

**LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY**  
**January 25, 2012**

**Quorum**

Meeting called to order at 12:00 noon by Chairperson, James Wagner.

Members present: Mike Abel, Patti Connell, Dennis Cox, Harold Miller, Nancy Neff, Mort Nierenberg, Randy Patterson, Bob Ramsay, Scott Standish, Jim Wagner, Andrew Weikert.

Staff: Lisa Riggs, Executive Director  
Solicitor, Bill McCarty

**Introduction of Public Guests**

The following members of the DID Renewal Task Force were in attendance: Mike DeBerdine, Ken Hammel, Frank McCabe, Clair McCormick and Cindy Stewart.

**Approval of Minutes of the September 28, 2011 Meeting**

Motion by **Nancy Neff**, second, **Bob Ramsay**, to approve the November 16, 2011 minutes. Motion approved.

**Financial Reports – November and December, 2011**

Motion by **Dennis Cox**, second, **Randy Patterson**, to approve the financial statements for November and December 2011. Motion by **Bob Ramsay**, second, **Nancy Neff** to approve checks #3127 through #3178 on the Fulton Bank account. Motion approved. Ms. Neff inquired about the pace of gift certificate sales. Ms. Riggs noted that she had just run those numbers. Overall, sales are down from \$22K this time last year to \$15K this year, a result in part due to one large buyer of certificates. She also noted that reimbursement numbers are tracking higher, resulting in essentially no 'net' revenue from this activity.

**Old Business**

Mr. Wagner noted that the Executive Committee met in December to discuss the slate of Board officers for 2012. He offered the following slate, which reflects no changes from 2011: Jim Wagner, Chair; Denny Cox, Vice Chair (and JSID Board liaison); Chip Miller, Treasurer; and Nancy Neff, Secretary. **Randy Patterson** offered the motion to approve; second by **Patti Connell**. Motion approved.

**New Business**

Mr. Wagner noted that the primary agenda item for today's meeting is to hear from representatives of the DID Renewal Task Force and then for the Board to discuss its recommendations. He noted that he was aware a terrific group of volunteers had worked hard over the fall, thanking them for their efforts on the DID's behalf. He then turned the meeting over to Clair McCormick, Task Force Chair.

Mr. McCormick acknowledged the other members and asked Ms. Stewart to give some insights into what the Task Force learned. Ms. Stewart reflected on the overall task force experience. She highlighted how much more informed all members of the task force now are, admitting that their knowledge of the DID at the beginning of the process was cursory. She noted that she believes many in the community really don't know much about the DID and what it does. She stated that part of the process ended up being more about educating people and credited the task force with its real outreach efforts to get people to respond to the survey and personal conversations. She conveyed that the survey results are strong and that the Board should have confidence in them. Ms. Stewart also highlighted the engagement of the whole Task Force in the process, reflecting on the open-ended dialogue that led to good consensus on the recommendations. Not everyone agreed with all aspects but there was a full airing of views.

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Mr. McCormick concurred with Ms. Stewart's observations and then walked through the report's ten key recommendations. On the recommendation that the Board seek a five year authorization, Ms. Neff inquired what the reaction of the Task Force would be if the Board suggested a shorter duration. Several members noted that they were attempting a balancing act recognizing the re-assessment as a major event and also acknowledging the amount of time a renewal takes. There was agreement that a renewal that may occur after a shorter plan duration could be handled differently, in that the task force process and considerable outreach may not be as necessary. There was good discussion regarding the recommendation around how to set the millage rate. Mr. Cox asked for clarification of the term 'significant increase,' inquiring if any numbers or percentages had been discussed. Mr. McCormick and others indicated that the Task Force in general was encouraging the Board to be conservative in any increase. Ms. Stewart defined it as the 'wince' factor. Mr. DeBerdine added that the DID should consider alternate revenue, such as increasing the in-lieu contributions. Mr. Patterson commented that the Executive Committee came to the same conclusion that the Task Force did that, at some point, a more concerted effort does need to occur to secure a contribution – or fee for service – from tax exempt properties. Ms. Stewart agreed with the concept of a fee for a service and Mr. McCormick weighed in agreement, noting however that the process to secure these sorts of contributions takes time and may have to occur over years of relationship building.

