

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

**Tuesday, February 26, 2019 – 10:00 AM  
Council Offices - 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 Special Meeting of February 26, 2019 to order at 10:00 a.m.

2. Roll Call

**MEMBERS PRESENT:**

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

**MEMBERS ABSENT:**

Member Antoinette Beiser

Others present: District Attorney Dana Kjellgren; District Clerk Stacy Saltzburg; FDBA Director Terry Madeksza; incoming Board Member Jerry McLaughlin

3. Approval of Minutes of the Board Meeting of January 8, 2019.

**Vice-Chairwoman Karen Kinne-Herman moved to approve the minutes of January 8, 2019; seconded; passed unanimously.**

4. Consideration of Resolution No. 2019-03: A resolution of the Board of the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff cancelling the special election of March 5, 2019, and declaring the names of the Board of Directors and respective terms.

**Vice-Chairwoman Karen Kinne-Herman moved to adopt Resolution No. 2019-03; seconded; passed unanimously.**

5. Flagstaff Downtown Business Alliance (FDBA) Agreement and Work Program.

Ms. Kjellgren stated that the current agreement terminates on September 22, 2019 unless the Board renews the agreement. If the intent is to renew the agreement there will need to be a new scope of work and a new budget developed. She added that the designation of another public improvement project may be helpful.

Member VanLandingham asked why a second project would be needed. Ms. Kjellgren explained that the statute states that the entity has to do a public infrastructure project, she believes that it is safer to do another project given that the first one was delayed and still not installed. She suggested a possible second phase that would be quite easy to manage.

Ms. Kjellgren also suggested selecting one person to work with the DBA to develop a scope of work and bring that information back to the Board for consideration. That person can also bring periodic updates and status to the Board for any feedback along the way.

Chairman Stilley stated that he would be willing to be the person to work with the Board assuming it can be done by early June prior to him travelling. Member VanLandingham indicated that if a broad outline could be negotiated by April and brought back to the Board in May there would still be time to make any adjustments needed by June. Ms. Kjellgren stated that it could even come back in July for final consideration if needed; the Board often cancels their July meeting, but it is an option if needed.

6. Consideration of a letter to the City of Flagstaff regarding parking.

Ms. Madeksza reported that when the City brought forward the Proposition 412 ballot measure for a new municipal court house a parking structure with 200 spaces was included in the discussion and information to the public. The intent was for there to be a co-located City and County courthouse. The City approached the DBA about getting involved in advocating for the measure from the downtown perspective if they were supportive. The DBA agreed to support the measure because of the parking garage element and advocated for the passage of the bond. Since that time the City and County have separated and there will be no co-located courthouse.

What has been reported is that the City now has plans to build the courthouse without the structured parking. Their plan is to not have structured parking but to have surface parking three blocks south at the existing municipal court site to fulfill the parking needs of the new courthouse. After learning that, she and the DBA Board have been strongly advocating through City leadership for a different solution. A possible solution is perhaps going into a shared garage just north of the courthouse near the redevelopment of the catholic school project which will have a garage associated with it. It is early enough in that design stage to have more structured parking.

The conversation is if there is an opportunity for the City to have dedicated courthouse parking in that garage to almost fulfill the promise of the Prop 412 with about 150 spaces and is there the potential for Park Flag to possibly purchase the old municipal courthouse site for true parking. There is interest from the City and the developers, they have met last week and there seems to be agreement to move forward with investigating the possibilities. It is promising, but it will not happen without daily reminders to City leadership. Continued pressure in the sense that DBA and FDBIRD are partners and trying to get to a solution.

Member VanLandingham indicated that up to this point, Ms. Madeksza has been doing most of the heavy lifting with advocating that the City be accountable for their commitment to parking. For consideration of the Board is a letter to the City regarding parking. It is time for the Board to say something publicly to the City. Five years ago, when the District was formed, it was formed based on parking and advocacy. The way to resolve that is to manage parking and provide additional supply. The City was on board with that and now there will be a generational building that will not have adequate parking, structured parking, and the parking that does exist is three blocks away.

