

**Downtown Business Improvement District of Missoula
Board of Trustees Meeting Minutes
Tuesday, February 21, 2012
ALPS Conference Room
111 North Higgins (Second Floor)**

Attendees: Charlie Beaton, Ellen Buchanan, Dan Cederberg, Tim France, Carma Gilligan, Rich Huffman, Alan Newell

Absent: N/A

Staff: Rod Austin, Patrick Ryan

Guest: Cliff Larson, State Senator. Linda McCarthy, Executive Director MDA

1. **Meeting Commencement:** 3:07 pm
2. **Introduction of Guests and Public Comment:** See item 3 below.
3. **Discussion of Cliff Larson:** State Senator Cliff Larson introduced himself and all in attendance did likewise. Larson discussed his previous work in legislature and the fact that he was running again, unopposed. Larson also addressed board concerns, including:

The possibility of the loss of TIF funding, especially for smaller, unincorporated towns, although Larson thought this risk was small and thought TIF financing would continue. Larson indicated he would be willing to be a champion for TIF funding.

Discussion ensued about term limits and Larson indicated a large number of the legislators believed term limits were a detriment to the process and that legislators who served longer terms would have a deeper understanding of the issues and bills put before them.

Linda McCarthy discussed the value of tourism throughout the state and that some legislators don't truly understand the true value of tourism for the state. For every one resident, Montana has ten tourists. And, although the bed tax was raised from 3% to 7%, 4% still goes to the general fund. McCarthy emphasized the need to value tourism more. Larson was in absolute agreement.

Discussion ensued about the monetary surplus in the Montana budget and what might happen with those funds. Larson believed some of the surplus should be used for infrastructure and indicated that some of that money should be committed to the University's College of Technology.

Rich Huffman questioned the increasing number of oil wells being created in North Dakota instead of Eastern Montana. Larson responded that there were a number of old wells in Montana that were being opened again because when they were first utilized, less than 40% of the available oil was being extracted and that because of new technology, the rest of that oil can be drawn out. Dan Cederberg pointed out a new oil refinery was being constructed in North Dakota instead of Montana. Larson noted the refinery was being built closer to where most of the new oil wells were. There were far more in North Dakota and it was more fiscally responsible to have the refinery closer to the wells rather than trying to pipe it all to Montana. Cederberg noted, however, that the expansion of drilling in North Dakota was still highly beneficial to Montana as people were buying property here, spending tourism money in Montana, and sending people to Montana schools. Larson

offered to have some of the individuals involved with the oil, gas and coal industries to come and talk to the BID. McCarthy said it might be beneficial to have them speak at an MDA luncheon.

Ellen Buchanan asked if Larson could find a way to protect the Big Sky Trust Fund as this was a highly valuable source of funding for Montana and had, in previous legislative sessions, been threatened. Larson indicated he didn't think the Fund would be in danger. Discussion ensued about possibly getting a grant from coal trust fund money and the possibility of having federal funds going directly to the city rather than through state agencies.

- 4. MDA/BID Maintenance/Facilities Staffing Proposal:** An updated version of the facilities staff proposal was included in the board packets. Linda McCarthy gave an overview of the proposal which called for a combined MDA/BID facilities staff. The proposal would make the BID maintenance engineer the overall manager of the facilities staff and an assistant manager would be hired to help provide coverage for the maintenance engineer. McCarthy reported the budget for the facilities staff would require an increase of \$6,000 for labor costs. The MDA board had approved the proposal and needed to see an official management contract with a cap of \$10,000 *in the aggregate* for labor costs. McCarthy was seeking the same approval from the BID board and the management contract would be presented at the next board meeting for approval. Alan Newell asked if there would be a blended BID/MDA account to pay for this. McCarthy said no, the MDA would pay the BID on a monthly basis. Rod Austin said he and McCarthy had discussed different models of how the financial payments would be handled. Austin believed time cards could be efficiently utilized to note the amount of time spent on any given project. Newell suggested estimating the percentage of time spent on all tasks and not necessarily pay for individual hours. Discussion ensued about how to assess staff hours and the possibility of moving forward and then do a true-up at the end of the year which would provide a more solid idea of what to expect for the next year. Carma Gilligan expressed extreme concern about the ability to pay for this plan. Gilligan distributed a document she prepared which broke down the BID budget based upon the Profit and Loss statement, along with "unknown expenses". Per Gilligan's breakdown, the net monthly income for the BID was \$424 and unknown expenses were estimated at \$98,547. Gilligan's assessment was that there simply wouldn't be the funds to pay for the proposal. Discussion then ensued. Several board members noted that Gilligan had made a good point, but Austin indicated there were ways the budget could be adjusted to make the plan feasible. Ellen Buchanan and Charlie Beaton both noted the benefit to downtown in having year round, full-time coverage. Further discussion ensued. Dan Cederberg noted the approval McCarthy was seeking simply allowed moving forward to a formal agreement and the board would not be finalizing the proposal at that meeting. Cederberg agreed that Gilligan made a good case and it would be necessary to take a hard look at the financial numbers. **Dan Cederberg moved to instruct Rod Austin and Linda McCarthy to present a proposed contract clearly delineating the financial parameters at the next BID board meeting. Alan Newell seconded and all approved.**

