



BUSINESS IMPROVEMENT DISTRICT BOARD

REGULAR MEETING

June 24th, 2010 – 11:30 AM

Downtown Library – Meeting Room B

Minutes

The meeting was called to order at 11:35 a.m. Members present: Fericks, Scott, Gasper, Smith, Gabbert, and Bosch. Members absent: none. Others present: Dan Statema, Jeff Scherschligt, Grant Houwman, Dave Dandar, Larry Rehfeld, Erica Beck, Paul Nester, Terry Schuver, Brent O'Neil, Josh Peterson, Jennifer Schmidtbauer, Mike Crane, Ben Ronning, Chuck Point, Paula Brown, Scott Gullickson.

**Approval of June 3, 2010 Meeting Minutes**

Motion by Gabbert, second by Bosch, to approve the June 3, 2010 Meeting Minutes. Motion passed 5 yes, 0 no.

**Opening Statements/Comments**

Staff provided the board a brief statement on items two, three, and four of the agenda. His comments are summarized below:

The last BID assessment Renewal occurred in 2007 for a three year period and it will need to be renewed this summer for the downtown property owners to be levied in 2010. The timeline for a BID renewal is August, 2010. (Item 2)

At the June 3, 2010 BID meeting, the committee passed a motion to request DTSF to defer their proposal for a couple of weeks and return with a revised plan. A June 21 benchmark date for pursuing a change to the formula had passed which means that it was no longer practical to address renewal of the BID with changes to the BID formula at the same time. (Item 3)

The Land Use Designation Map is used to classify a property's use and is subsequently used to determine the application of the BID levy calculation. (Item 4)

Scott Gullickson, chairman of DTSF Inc, provided statement from DTSF, Inc. His comments are summarized below:

Though we felt we conducted an appropriate level of communication, DTSF has decided to focus our attention and contact all property owners directly.

Currently, DTSF has 35% of the property owners within the downtown district in support of the proposed changes.

Currently, DTSF has over 50% of the property value owners in support of the proposed changes.

Once personally contacted, nearly 75% of property owners support the proposed changes to the assessment formulas. However, only 40% of all downtown parcels were contacted personally in addition to mailings.

The proposed one year renewal of the current BID assessment is a good way to move the BID forward in the short-term.

We look for leadership from the BID board moving forward in regards to what changes and recommendations they would like to see.

### **Initiate BID Assessment Renewal Procedures**

Upon Gasper's request, staff provided the board with the projected 2010 BID collections in the amount of \$153,085 dollars, an increase of roughly \$19,000 dollars from 2009. He stated that the increase in collected dollars was mainly due to property value increases and/or changes in property classification/use. Gasper commented that inflation should be included in future projections of revenue. Chairman Smith confirmed that property owners will have three opportunities to express their comments and concerns regarding the BID renewal at: (1) a letter being sent out to all property owners, (2) a July BID board meeting, and (3) the city council meeting on August 9<sup>th</sup>. DTSF was also requested to provide a statement at the July meeting on how funds will be used in the future.

Motion by Scott, second by Gasper, to initiate the process of renewal of the current BID assessment for a one year period. Motion passed 5 yes, 0 no.

### **Review and consideration of DTSF, Inc Proposal to Amend Assessment Formulas (City Ordinance Sections 39-146 and 38-147)**

The board discussed that downtown property owners want to know what any proposed additional funds will be used for and the board should but kept apprised of BID funds that are expended. Additional communication will continue to occur between the BID board and DTSF.

Motion by Bosch, second by Gabbert, to defer indefinitely DTSF's proposal to amend the BID assessment formulas. Motion passed 5 yes, 0 no.

### **Consideration of 2010 Land Use Designation Map for BID Properties**

Staff stated that the planning office reviewed the downtown BID map for proper classification of properties and estimated that roughly 25 parcels were possibly classified inaccurately. The new BID map made adjustments to correct any errors and the total BID amount accounted for these changes. The board inquired as to whether property owners will be notified of changes and whether that would be through certified mail. Staff said that all property owners will be sent a letter informing them of the renewal process and that the letter could, at the board's direction, include a statement about the assessment amount and changes to designation so property owners are more aware of how their property's assessed.

Motion by Gasper, second by Bosch, to approve the use of the presented 2010 Land Use Designation map for BID Properties and that properties owners be given notice of their designation. Motion passed 5 yes, 0 no.

### **Other Business/Open Discussion**

Board members clarified to DTSF that they're looking for a general breakdown on what all applicable funds are being spent on. The board requested to see a cost comparison study for special events from one year to the next (where and why). The board also requested to see a comparison of the DTSF budget from 2005 and 2010 to better understand inflationary pressures on its finances.

### **Set Next Meeting Date and Topics**

The next BID board meeting was tentatively scheduled for July 22, 2010 at 10:00 a.m. with the location to be determined.

### **Adjournment**

Motion by Scott, second by Gabbert, to adjourn the meeting. The motion passed 5 yes, 0 no and the meeting was adjourned at 12:20 p.m.