

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

**Tuesday, June 12, 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 May 29, 2018.
4. Public Hearing for 2018-2019 Final Budget and Property Tax Levy of Flagstaff Downtown Business Improvement and Revitalization District.
5. Consideration of Resolution No. 2018-02: A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE BUDGET FOR FISCAL YEAR 2018-2019.
6. Authorization to reschedule the regularly-scheduled Board meeting of July 3, 2018, to June 26, 2018.
7. Report by FDBA Director Terry Madekzsa.
8. 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.
9. Report of Board of Directors.
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.

Elizabeth A. Burke, MMC, District Clerk

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

**Tuesday, May 29, 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

Chairman Stilley called the meeting of May 29, 2018, to order at 10:00 a.m.

2. Roll Call

MEMBERS PRESENT:

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

MEMBERS ABSENT:

Member Antoinette Beiser

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

3. Approval of Minutes of the Board Meeting of April 3, 2018.

Member Chatinsky moved to approve the minutes of the Board Meeting of April 3, 2018; seconded; passed unanimously.

4. Approval of Financial Statements:

- A. January 2018
- B. February 2018

Vice Chairman Kinne-Herman moved to approve the Financial Statements of January and February 2018; seconded; passed unanimously.

5. Consideration and Adoption of Resolution No. 2018-01 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE DISTRICT FOR THE FISCAL YEAR 2018-2019; 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 stated that the resolution has a proposed budget that maintains a flat rate, which will provide an extra \$14,000 that will go into the contingency fund.

Member Chatinsky moved to adopt Resolution No. 2018-01; seconded; passed unanimously.

6. Report by FDBA Director Terry Madeksza.

Ms. Madeksza distributed a quarterly report and reviewed a few of the highlights, which included:

Parking revenues continue to be higher than anticipated. She has prepared a spreadsheet through May 23, 2018, that shows weekly, weekend, monthly comparisons. She said that they are headed into the busy season and by the end of this reporting period (October) they will have over \$1 million in revenues.

She said that the DBA distributed a survey to downtown businesses asking their thoughts about the parking program. It was sent to 280 stakeholders and they had a strong response of 35%. She said that what surprised her the most was that the number one issue facing their businesses was minimum wage, not parking.

She said that the Clean Team continues to do great work. She is hearing a lot from the stakeholders that the downtown is looking better.

Ms. Madeksza reported that a few weeks ago the City Council was discussing the possible repeal of the camping ordinance in the City. She said that the DBA mobilized and they had board members attend the meeting and people writing letters and she was pleased to say they were successful in ensuring that the camping ordinance stays in effect as written.

With regard to marketing and communication, she said that they have been communicating to not only the downtown stakeholders but the general population. She said that they have launched the new website which looks great. It has been built to be the #1 resource to anyone coming downtown. They are now creating a monthly calendar of events. She said that the calendar goes to all of their businesses every other week.

She said that they just held their first *Movies on the Square* last Saturday and it was, by far, the busiest first moving since she came. She said that the crowds come for more than the movie. They are setting up at 4:00 p.m. with games and they have interactive activities with sponsors and partners. She said that 60-70% of those attending were locals.

Vice Chairman Kinne-Herman asked about the status of the tables and chairs for the square. Ms. Madeksza replied that they have been ordered. She said that she will be writing a press release. They are red bistro sets, 10 to 12 to start, and they encourage people to linger. She said that the tables/chairs will be out every day, and they were sponsored by Kinney Construction.

Chairman Stilley asked Ms. Madeksza how her meeting with the Mayor went. Ms. Madeksza replied that he was referring to the fact that there have been different entities talking about projects downtown and no one is talking to each other or have been talking to the DBA so she and Member VanLandingham met with the Mayor. She emphasized the importance of having the DBA and the FDBIRD Board in those conversations. She said that the discussion went well and she focused on the need of the DBA to be at the table.

She said that she also discussed with the Mayor the process and opportunity for the DBA and FDBIRD to participate in selecting the next City Manager.

Discussion was held on the fact that sometimes things occur in the Planning Department that others are not aware of. Ms. Madeksza said that she works a lot with Karl Eberhard, but she will be meeting this week with the Planning Department staff to try and improve that relationship.