Ms. Madeksza stated that there is language in the letter that talks about the broader community voting on the issue and it was something desired by the entire community. There are other ways to engage the broader community and invite people to help with this issue. Right now, they are seeing some movement from the City in a positive way. And now is the time that the DBA and FDBIRD formally say that they are watching.

Parking is for downtown customers, it is an economic development tool and the structure is needed for the future of downtown. She is proposing a letter on behalf of the FDBIRD Board and DBA stating their position, and she is asking Board members to contact the Council asking for the leadership and pressure on leadership to see this through and make it happen. As long as there is movement towards a good solution, she would like to follow that approach before going any bigger.

Chairman Stilley asked if there is resistance at the City from the cost perspective. Ms. Madeksza stated that she thinks it was something that they did not look at and they went for the easiest

approach of building the courthouse first. It was the easiest solution for them but not in the best interest of downtown.

Chairman Stillely indicated that there is opportunity to acquire the lot so that there is not another outside partner. There is concern that the City committed to 200 structured parking spaces and now they are contemplating surface lots, and if there are not 200 spaces there should then be some offset in the cost of the lot or accommodations for the City not meeting their obligation.

Ms. Kjellgren stated that there is a lot of discussion about contract negotiations and she reminded the Board that they have the ability to go into an Executive Session regarding legal advice and property negotiations.

Ms. Madeksza provided a copy of a draft letter for consideration.

Member VanLandingham offered appreciation to Ms. Madeksza for the work she is doing on behalf of the District. Forming the District has given her a seat at the table to advocate for downtown and make sure things are going in a positive direction.

Ms. Madeksza stated that the City was planning to build the new courthouse, put surface parking in and then go through the charrette process and invite the community to give information on what they want to see on the lot. The DBA was able to say that there needed to be a vision of the whole downtown and not just a piecemeal of various sites. The City is now looking to the DBA to lead a visioning process for the downtown. They are in the process of negotiating who the financial partners are and she is happy to keep the Board updated on their progress. It is exciting to be able to actually influence what is happening with the downtown and it is a strong statement that helps position FDBIRD and DBA in the community.

There was discussion about possible edits to the draft letter. Ms. Madeksza asked that suggestions be sent to her via email.

7. Consideration of a letter to Coconino County regarding continued investment.

Ms. Madeksza stated that the letter to Coconino County has not been drafted yet. The County is planning to relocate out of downtown to a location on King Street. They will be moving the assessor, recorder and other offices out of downtown; they will be moving other departments into downtown, but it leads to an opportunity to ask the County what they are going to do to show their continued support and investment in downtown. There is going to be redevelopment of their existing property, maybe it is a financial contribution of vision or a shared parking structure, or some other opportunity. Her suggestion is a letter to the County similar to City stating that FDBIRD wants their commitment and investment of downtown.

Member VanLandingham indicated that the information presented by the County was that the move out of downtown was largely due to parking. It is an opportunity for the Board to discuss the acceleration of their plans and understand what their intention is.

Vice Chairwoman Kinne-Herman offered that since the FDBIRD are partners with the County in the District, approaching them from a partnership perspective is very important. The County has made that commitment by paying the tax for the District and we want to work with them.

The Board agreed that Ms. Madeksza should draft the letter and send it out to the County.

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.*

Member VanLandingham noted that it is Ms. Madeksza's four-year anniversary and the DBA is working on her performance evaluation. If there are any comments or feedback any Board members would like to provide, please provide them to him offline.

Ms. Madeksza gave an update on the public infrastructure project. Due to weather the site walk was rescheduled for February 28<sup>th</sup>. All the pieces are in place and ready for installation. Kinney Construction Services will be doing the work and the impact to the public will be minor. Not all ten bike racks will be done at one time but two or three should be installed within a month.

9. Informational Items and Reports To and From Board and Staff

None

10. Adjournment

Special Meeting of February 26, 2019 adjourned at 10:54 a.m.

DRAFT