

**West Broadway Business & Area Coalition
Board of Directors Meeting Minutes
Thursday 7/12/18 8:30 – 9:45 am
1101 W Broadway - ECMN Gathering Space (nextdoor to Avenue Eatery)**

Attendance:

Board: Justin Baylor, KB Brown, Dean Rose, Teto Wilson, James Scott

Board Absent: Tara Watson, Ravie Singh, Paula Pentel, Diana Hawkins

Staff Present: Hannah Gary, John Bueche, Farrington Llewellyn

Guests: Michael McLaughlin (Urbanworks - Mpls SSD/BID support), David Bauer (Mpls Public Works), Cacje Henderson (Senior Aide Councilmember Ellison), Catherine Fleming (community)

Call to Order / Introductions

Note: Executive Committee members Watson, Singh, Pentel had been in the loop planning though they are all out of town this week. Treasurer Justin Baylor chairing today.

West Broadway Business Improvement District (WBID)

Discussion of 2018 increase in actuals over budget. Main increase based on estimate of services. Budget was set and cost estimated in August of last year, and City Council approved September. RFP process in the fall brought back higher number. Better Futures, our main contractor, had hourly rate increases over the last year and services increased as well. This is our catch up to adjust for those higher expenses.

Two potential areas for cuts, both from the Better Futures Scope of Work, would be a Fall Cleaning (we had had specific grant funds when we did Fall Cleaning 2017) as well as a portion of the landscaping/planting (have been under budget already, and we might approach the plantings as a volunteer community activity instead).

James Scott suggested more might be done with spring cleaning if we had the room for more expenses, generally better bang for the buck than fall cleaning with winter coming on.

Michael McLaughlin asked to finalize 2017 surplus as a first action item. With finances finalized for 2017, WBID had a surplus of \$7,862.31. City allowed options for this are: amend 2018 budget to include this amount as income or reduce 2019 service charges (2018 service charge cannot be changed after City Council approval). WBID standard practice has been to roll over surplus or deficit to the next year. In this case, that would be a \$7,862.31 contribution toward the increased expenses for which we need to account.

Action: Dean Rose moved to revise the 2018 budget to incorporate the 2017 surplus of \$7,862.31. James Scott seconded. Motion carries unanimously.

Action: Brief return to Consent Agenda. Quorum had been reached during first discussion. KB Brown moved to approve Consent Agenda of June Minutes and Financial. Seconded. Carries.

Resume WBID discussion with 2018 Budget Revisions. After addition of \$7,682, what remains to account for is \$34,870. About half is staff time which is at least cash-neutral within the WBC general operations budget. Staff can negotiate with Better Futures to remove Fall Cleaning (10,754) from the Scope of Work and reduce planting by \$6k. Suggestion to make similar cuts to 2019 Proposed Budget. Consensus that is strong that we do not want to see any cut in routine services, pan & broom pick up, trash/recycling receptacles, etc. - noted examples of Capri, BLO, etc. who's own staff do daily or weekly pick up on their own property, combined with Better Futures and contractors both needed to approach litter control. Volunteer day could also help to increase community pride/ownership of the plantings, long term that might also help build an approach to turn a corner on litter as well.

Action: Dean Rose moved to cut Fall Cleaning line item and \$6,000 in landscaping/planting from the revised 2018 Budget. Seconded by KB Brown. Motion carries unanimously.

Notes:

- This action leaves approx. \$18,116 WBC funds to WBID expenses. This amount fits within the staff expense line items (so cash neutral within the WBC overall budget).
- Staff will revise 2018 WBID Budget with updates from today's decisions: incorporate 2017 surplus, eliminate fall cleanup, reduce landscaping by 6k.

WBID discussion of 2019 Proposed Budget and Operating Plan. Recapped discussion on increased expenses in 2018. The initial 2019 draft is created with percent increases in every 2018 category, with a total of approx. \$163,000. The translation of service charge to foot rate is roughly \$1 per linear foot for every \$10,000 added to the service charge. General consensus to keep the increase around \$4 or less. Dean, Michael others engaged in calculations to arrive at a target of \$148,000 total to achieve that goal. Taking cuts in similar areas, i.e. fall cleaning removed and plantings reduced, could bring the total to \$148,000.

