

Minutes
Business Improvement District
November 10, 2011

Board Present: Stacey Schaefer, Julie Duffy, Steve Alley, Andrew Ferrin, Garry Hackett
Board Absent: Doug Lorello, Hayley Leray
Staff Present: Joan Redeen
Guests Present: Alison Fried, Conn Forder

- I. **Call to order:** Stacey called the meeting to order at 9:00am.
- II. **Guests:** Conn Forder, with Stockman Insurance, was present at the request of the Board. Conn noted that his insurance quote was comparable to our current coverage. He noted that he added Hired Auto to the liability and Employment Practices Liability to the D&O. If we switched to the policies he is recommending we'd have \$1M in liability on the Cat and the coverage would be on employees and the board. Discussion followed on insurance on the Johnson Hotel building and coverage for the EDA grant. Joan noted that the EDA has informed her that the BID would be liable for \$558K for the grant if anything were to happen to the building. Conn noted that the BID should be listed as additional insured on the Condo Association policy and put the EDA as a lienholder on that policy as well. Julie noted that if the grant was solely for the 3rd floor we should add the EDA as a lienholder on our policy. Conn noted that there are several options in regard to the Johnson, the BID could increase the equipment coverage and switch to replacement cost or be sure the association covers the shell of the building and the owners insure the insides. Joan will provide Conn with a copy of the Association insurance policy so he can review it and make a more informed recommendation.
- III. **Approval of minutes from 10-20-11 meeting:** Julie motioned to approve the minutes from the 10/20/11 meeting. Garry seconded. **Motion passed unanimously.**
- IV. **Financials:** Joan provided copies of the Audit to all board members present.
The Board received the September & October financials via e-mail. There being no discussion on the financials Andy motioned to approve the 9/30/11 & 10/31/11 financial statements which include the Balance Sheets, P&L, and the P&L/Budget comparison. Garry seconded. **Motion passed unanimously.**
Joan reported that the CD's with Stockman Bank renew on 1/6/2012 and 1/10/2012.
Julie instructed Joan to transfer \$10K from the money market account to the checking account.
- V. **Grant Programs:** Joan noted that the following grant was submitted, and was approved by the Board via e-mail: Kandy Zanto, Feather Your Nest at 423 Central Avenue, Interior Grant for \$600. Julie motioned to approve the grant as previously presented. Andy seconded. Garry & Steve voted against. **Motion passed.**
Last month Steve inquired about what constitutes a quorum and asked Joan to contact the City to get an answer. Joan spoke to Jenn Reichelt at the City and was informed that a quorum would be defined in the By-Laws. Joan informed Jenn that the BID Board has been adamant that they do not have By-Laws. Jenn noted that there is no way that the BID would have become a 501(c)3 without By-Laws. Joan did some digging in the BID files and found two sets of By-Laws; one very old and one more recent. She suggested to the Board that perhaps By-Laws were adopted when the BID was formed in 1989 and since that time perhaps the BID had attempted to update them and that it was the update that was not approved. If we assume that is correct, based on the older set of By-Laws a quorum is defined as "Present of a majority of the trustees in office at a meeting of the Board of Trustees constitutes a quorum for the transaction of business..." Based on this Jenn noted that the BID would not have had a quorum present last month to approve Garry's residential grant as Julie and Garry had both abstained; if Julie had not abstained we could have proceeded forward on the vote but without that additional vote there was not a quorum.
Discussion followed on the BID's current grant criteria and the changes that need to be made. Steve noted that he'd like to see the criteria read "Submit application prior to starting work" so applicants

can begin working and the Board can review them at board meetings and not hold the work up. Stacey asked all the board members to review the criteria and the Board can schedule a work session once everyone has reviewed the criteria. Garry noted that he thought it might be better if we read through them together, Steve was in agreement. Garry also suggested that we plan to review one grant per meeting. It was decided that the Interior Grant will be reviewed at the December board meeting.

Joan noted that an update is needed on Steve's interior grant. Steve instructed Joan to remove his interior grant from the books, freeing up \$5K in interior grant funds. He noted that he will re-apply in the future when he is ready to move forward.

VI. Old Business:

Beautification: Downtown Sound System: Joan noted that the transmitter will be shipped out.

Graffiti: Joan reported she has ordered some Elephant Snot to try.

T-Shirts/Hats: Joan noted that she and Alison have discussed colors and Joan is ready to move forward on placing an order. Joan added that we'll need to acquire some warm winter coats for our ambassador. The Board instructed Joan to get prices for coats.

Joan reported that she met with the City in regard to the Cat and plowing snow. The City is excited that we're going to be doing this but they do have one concern. They are concerned about the weight of the Cat and underground vaults that are located under several sidewalks downtown. The City made the suggestion that the BID send out a mailing to all of our property owners to let them know that we intend to do snow removal and that they could let us know if they have an underground vault that we should be aware of. The Board suggested that Joan send out postcards to the property owners.