5. Director's Report

a. Downtown Master Plan Update:

- i. Front & Pattee Parking Structure:* Rod Austin reported retail space had been delineated in the parking structure. Ellen Buchanan said concrete pouring would continue through the winter given the good weather and that the potential buyer of the corner retail space had hired an architect to do a full design concept for the business. It was expected the buyer would make a commitment to the Missoula Parking Commission by April 1. Finally, Buchanan noted the Public Art Commission had received 17 submissions for the public art project at the structure.
- ii. Implementation:* Linda McCarthy reported Brent Campbell had presented on a recently completed lighting study and was interested in talking to property owners about creating improved lighting and possibly generating financing for such a project. McCarthy asked if it

would appropriate to have Campbell do a presentation at the Ratepayer Breakfast. Buchanan suggested having Campbell do a presentation at the BID board meeting in March to determine whether it would be appropriate for the breakfast. Discussion ensued.

McCarthy noted the Implementation Team was moving forward with wayfinding and that the County, airport and Midtown Association were all pursuing wayfinding, so this could be a combined, comprehensive process. The focus would not solely be on downtown. Implementation was also looking to present on Master Plan accomplishments over the last two years at the MDA City Council luncheon, which would take place on March 14. McCarthy invited the BID board to attend.

b. **Committees**

i. **Recruitment & Retention (R&R)** – Rod Austin noted peer reviews had been completed on the Downtown Inventory. The Inventory would be modified somewhat and then be ready for distribution. Discussion ensued about the process of distribution, including a possible brochure and website placement.

ii. **Employee Committee:** No report.

c. **Other**

- i. **Orange Street Expansion** – Austin reported working on the petitioning process. So far, only three businesses had signed the petition.
- ii. **Other:** Austin reported the Inventory, as well as the Downtown Police Officer and Ambassador statistics, would be the main focus of the agenda for the Ratepayer Breakfast. Austin noted the police statistics would be difficult to present as a year-to-year comparison because of inconsistent reporting practices. Ellen Buchanan suggested having the officer come and do a small presentation and provide some anecdotal material to supplement the statistics. **Alan Newell asked Austin to set a date for the breakfast sooner rather than later and Tim France suggested having an agenda that would be approved at the next board meeting.**

6. **Ambassadors Report:** Laurie Johnson presented on ambassador statistics which compared 2009, 2010 and 2011. The number of transients and panhandlers was markedly higher in 2010 than 2011. Laurie suggested this might be due to new ordinances that were enacted and the Downtown Police Officer. In 2011, individuals moved dropped substantially. Assisting police was fairly low in 2009 and 2010, but rose in 2011 due to the ordinances and the ability to have police write tickets. Assisting citizens rose significantly in 2011. The number of graffiti incidents fluctuated greatly and numbers were all over the map. Rod Austin asked if graffiti incidents had dropped at all during 2011 and Laurie indicated they had dropped slightly in the second half. Laurie also noted making far more business contacts in 2011 than in previous years. **Tim France requested an email of the graphs and suggested they be used at the Ratepayer Breakfast** as either a handout or PowerPoint presentation. Alan Newell suggested doing a timeline that would account for statistics before the Downtown Police Officer and the new ordinances went into effect. Discussion ensued about how to best present the material at the breakfast.

7. **Approval of January 17th Board Minutes:** Ellen Buchanan moved to approve the minutes. Rich Huffman seconded and all approved.

8. **Financial Report:** The Financial Committee had not met. Rod Austin noted both Alan Newell and Robert Giblin thought the finances were well done and solid. Carma Gilligan noted an error in the Profit & Loss

statement. Under “MDA Contract,” the amount listed was \$1707.73 and should have been 1703.44. Linda McCarthy noted the error would be corrected by Giblin.

9. **Trustee Comments:** Dan Cederberg reported the new Poverello Center site would need to go through an environmental assessment and there would be a public comment period. Cederberg suggested the BID positively support the selected site through a BID letter to this effect. As the item was not on this meeting’s agenda, such a letter couldn’t be voted on as an action item. Discussion ensued about how to communicate the BID support. **It was agreed Rod Austin could draft and send a letter on behalf of the BID without suggesting the letter had been voted on.** Linda McCarthy reported she would be meeting with John Horner and Matt Ellis from the MDA board to work on an agenda for the MDA City Council luncheon. McCarthy invited the BID board to submit any input they might have for this. McCarthy also noted a meeting would be held on Friday, February 24, regarding the facilities staff plan, with Dan Cederberg, Carma Gilligan and Robert Giblin in attendance.

10. **Meeting Adjournment:** 5:40 pm