Dean Rose recapped BID activity so far. WBC leverages BID and story of BID to garner more funds, including over a quarter million in additional investment in the first four years. WBC also provides a financial buffer for the BID from year to year, with 2016 being the only year WBC was fully reimbursed for BID management, providing some portion of staff support in kind in '15, '16 and '17. Also noted that from the perspective of the overall WBC budget, these inkind contributions are at least expense neutral - which is to say they are staff/office expenses we would have anyway, though they of course still impact the bottom line.

Michael McLaughlin reviewed city process, including action items with Transportation and Public Works Committee. City staff will calculate linear foot charge and send notices to rate payers, likely by the end of August. WBC should plan for an official rate payer open house within the first two weeks of September, a quick turn around for final review after the letters come out.

Action Dean Rose moves approval of the 2019 Budget with the changes: eliminate fall cleanup line item for \$11,000, also reduce planting by 6k for a budget and service charge of \$148,000. Seconded by James Scott. Carries unanimously.

Note: the city's timeline allows us to adjust the budget again before July 31 should we be moved to further adjust the 2019 budget.

WBID 2019 Repetition Process for 2020:

City's deadline for repetition process is March 1, 2019.

BID and all Special Service districts are set on a 5 year renewal cycle. For WBID we will have to repetition rate payers for next year, with signatures due to the city by March 1, 2019. So the bulk of the work is fall and early winter, engagement, updates as desired to the WBID Business Plan, etc. Threshold requirement is signatures representing 25% of land area.

We can work to explore service options, both before and after the repetition deadline, including another round of bidding for service providers as well as exploring options of hiring employees inhouse for the street cleaning and other routine services. (possible reduction in per hour change, but some increase in our own overhead (truck, equipment, other liability/hr costs), can still make argument that we are providing jobs for local residents.

Question on rate payer exemptions. Michael explained that city-owned property is exempt but the city opts in to pay the rate for city owned property. Residential and non-profit owned property used for nonprofit purposes are exempt but can opt in to pay the rate.

Washington is currently the only North/South street assessed. Note on Washington stretch: Holiday gas station came to us asking for support for development project, right now they are not part of the service district or the service area, we could expand the district, this would be part of the repetition process (would be in 2020 budget). Possible to consider other N/S streets as well in repetition process.

New member elections: Tabled for now, WBID took most of the meeting. Still anticipate adding Devon Nolen, Shvonne Johnson and Lester Royal either at next meeting or email vote.

Guest comments.

Catherine Fleming attended today as a guest and shared her perspective on more that could be done by and with WBC, including advocacy for city/public works investment:

Additional lighting on W Broadway (told during Super Bowl we were slated for 2022)

Designated crosswalks across Broadway and timed pedestrian crossings

No turn signal east-bound on W Broadway turning onto Emerson

No security lights

No discussion of development of area behind Kemp's

Should be talking with MnDOT about development coming off 94 ramp

Challenging the City as to why they own so much property on W Broadway

This property should come to us

Security - booth on the corner of Lyndale and W Broadway - police presence

Security camera program

Bruce Barron put in request for cameras on Kemp's property and on W Broadway

Additional setbacks on sidewalks (improve pedestrian environment)

Catherine's overarching point: we should be moved up on City priority list, how do we get City/County/State to pay more attention to W Broadway; Comp Plan addresses pedestrian overlay; Lighting strategy to influence mood in W Broadway - Catherine can share this list. Noted that many of these items have been in board discussion and many WBC stakeholders are on the same page. Lighting and infrastructure was talked about at the last executive committee meeting. Discussed possible next steps for advocacy as well as the possibility of BID income could be leveraged for additional funds and investment toward infrastructure.

Business Grants

Great progress this past month. Microgrants organization, CEO Don Samuels on board to partner with WBC and NEON to launch. Microgrants would be granting organization, WBC and NEON partners in planning and identifying grantees and fundable projects. These Northside business grants would be an outcome of technical assistance processes:

- If plan leads to recommendation for microgrants, business would get funds
- Funds a result of having gone through business TA with NEON/WBC
- This would be grant, not loan
- Vetting process would be similar to what goes through NEON, and the WBC executive committee would review applications
- WBC may provide Exec Team or special committee for decision-making process
- All three orgs collaborate fundraising to both build the grant pool and, separately, for the operations support for WBC and NEON to manage the process.

