

**Business Improvement District
318 Central Avenue**
Via ZOOM – Recording available via the City of Great Falls records request
June 11, 2020

Board Present: Travis Neil, Max Grebe, Jason Kunz
Board Present via Zoom: Trista Besich, Matthias Schalper, Alison Fried
Board Absent: Shari Dolan
Staff Present: Joan Redeen
Guests: Christian Leinhauser, Jolene Schalper, Sherrie Arey

- I. **Call to order & Roll Call:** Travis called the meeting to order at 9:04am; roll call of all present, a quorum was established.
- II. **Guests:** No guests present wished to address the Board, at this time.
- III. **BID Board: Conflict of Interest:** No board members had a conflict of interest, at this time.
Board Vacancies: Joan reported that Trista Besich, with Alluvion, was appointed to the Board. Matthias Schalper has submitted his resignation, effective 6/12/20; Sharie Dolan resigned and her term ends 6/30/20; Travis Neil's term ends on 6/30/20. Max Grebe had his term extended and his term expires on 6/30/2024. We currently have three vacancies and have one application at the City at this time. She noted that Sherrie Arey, who has joined the Board meeting today, has submitted her application to the City and it was provided to the Board via email for their consideration. Matthias recommended that Sherrie Arey be appointed to the Board. The Board agreed; Joan will notify the City of the recommendation. Joan added that she continues to work on soliciting for board members, she has interested parties who have not submitted applications yet.
Board Officer Elections: Alison reported that the nominating committee recommends Max Grebe to serve as Board Chair, Jason Kunz to serve as Vice-Chair and they have not confirmed anyone to serve as treasurer at this time. Joan reported that Trista Besich was asked if she'd be willing to serve as treasurer, but she has not confirmed that yet. Alison motioned to approve Max Grebe as Board Chair and Jason Kunz as Vice-Chair for FY2021. Matthias seconded. **Motion passed unanimously.**

Trista Besich arrived at 9:23am.

Board Resolution: The Board reviewed the most recent draft of the proposed resolution that has been discussed, most recently, since March. The proposed resolution reads as follows, "Be it resolved, effective July 1, 2020, that the Board of Directors of the Great Falls Business Improvement District henceforth requires any board member to resign from the Board of Directors prior to making application for or receiving any grant funds and cannot serve on the Board of Directors for at least one year following the final payments or receipt of such grants funds." Discussion followed, with possible examples of board members and conflict that might exist. Trista inquired about the grants that Alluvion currently has with the BID. She added that she recalls conversation about grants in the future for the façade; she wants to be sure there is not a conflict of interest as it stands now and will resign from the Board, if needed. It was noted that Alluvion only has an Art Grant for \$1,250 that has not been funded; no other grants have been approved for Alluvion. Trista noted that she will relinquish Alluvion's \$1,250 art grant. Joan noted that if Alluvion wishes to pursue grants in the future then Trista can submit her resignation from the BID Board, at that time. Joan reminded the Board that they are able to change policies, Bylaws, amend this resolution, etc. at any time that they may feel the need. Matthias motioned to approve the proposed resolution, as presented. Alison seconded. Trista abstained. Jason opposed. **Motion passed.**

- IV. **Approval of minutes from 5-14-20 Board meeting:** Jason motioned to approve the meeting minutes from the 5/14/20 Board meeting, as presented. Trista seconded. **Motion passed unanimously.**
- V. **Financials:**

Monthly Financials: There were no financials for March or April or May; Joan is going to inquire if Sheila Rice would be willing to volunteer and complete the reconciliations.

Trista noted that she will be willing to serve as Treasurer.

Joan reported that payroll has been transitioned to be direct deposit; with four employees we have never had DD and with COVID it made sense to set it up. Travis, Max, and Shari Dolan were all aware when this transition was made.