Downtown Action Alliance: Joan noted the letter that the Board received a draft of via e-mail was sent to the City and a copy was provided to everyone at the last DAA meeting. The letter noted that the BID is ready for the DAA to transition, whenever the City is ready for that transition. The BID will continue to manage the DAA until that time. Brant with the City noted, at the DAA meeting, that he was very excited about the letter and the possibilities moving forward.

Downtown Great Falls Association: Marketing: Joan informed the Board that no formal request has been received from DGFA as of yet for marketing funds. She reported that of the \$20K only \$1,086 remains to be funded.

Joan reminded the Board that the Parade of Lights is Friday 11/25 at 6pm. The Christmas Stroll is Friday, 12/2 from 5 to 9pm. Stroll buttons are on sale now. The BID and DGFA will host its 2nd annual open house on Thursday 12/8 from 4 to 6pm.

Downtown Master Plan: Joan noted that the Community Development department had held a meeting, but no other word had come out yet. Joan added that Mary Jolley expressed some displeasure with the letter as she appreciates that the DAA is managed by the BID. Garry reported that the City is working on the RFP for Complete Streets.

Downtown Safety: Joan informed the Board the Business Watch meeting was held on Tuesday November 8th, the topic was Code Enforcement and the speaker was Heather Rohlf with the City. Joan added that the Business Watch program is in need of sponsors.

Great Falls Development Authority: Joan reported that the Branding will be unveiled on November 17th at GFDA's luncheon. She added that she will be attending and inquired if any Board members wish to attend. Julie noted that she will attend; Joan will RSVP for Julie.

Insurance: Joan informed the Board that Steve Erwin will be in attendance at the next Board meeting, as per the Board's request from last month.

Johnson Hotel: Joan informed the Board that there is nothing in writing specific to our Business Incubator that states anything about a two-year limit in the incubator. There are several articles in the file that suggest a time limit ranging from two to five years. The rental agreements for the current tenants are month-to-month and do not note any time limit. Joan noted that she believes that the current tenants are unaware of any sort of stipulation in regard to length of time in the incubator. Garry suggested that a letter be written to all of the tenants informing them of the original purpose of

the incubator. Julie added that they should be informed that they all have two years left from the time the letter goes out. Steve noted that we should also have a business plan from each of them. Discussion followed on Sequoia and their vacant space that they continue to pay rent on. The Board noted that Joan needs to get a commitment from the potential tenant and upon receiving that commitment Joan can give Sequoia 30-day notice.

Parking Commission: Joan reported that the City will be offering free parking the week of 12/19 to 12/24. She added that she learned in Bozeman that the Bozeman BID is a voting member of the Parking Commission.

TIF Funds: Joan reminded the Board that they were going to review the Master Plan Implementation Table and pick out a project they could recommend to the City be done with the unused TIF funds from 2009. Joan suggested to the Board that the BID's suggestion could be that those unused TIF funds be used to hire an employee to manage the Downtown Partnership and that the BID offers our office as space for that employee. That way the City doesn't have to wait on creating a new TIF and funding that TIF. The Board instructed Joan to write a letter to that effect to the City.

Work Plan: Joan noted that she continues to follow the work plan.

VII. **New Business:** Joan informed the Board that she attended the Technical Assistance program where they unveiled the feasibility studies for the Rocky Mountain building and the Owl Cigar building. She added that she has a copy of the RMB study if any board member wishes to view it. The study notes that the project can proceed with approximately \$200K. Garry noted that the building foundation already has \$100K.

Joan informed the Board that she has received a formal letter from the City giving the BID permission to move forward on the 1st Ave North underpass art project. Joan will now work on getting MDT to provide the same type of letter; once that letter is received the BID can move forward on that project. She added that a property owner has expressed an interest in having an artist create a mural on the back of their building in the alley; this particular location is a frequent target for graffiti. Joan is going to try and find a willing artist to work with the property owner. Steve commented that the plywood that will be placed in the windows of the RMB should be turned into works of art before it is placed in the windows.

Stacey asked Joan to have an attendance listing and the policy at the next board meeting so Board attendance can be discussed.

Stacey inquired about the status of the Chambers Low-Cost Air Carrier initiative. Joan noted that the Chamber is hosting a breakfast at the airport next week at 7am with Frontier present at the meeting. Garry asked that Joan let him know when the breakfast is as he may be interested in attending on behalf of the BID.

Garry informed the Board that the CLI project will involve adding bikes to downtown. They will be available for folks to ride around downtown. There will be a few locations where they can pick them up but the CLI team would like to be able to locate some of the bikes in the BID office. Joan noted that this was something the Board had discussed previously and we are willing to host bikes in the office. Steve added that they have \$2K in funding and they are going to work with the Optimist Club to maintain the bikes.

VIII. **Public Comment:**

IX. **Adjournment:** Meeting adjourned at 10:50am.

Stacey Schaefer, Chair

Joan Redeen, Staff

Date: _____

Date: _____