Next steps in discussion: may bring in NEON and Don (microgrants) for board discussion.

Updated partnerships eliminate most of the financial risk in question at the June board meeting.

John, Don, NEON reps will likely start meeting with potential donors/funders. James Scott urged thought to other cautions as well, including how to troubleshoot for potential animosity from those who may want a grant but not meet criteria.

Adjourned 10:09a

West Broadway Improvement District budget updates July 2018

The district is 22 blocks - approx 2.2 miles of service area

		2018 approved Budget	2018 midyear Revised	2019 Budget Draft	Budget Notes
Expenses					
Item	Quantity				
1. Cleaning and Maintenance					
Litter Cleanup Crews	208	\$60,000	\$63,867	\$70,000	Litter, weeds, and debris 4x a week.
Bin servicing	1040	\$5,000	\$9,307	\$9,500	Trash & Recycling bins emptied.
Spring Cleaning		\$10,000	\$10,754	\$12,500	Pressure wash streetscape elements, remove weeds and winter build up
Fall Cleaning					Potetial add if specific funding.
Uniforms		\$ -	\$ 550	\$ 550	New safety vests, purchased June, being printed by Wolfpack Promotionals.
Subtotal		\$75,000	\$84,478	\$92,550	
2. Beautification					
Flower Planters		\$8,000	\$2,000	\$4,900	Plant and maintain flower planters
Light Pole Banners					
Maintenance Lump Sum		\$1,500	\$1,500	\$2,500	Maintenance of existing banners
Installation Per Unit	52	\$6,000	\$6,000	\$8,500	Seasonal installation of FLOW/Open Streets/Farmers Market banners
Seasonal Decorations					
Installation Per Unit	64	\$7,500	\$7,500	\$7,500	Installation of holiday decorations
Maintenance Lump Sum		\$1,500	\$1,500	\$2,500	Replacement of damaged ornaments
Utility Cost		\$1,000	\$1,000	\$1,000	Cost for power of lit holiday decorations
Subtotal		\$25,500	\$19,500	\$26,900	
3. Communications and Marketing					
District Event Sponsorship		\$ -	\$ -	\$ -	Events supported by direct business sponsorships and other income.
Communications Staff Time		\$ 2,200.00	\$ 4,200.00	\$ 5,200.00	Increase for re-petition prep.
Subtotal		\$ 2,200.00	\$ 4,200.00	\$ 5,200.00	
4. Professional Fees					
Professional fees		\$200	\$2,000	\$1,500	Increase for re-petition support
Subtotal		\$200	\$2,000	\$1,500	
5. Program Management					
Program Manager Staff Time		\$10,000	\$16,500	\$16,500	Managing Contractors, Bids, Procurement, Reporting, Accounting, Convening, Communications with City Staff, Stakeholders etc..
Subtotal		\$10,000	\$16,500	\$16,500	
6. Professional Administration					
Rent / Storage Space		\$3,000	\$3,000	\$3,750	Proportional costs of shared expenses
Office Supplies, Printing, Mailing		\$300	\$300	\$350	Proportional costs of shared expenses
Insurance and Payroll Fees		\$1,000	\$1,000	\$1,250	Proportional costs of shared expenses
Subtotal		\$4,300	\$4,300	\$5,350	
TOTAL Expenses		\$117,200	\$130,978	\$148,000	

Income					
Budget Line Item		2018 Original	2018 Revised	2019 Proposed	
Service Charges		\$105,000	\$105,000	\$148,000	Prorated to commercial and industrial properties based on lineal frontage. Rate was flat '15-'18. 2019 increase 41% from around \$8 to \$11 per linear foot.
Surplus from 2017			\$7,862	\$ -	Carry over from '17 Surplus for '18
From WBC general funds		\$2,200	\$18,116	\$ -	WBC covers overages if needed from General Funds. WBC also seeks WBID specific grants which add services or amenities if/when grants are secured.
City of Minneapolis Great Streets Grant		\$10,000		\$ -	City of Minneapolis Great Streets Grant. Income posted in '17 instead of '18.
Total Income	Total	\$117,200	\$130,978	\$148,000	