Budget FY2021: Joan presented the draft budget, compared to the current budget and the actual expense for this fiscal year. Discussion followed on the current bank balance and expenses between now and 6/30, as well as any potential income before 6/30. Joan noted that she has recommended budgeting zero dollars for our grant programs for the upcoming fiscal. With \$330K in grants payable and our bank balance where it currently stands, and not knowing what our BID assessments may look like, this is the tough decision to make but also will allow the board an entire year to review all grant programs and hopefully introduce new programs in July 2021. She added that the budget line item for Salaries includes the DGFA staff member, as well as the half for the GFDA staff member, if the Board approves the PSA with GFDA later in this meeting. Current fiscal year expenses are \$384K and \$159K of that are grants, we do not have the bank balance to sustain that kind of funding at this time. Joan shared that when she was first hired almost a dozen years ago, she was told the average monthly expenses was \$10K; she reviewed what the average income and expense has been for FY20. Average monthly income in FY20 has been about \$15K and our average expenses, not including grants paid out, has been \$19K. Matthias inquired about suspending the grant programs; Joan noted that the Board motioned in February to suspend all BID grant programs and that has been the case since that date. Discussion followed on updating the website to reflect that the grants will remain suspended for the next year. Joan informed the Board that while they are able to change the Bylaws, etc., they do not have as much flexibility with the budget as it is approved by the City Commission. Changes to the budget can be done, it just has to go through the City Commission for formal approval. Joan informed the Board of their options in regard to the proposed budget if they wish to make changes. Matthias noted that he would suggest that the Budget be approved as presented and if a windfall comes to the BID then revisit the budget and bring back grant programs as soon as there is funding available. Mathias motioned to approve the budget for fiscal year 2021, as presented. Jason seconded. **Motion passed unanimously.**

VI. Grant Programs:

Grant Applications: The grant schedule for FY 2020 was emailed to the board and reflects the following: current grants approved remaining to still be paid out total \$330,464. So far, this fiscal year, \$167,825.80 in grants have been paid out and grants approved this fiscal year total \$234,736.40. Joan reminded the Board of grant applications that have been received since the grant programs were suspended, the following applications are being held: Calvary Chapel; Newberry; Harlos; and Cyrus Investments. Joan added that these applications were all received prior to 3/13/20. The Board recommended that Joan send them letters that the grant programs are suspended, indefinitely. Travis recommended that the verbiage from the grant programs be utilized in the letters.

Joan informed the Board that the Business Recovery Program is pretty much dead in the water. She has received \$5K from the Davidson Family Foundation and a commitment from Wells Fargo that they would be willing to provide \$5K. She added that it won't be worthwhile to run with this program with \$10K and the BID bank account is not in a position to fund this program. She added that she looked into CDBG funding and TIF funding to fund this program and none of those programs will work. She noted that she'd return Davidson their \$5K. The Board recommended that she inquire with Davidson if they'd allow the BID to utilize those funds for ArtsFest MONTANA 2021.

Joan reminded the Board that they received grant payouts for Sage and for Pathwise, via email. Jason noted that for discussion going forward on accountability in regard to our grant programs this is an example as he raised concerns in regard to these applications when they were first submitted as it is

the same owner. He recently did a walk thru on the finished offices and it is one office, with one entry. He believes that this should have been one grant, not two. He added that going forward we need to have something in place to eliminate this possibility. Travis inquired if there were two tax ID numbers; Joan noted that they did submit two tax separate ID numbers and that is why the Board approved both grant applications. Joan noted that there are two different suite numbers; Jason noted that there are two entries but one is blocked and there is no signage to differentiate that there are two businesses in the one space with one entryway; it is the same business, it is not staffed by anyone differently; he added that he didn't even mind the Business Incentive Grants but for the Interior grant it is one location. Discussion followed on the costs for the project, between the two units it was over \$146K for about 1,000 square feet. Travis noted that it does appear that a thorough review of the space and how it's laid out was overlooked when reviewing the original grant application. Discussion followed on the Board's history with rescinding grants, Joan noted that other than grants that have not been completed the Board has never rescinded a grant. Matthias noted that he is in agreement that the checks should be signed, but further review in the future should be done. The Board signed the checks for the payouts on both grants and the Board will take this instance under consideration when reviewing the grant programs. Joan noted that the checks will not be released until funds come in from the City.

