public procurement process to select the 501(c)(3). Chairman VanLandingham asked if it mattered if it was a 501(c)(3) or (c)(6). Ms. Kjellgren said that she would recommend obtaining advice from a tax consultant for that answer. Mr. Lamberson said that he would look into that issue further and report back.

10. Future Agenda Items

Future Agenda Items discussed included:

- Various financial issues, including publishing of legal schedules for the budget (Ms. Goodrich will work with Ms. Burke after she and Chairman VanLandingham meet)

- Amended IGA
- Election of a Vice Chairman

11. 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

12. Adjournment

The Regular Meeting of the Flagstaff Downtown Business Improvement and Revitalization District of April 9, 2014, adjourned at 2:46 p.m.

John VanLandingham, Chairman of the Board

ATTEST:

Elizabeth A. Burke, District Clerk