

LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY
February 26, 2014

Quorum

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

Members present: Dennis Cox, Christine Suarez DiRienzo, Tim Mentzer, Nancy Neff, Mort Neirenberg, Randy Patterson, Bob Ramsay, Scott Standish, Mark Stoner and James Wagner.

Staff: Marshall Snively, Executive Director
Bill McCarty, Solicitor
Toby Vargas, Assistant

Introduction of Public Guests

David Aichele and Shelby Nauman from Lancaster City Alliance were present. Bernie Harris of Lancaster Newspapers was present. Jason Greer, Laura Leonard, Andy Martin, Matt Peterson and Mike Pfeiffer were present representing a CAT group from Leadership Lancaster.

Introduction of New Board Members

Mr. Wagner introduced and welcomed new board members, Christine Suarez DiRienzo and Mark Stoner. Ms. DiRienzo is a graduate of Franklin & Marshall College and Penn State University. She is an owner of Chrishelle Inc. which operates 5 McDonalds in Central PA. Two are in the City of Lancaster.

Mr. Stoner is a graduate of Penn State University and employed at Godfrey which is a B2B marketing agency in the City of Lancaster. Both Mr. Stoner and Ms. DiRienzo are active volunteers in the community and are looking forward to participating on the Lancaster DID Board.

Minutes

Motion by **Nancy Neff**, second by **Dennis Cox** to approve the November 20, 2013 minutes as presented. Motion approved.

Financial Reports – November and December 2013 and January 2014

Motion by **Randy Patterson**, second, **Bob Ramsay**, to approve the financial statements for November and December 2013 and January 2014 and also to approve checks number 3622 through 3678 written November and December 2013 and January 2014. Motion approved.

New Business

Moving into New Business, Mr. Snively began with a review of the projected year end financials. He noted that the income side of the budget is looking very good. Assessments, Prior Year Assessments, and Donations within District have all come in higher than budgeted. The Prior Year Assessments are due to delinquent properties that have changed hands. Some of these properties had been delinquent for several years. Mr. Snively also explained that he felt the Donations within District, which are provided by tax exempt properties, increased because of a different approach by staff in the annual request that went out. Mr. Snively continued by reviewing the expense side and projected a net income of \$35,100. This is a significant increase over the budget which only projected a net income of \$1,700. There being no questions Mr. Snively then asked Mr. Aichele to update the Board on the recent RFP for clean and safe services.

Mr. Aichele of Lancaster City Alliance (LCA) relayed to the Board that an RFP for the ambassador program went out in December and three proposals were received. The vendors providing proposals were Allied Barton, the current Ambassador vendor, Block by Block, the current Clean Team vendor, and Street Plus, a relatively new company. The proposals were reviewed by the LCA staff and a committee of volunteers. The recommendation of the staff and committee is to contract with Block by Block. By contracting with this vendor for both the Clean Team and the Ambassador program, the Lancaster DID and LCA will both benefit. The Lancaster DID will see a decrease in Clean Team costs as well as an increase of 20 hours in manpower. The LCA will benefit as there will be one supervisor that oversees both programs and a candidate is on hand that

LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY

February 26, 2014

Page 2

has experience in both areas. The Board briefly discussed the impacts and asked a few questions to confirm they understood the terms of a new contract with Block by Block. They also asked how this information would change based on the potential expansion of the Lancaster DID. Mr. Snively explained that the proposal is based on the current size but with the existing good relationship that DID has with Block by Block it should be a reasonable negotiation. Mr. Snively asked the Board to approve entering into the new contract with Block by Block. Mr. Cox made a motion to empower the Executive Director to make the decision on entering into a new contract and proceed with any changes that may be involved. The motion was seconded by Ms. Neff and approved by all. The motion carried.

Mr. Snively then moved on to the FY14-15 budget. He began with an explanation of the income portion. The current plan calls for an increase in millage to 2.45 and the number on the assessment line item reflects a 90% remittance rate. The prior years' assessment line item is lower than the current year's budget based on the higher than projected amount that has come in during FY13-14 and the decreased number of delinquent properties. Mr. Snively also noted that the fees collected from RRTA and Fulton Bank for cleaning services have not changed since the DID began providing the services. Both entities will receive notice that the rates are being increased 2.65%. On the expense side, the numbers for Ambassadors and Clean Team reflect those provided by Block by Block for new contract. There is a new line item called Merchant Committee Support, which will be used to support the great efforts of the Merchant Committee and there is an increase in Downtown Marketing. Finally, the Administrative Services line item was increased by 2%. The budget demonstrates a net income of \$5,020. The Board briefly discusses the additional marketing funds and the support of the Marketing Committee. The Board is supportive of the activity. Mr. Snively also noted the management agreement as it closely ties to the budget and there were no questions from the Board.

Motion by **Tim Mentzer**, second, **Scott Standish** to approve the FY14-15 budget as presented. Motion approved.

Motion by **Nancy Neff**, second, **Dennis Cox** to approve the FY14-15 management agreement as presented. Motion approved.

Old Business

Next, Mr. Cox updated the Board on the progress of the DID Renewal Taskforce. The primary focus of the Taskforce was to determine if the boundaries should be changed and if so what changes would be recommended. Mr. Cox reviewed some of the considerations the Taskforce evaluated and the various expansion areas. Mr. Cox then relayed the following recommendations:

- Move forward with expansion in some form.
- Priority areas being – 100 to 200 blocks of W. King, West side of Water St. from King to Lemon Streets.
- Area north of Lemon St. also seen as a priority.
- Board to decide on the few residential properties on E. Chestnut St. as well as including the area north of Lemon.
- The duration of the plan would be four years to include pipeline projects and the reassessment.
- Millage rate would be maintained at 2.45 mils throughout the life of the plan.

The Board members spent some time discussing the recommendations and the various geographical expansion areas. They also received guidance from Mr. Cox and Mr. Snively about how property owners reacted in a meeting on January 27th. The Board briefly reviewed the next steps in the process. The Board members also talked about other activities happening in the City that can positively or negatively impact the expansion such as CRIZ and storm water management. There was also discussion about how to approach property owners and other stakeholders about the expansion in order to send out the appropriate message. Mr. Cox noted that the Taskforce is willing to continue their assistance in promotion of the expansion.

Motion by **Dennis Cox**, second, **Nancy Neff** for staff to draft a plan that follows the recommendations of the Taskforce and continue the process.

Executive Director's Report

LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY

February 26, 2014

Page 3

Due to length of the meeting, there was no Executive Directors report.

Ms. Vargas distributed the annual State Ethics Commission Statement of Financial Interest form and asked that they be returned by the end of March.

Adjourn

Motion by **Bob Ramsay**, second, **Scott Standish** to adjourn. Motion approved and the meeting adjourned at 1:35p.m.

Respectfully submitted,

Marshall W. Snively
Executive Director