VII. Old Business:

Beautification: ArtsFest MONTANA 2020: Joan shared Cameron Moberg's proposal for ArtsFest MONTANA 2020; it was just received. He recommended Tier One - Dreaming Big with 6-8 artists/murals for \$50K; Tier Two - Doing Big Things with 4-6 artists/murals for \$40K; and Tier Three - We Can Do This, with 3-5 artists/murals for 30K. Joan reminded the Board that with the FY2021 Budget the Board just approved \$40K for art downtown; she noted that her intent was never to spend all of these funds on ArtsFest. Joan added that in FY20 the Board approved \$15K for ArtsFest 2021. So that provides \$55K for Art downtown; she noted that she does not want to spend \$55K of BID funding on ArtsFest 2020 as she'd like to have seed money in the spring of 2021 for ArtsFest 2021 (like the \$15K the Board approved this spring). She added that she continues to pursue additional grant opportunities and applied for a grant through the AARP for their community programs. Joan explained the specific project that was proposed for the AARP grant; she added that AARP has called to inquire about the project and expressed interest. They have not sent formal approval of the grant, yet, but Joan remains hopeful. If successful in submitting for this grant, it may be an additional \$15K that can be put toward ArtsFest for the specific project submitted for. Joan recommended that the Board approve Tier Two – Doing Big Things. Discussion followed on the role that Tourism will play in regard to funding ArtsFest; Joan noted that they provide marketing. The budget Tourism provided for this year includes \$2K for a brochure, \$2K for video, \$5K for paid media placement and \$1K for an app, a total of \$10K. Jason requested last year's photos and video, and if there was paid media placement last year do they have any reports. Jason plans to donate a dedicated website for ArtsFest. Discussion followed on the buildings that will be willing to be a part of the project. Discussion followed on what contribution the property owners need to make to the project; Joan noted that last year no property owners were charged and in the interest of fairness that should be the case this year. Jason suggested that we still require the property owners submit a \$1,000 check with the application and those checks can be returned or the property owners can make that donation to the BID if they wish to do so. Joan noted that if we charge property owners this year, we need to charge the property owners from last year, but she sees no issue with collecting the \$1,000 checks with the application and returning them or asking that the property donate them. Joan added that if the Board will approve the \$40K but if she's only able to get 4 buildings for murals, she will tell Cameron that we are doing Tier 3 (\$30K), rather than Tier 2 (\$40K). Max motioned to approve Tier 3 with the contingency to move to Tier 2 provided we have enough interest from business owners who are willing to pay \$1,000 per mural. Trista seconded. **Motion passed unanimously.**

Max Grebe arrived at 10:26am.

Banners: Joan reported that the new banners that display all of the 600+ graduates of the Class of 2020 were installed on Friday, May 29th. These banners will be on display until September. Joan worked with Speaking Socially and Embark sponsored all of the costs. She added that no BID funds were utilized for the project.

Flowers: Joan reported that we are having a large learning curve with the new self-watering pots, they are not looking very good. We are watering more than we should be with self-watering pots. We are inquiring with EarthPlanter and working with Tilleraas to figure this all out.

Downtown Great Falls Association: Joan reported that DGFA is launching a Summer Market, it will run from 8am to 1pm and Central Ave will be closed. All restaurants and retailers are being encouraged to move out into the street and sidewalk; she'll have vendors along the street, as well. Similar to the traditional Sidewalk Sale that will happen again in July, and she'll be expanding on the Night Market in August. The Brew Fest and Craft Beer Week have been moved to September and she continues to plan; the Brew Fest is 9/19. Brothel Tours will be happening the end of June, as the trolley holds 20 and they can continue that event, it has been sold out.

Downtown Partnership: Wayfinding: Joan reported that Wayfinding continues to progress; public input on identifying places of interest that should be included in the plan just wrapped up.

Joan reported that the DDP approved the expense for the Traffic Signal Box for this summer, the box at the corner of 9th Street S and 2nd Ave S will be wrapped later this summer. She added that she has the artwork for the next three years, so no solicitation for artwork is necessary for the next three years, simply installation.

Downtown Safety Alliance: Joan reported that she has worked more in the past two weeks than she's worked with art projects; due to the protests taking place across the nation we had a rash of graffiti, that has already been removed. She informed the Board of a potential threat to downtown that occurred about a week or so ago that started with a Facebook message to five people and when it was over there were over 60 people in that message. Last week Friday there was a peaceful gathering on the Civic Center steps and the business owners had a bit of a panic over the potential gathering; it was a peaceful gathering and nothing bad happened in both instances. GFPD has their volunteer crew getting up and running, we should start to see them out and about. Safety Alliance continues to meet on the first Tuesday of every month, the next meeting is July 7th. July's meeting will take place in the Downtown office, then in August we will be back to meeting at NWGF.