Brief discussion was held on the fact that the City and County are no longer working together on a joint courthouse and the City is moving forward with building a courthouse at the APS building site and providing parking at the old courthouse site. She and Mr. VanLandingham met with the City Manager and the head of NAIPTA to discuss how they could improve communication. She said that the Shumways (Marriott) were also interested in the old courthouse building site and they conveyed that they would like to connect the Shumways with the City. She said that their efforts are to not miss an opportunity to have the best project possible for that gateway into downtown.

7. 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.

8. Report of Board of Directors.

None.

9. Adjournment

The Special Meeting of the Flagstaff Downtown Business Improvement and Revitalization District Board held May 29, 2018, adjourned at 10:31 a.m.

David Stilley, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk

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

RESOLUTION NO. 2018-02

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF
DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION
DISTRICT OF FLAGSTAFF ADOPTING THE BUDGET FOR FISCAL
YEAR 2018-2019

WHEREAS, in accordance with the provisions of A.R.S. Title 42, Chapter 17, Articles 1 – 5, the District Board did on May 29, 2018, 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 June 12, 2018, 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 June 26, 2018, 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 2018-2019.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 12th day of June, 2018.

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 2019

Flagstaff Downtown Business Improvement and Revitalization District

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Fiscal Year 2019

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**Flagstaff Downtown Business Improvement and Revitalization District
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2019**

THE FINAL OPPORTUNITY FOR PUBLIC INPUT ON THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT BUDGET WILL OCCUR ON JUNE 12, 2018 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 City Hall 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	
2018	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	204,915	0	0	0	0	0	204,915
2018	Actual Expenditures/Expenses**	E	0	179,528	0	0	0	0	0	179,528
2019	Fund Balance/Net Position at July 1***			83,991						83,991
2019	Primary Property Tax Levy	B	0							0
2019	Secondary Property Tax Levy	B		150,530						150,530
2019	Estimated Revenues Other than Property Taxes	C	0	34,892	0	0	0	0	0	34,892
2019	Other Financing Sources	D	0	0	0	0	0	0	0	0
2019	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2019	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2019	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2019	Reduction for Amounts Not Available									
LESS:	Amounts for Future Debt Retirement									0
										0
										0
										0
2019	Total Financial Resources Available		0	269,413	0	0	0	0	0	269,413
2019	Budgeted Expenditures/Expenses	E	0	205,450	0	0	0	0	0	205,450

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

	2018	2019
1.	\$ 204,915	\$ 205,450
2.		
3.	204,915	205,450
4.		
5.	\$ 204,915	\$ 205,450
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 2019**

	2018	2019
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	132,006	150,530
C. Total property tax levy amounts	\$ <u>132,006</u>	\$ <u>150,530</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	\$ 132,006	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ 132,006	
C. Total property taxes collected	\$ <u>132,006</u>	
5. Property tax rates		
A. District tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	1.6637	1.6637
(3) Total District tax rate	<u>1.6637</u>	<u>1.6637</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 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
SPECIAL REVENUE FUNDS			
Intergovernmental			
Payment in Lieu of Taxes	\$ 36,496	\$ 36,276	\$ 34,772
Municipal contribution			
Interest Income	120	120	120
	\$ 36,616	\$ 36,396	\$ 34,892
Total Special Revenue Funds	\$ 36,616	\$ 36,396	\$ 34,892
TOTAL ALL FUNDS	\$ 36,616	\$ 36,396	\$ 34,892

* 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 2019**

FUND	OTHER FINANCING 2019		INTERFUND TRANSFERS 2019	
	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 2019**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
SPECIAL REVENUE FUNDS				
Revitalization District	\$ 204,915	\$	\$ 179,528	\$ 205,450
Total Special Revenue Funds	\$ 204,915	\$	\$ 179,528	\$ 205,450

* 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 2019**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Revitalization District				
Special Revenue Funds	\$ 204,915	\$	\$ 179,528	\$ 205,450
Department Total	\$ 204,915	\$	\$ 179,528	\$ 205,450

* 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 2019**

FUND	Full-Time Equivalent (FTE) 2019	Employee Salaries and Hourly Costs 2019	Retirement Costs 2019	Healthcare Costs 2019	Other Benefit Costs 2019	Total Estimated Personnel Compensation 2019
SPECIAL REVENUE FUNDS						
Downtown Revitalization	None	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Special Revenue Funds		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS		\$ _____	\$ _____	\$ _____	\$ _____	\$ _____