Mr. Wagner thanked the task force members for their work on behalf of the DID Board and Downtown. He then asked Mr. McCarty to provide an overview of key aspects of the municipal authorities act as it relates to the renewal. Mr. McCarty provided a summary handout, highlighting the term assessment and charge. He noted that we are required to come up with a plan, a cost estimate on how much services in the plan will cost and then we have to determine a payment that equals the costs of the services. We cannot set a millage rate that exceeds the cost to provide the services. He also noted that the assessment, which is really a tax, has to be specific. It can't be a range of a not-to-exceed number, in his judgment, as that would be subject to a challenge that it is not specific. He noted the absence of much case law but cautioned that whatever is being considered needs to be specific, equitably applied and reasonable.

Mr. Wagner then transitioned the meeting to reflect what the Executive Committee has discussed over the past month. He noted that Ms. Riggs is seeking the Boards consensus around several key issues: duration of the plan, the geographic boundaries, some sense of what is an acceptable millage rate and which services are critical to fund. There was some discussion on adapting the boundaries slightly, with Mr. Cox stating that there are a few minor obvious areas that lend themselves to inclusion. Ms. Riggs provided a brief overview of the areas Mr. Cox suggested, including the number and type of properties impacted and the revenue that could be generated. She has not assessed the impact on services. Specifically, per the executive committee's direction, she had evaluated portions of North Water Street and the 200-300 blocks of W. King Street. Mr. Ramsay commented that he believes the Board should adhere to the task force's recommendations unless there is a compelling reason not to.

Members struggled with the issue of parameters on the millage rate, in the absence of specific numbers for expenses and scenarios of a range of rate increase. Several views were expressed, including recognizing the impact any increase could have on smaller property owners and small business owners who have thin margins, to those who believe the DID could leverage the strength of its services to support a higher millage rate.

Members also grappled with the issue of using funds to support surveillance cameras. Mr. Miller stated he firmly believes the cameras are an important part of the DID's clean and safe strategy, and that they have broad support as a critical public safety tool. He encouraged the Board to consider a contribution out of the DID

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budget to fund a portion of the costs associated with the camera operations in the DID area. Several board members supported his position, noting their belief in the cameras too. Others had objections to this issue. No consensus was reached after much discussion, deferring until some budget projections were available. Several task force members weighed in on this issue, too, noting that the task force had similar discussions. Mr. Hammel stated his objection to the idea of raising the millage rate to cover camera costs. Ms. Stewart noted that a millage rate increase for this purpose would result in the plan renewal really being a referendum on cameras.

The Board discussed the duration of the plan, considering the task force recommendation of five years. Mr. Patterson suggested that the next step be to consider cost projections over three years, stating the uncertainty of the revenue environment. Members agreed that this made sense as an immediate next step.

Ms. Riggs noted that she will prepare financial projections based on the guidance of the Board. Given the timeline, she will circulate information to the full Board for review in advance of the DID's February 22 executive committee meeting. She also reminded members that the FY12-13 budget is in process. She noted that the March 28 Board meeting will be important as the FY12-13 budget will need to be approved, along with the proposed JSID-DID management agreement, and the draft renewal plan. She asked members to stay alert to e-mails over the next six to eight weeks, in anticipation of background information being sent out for review.

### **Executive Director's Report**

There was no Executive Director's report due to the length of the meeting.

### **Adjourn**

Motion by **Randy Patterson, second, Dennis Cox** to adjourn. Motion approved and the meeting adjourned at 2:00 p.m.

Respectfully submitted,

Lisa Riggs  
Executive Director