Great Falls Development Authority: Professional Services Agreement: Joan reminded the Board of the Professional Services Agreement the BID currently has with GFDA, that is set to expire on 6/30/20, the draft was emailed to the Board. Joan noted that she is fine with the budget that has been presented in the draft agreement and noted that the figure was included in the budget for FY2021 that the Board just approved. She added that our new rental rate for FY2021 for the office space was provided by our landlord. GFDA will be paying their entire year's rent to the BID in July; the BID will be writing two checks to the Dunn Brown building for about \$3,300 each and GFDA will be reimbursing the BID for \$3,300 approximately. She noted that this agreement is the same except for the dates and budget. Max motioned to approve the Professional Services Agreement between the BID and GFDA for fiscal 2021. Matthias seconded. **Motion passed unanimously.**

Christian reported he on January 9th was his first BID board meeting; going into the 6th month of this he is grateful for the BID renewing the agreement. In the last 30 days there have been two announcements of projects. Three new businesses have opened within the BID boundaries; Harlos Sugar Spa, Cassiopeia Books moved into the BID; and Central Avenue Meats opened. There are eight new projects that have started, five businesses that are seeking to expand, and seven targets on the target list that have been contacted. They are now moving into the second 6-month phase of the work plan; they are working on their marketing packaging; finishing up the block visioning. They have 35 target businesses that they think will do well in our Downtown; these are opportunities that they will start reaching out to. They are using data from similar communities; what are these other

communities doing, who is there and who do we think would do well in Great Falls. In the past six months, Christian has reached out to 80 businesses. The Milwaukee Station apartments were officially announced, there is still more to be announced in regard to that project as it progresses. The Metropolitan building, Keith & Christina Crohn, have announced their plans for that project. Travis inquired if they have submitted for grants; Joan noted that they have not, but our grant programs are all suspended so they won't be able to utilize them. Christian added that they are always building awareness of projects that can impact downtown, so they are doing some focus videos; they've done videos on Central Ave Meats and Harvest Craft Kitchen. As soon as travel is allowed, GFDA will be traveling to some outside markets to promote our downtown and encourage those businesses to come to Great Falls. They are still moving forward with planning their Invest Great Falls; it will take place once we are in Phase III. They continue to develop the downtown property list that includes all of the property owners and the business information. Joan noted that with the recent threat to downtown we expanded on that list quite a bit because so many people reached out.

Parking Commission: Joan reported that the Parking Commission has three members; two additional members are needed. Parking enforcement will be going into effect very soon; the proposed date is 6/21. The City had to install signage and must notify the public that enforcement is going back into effect. The meters will not be put back, at this time. There will be a 2-hour limit and tickets will be issued based on the current fine schedule. This is a great experiment and two key metrics will be how many complaints continue to come in from business owners and also if enforcement can be paid for with the cost of tickets that are issued. Discussion followed on meters; if new meters were to be installed it would come with a large price tag.

Personnel: Joan reported that Will is back to a full-time schedule for the summer; Kristie is also working less than 10 hours a week at this time. Joan added that she continues to work from home on Monday's and Friday's and is in the office Tuesday-Wednesday-Thursday. She noted that she will be out of the office from Friday July 17th and back in the office Monday August 3rd.

Work Plan - FY 2021: Joan presented the draft of the Work Plan for FY 2021 that was also emailed to the Board. Max motioned to approve the Work Plan for FY 2021, as presented. Matthias seconded. **Motion passed unanimously.**

Board Officer Elections: Matthias motioned to appoint Trista Besich as the Treasurer for FY2021. Max seconded. **Motion passed unanimously.**

VIII. New Business: No new business, at this time.

IX. Public Comment: No public comment, at this time.

X. Adjournment: Meeting adjourned at 11:04am.

Travis Neil, Chair

Joan Redeen, Staff

Date: _____

Date: _____