

LANCASTER DOWNTOWN INVESTMENT DISTRICT AUTHORITY

February 28, 2018

Quorum

Meeting called to order at 12:03 pm noon by Board Chairman, Jim Wagner, (present through conference call).

Members present: Jim Wagner, Crystal Weaver, Nancy Neff, Randy Patterson, Joe Donaldson, Mark Stoner, Tim Mentzer, and Scott Standish. Members not in attendance: Christine Suarez Di Rienzo

Staff: Marshall Snively, Executive Director; Bill McCarty, Solicitor; David Aichele, LCA Director of Clean & Safe Services
Jeremy Young, LCA Community & Economic Development Manager

Quorum

A quorum was met.

Minutes

Mr. Wagner asked for a motion to approve the November 15, 2017 Board Minutes. N. Neff motioned, R. Patterson seconded, all were in favor. Minutes were approved.

Approval of Financial Reports – November 2017, December 2017 & January 2018

M. Snively advised that the year-end projections would be discussed under new business. Mr. Wagner asked for a motion to approve the 3rd quarter financials and approve checks on the Fulton Bank Account 4537 through 4592 for the same time period, November 2017 through January 2018. R. Patterson motioned, M. Stoner seconded, all were in favor, financial statements and checks were approved.

Old Business

- a. **Plan Renewal Update;** Mr. Wagner asked Dave Aichele to update the Board on the “Plan” public meeting from February 21st. Dave thanked the Board members and Shelby Nauman from LCA for attending and showing support at the meeting and thanked Jim Wagner and Bill McCarty for a job well done.

Mr. Aichele advised that there were three members of the community that attended the meeting. Craig Johnson, 41 W. Lemon St #605, Cindy Stewart, 10 N. Market St. #402 and Melody Martin from the Drogaris Company. After the Presentation the floor was opened for questions. Cindy Stewart thanked the Board for being proactive in reducing the millage rate and assured that a lot of owners would be appreciative. Her question was in reference to Board members and how many were residents of the DID. C. Weaver advised that while a business owner she is also a resident. It was added that as any new Board members are needed, it would be a priority in finding additional residents.

Ms. Martin asked how revenue neutral the budget would be with the new Press Building Condo. It was explained that the projected revenue was based on the final assessment numbers of each of the 48 units listed from the County. Of the units that have been sold, the owners would receive their first DID assessment bill in May 2018 which is the beginning of the next fiscal year when the new millage rate takes effect. With no other questions, the meet was adjourned at 6:35pm.

Marshall stated that he would be getting in contact with City Council woman, Faith Craig, who is Committee Chair for the Economic Development Committee to discuss the DID plan that we will be taking before her committee on April 2nd prior to the first reading at the April 10 Council Meeting.

- b. **Downtown Dollar Program Update;** Dave Aichele gave the Board an update on the DID Dollar sales. We have sold \$20,335.00 worth of DID Dollars which has been the best year for sales in 5 years. Mr. Aichele also stated that there is a convention scheduled to be at the Convention Center in May of this year and the company has inquired into buying each of their 500 attendees \$25.00 worth of DID Dollars. That would be a \$12,500.00 sale.
Crystal Weaver asked if we could update the merchants on the acceptance process of the DID Dollars. This is already in the works. It was also questioned if there was a way to coordinate with other event promoters on the DID Dollar program. It is something we will look into going forward.

- c. **Beautification Budget Line Item Update;** M. Snively asked Jeremy Young to update the Board on the tree planting progress. Jeremy stated that there had been 18 trees planted this past fall with the biggest impact he feels is along Chestnut Street next to the Masonic Hall. They have received 6 trees along this block where there had been none. Jeremy stated that the area along Chestnut St. would make for a great photo opportunity in the spring as the 6 trees planted are Cherry trees. There are about 25 to 30 scheduled to be planted in the spring. The Budgeted line items for a total of 50 trees and Jeremy sees no problems in being able to supply all 50 trees.

New Business

- a. **DID Year End Projections;** J. Wagner asks Marshall to review the end of year projection. M. Snively stated that we may likely end the year in better shape than we originally thought back in November. The unspent Marketing and Beautification monies has kept us under budget for the year.
- b. **DID FY18-19 Budget Review and Approval;** J. Wagner advised the Board that the Executive Committee has seen and approved the Draft Budget to be presented today to the full Board. Marshall advised that the budget has not changed from what was presented in the DID Plan, but there was discussion that increased revenues could result in increasing the line items for Marketing and Beautification during the fiscal year. The executive committee chose to keep the budget as presented in the Plan.
J. Wagner asked for a motion to approve the FY 18-19 Budget. N. Neff motioned, T. Mentzer seconded, all were in favor, Budget approved.
- c. **LCA-DID FY18-19 Management Agreement Review and Approval;** M. Snively stated that the biggest change in the agreement is that Block by Block, our clean and safe service provider, will bill the DID directly for the DID Ambassadors program instead of this cost going through the Lancaster City Alliance as it has in the past. This change will reduce the Management Agreement fee significantly. The other change is a 3% increase for marketing and administration. The next step if approved will be the presentation to the LCA Board at its March Board meeting.
J. Wagner asked for a motion to approve the Management Agreement. T. Mentzer motioned, N. Neff seconded, all were in favor, Management Agreement passed.
- d. **2018 Board member update;** M. Snively reminded everyone that there are currently two open positions on the Board. A names that recently came up as potential member was Alicia Byler, a DID resident and business owner. Marshall stated he has spoken with Alicia and she is excited at the possibility of being a member of the DID Board. Marshall will keep everyone apprised of any new developments in the search.
- e. **DID Increased Merchant Advocacy Role;** Mr. Snively asked Mr. Aichele to report out on the discussions from the last merchant meeting on the three advocacy topics. The three items were;
- 1) **Extension of the Outdoor Dining season,** currently April 1st thru November 15th. The general consensus was that outside dining timeframe should be extended to take advantage of warmer weather trends. The group would like to see a committee formed to study the ordinance and make recommendations to the City on possible changes.
 - 2) **Sidewalk Sales are** currently not permitted by ordinance. The group felt that sidewalk sales would add promotional opportunities to many small businesses, they felt that it should be regulated requiring a permit and clear guidelines.
 - 3) **Advocating with State Legislatures to establish a new class of liquor license** that would be more affordable to a smaller entrepreneur start up business/restaurant. Small entrepreneurs seeking to open a new restaurant and purchase a liquor license in PA are now facing a tremendous obstacle due to the huge jump in the cost of those licenses since major chains began purchasing them. Just a few years ago a license sold for about \$120K. There are now averaging \$320K. State Representative Mike Sturla joined us for the discussion to share his thoughts on this issue. He observed that there is pressure to create more licenses due to this,

but there is push back from the existing “Mom & Pop” restaurant owners who see this huge increase as both a windfall that can be used as a family legacy, or a retirement fund.

Representative Sturla described a possible solution. Each county gets 2 Economic Development Licenses each year. They cost \$50K, but you do not own it, you only have use of it for the life of your business. This provides an opportunity for an enterprising entrepreneur, or two, to succeed each year. However, as of yet, Lancaster County has not taken advantage of this program. It was suggested that a sub-committee of the MIM be formed, with the assistance of the local hospitality community, to study this issue in deeper detail. We were also advised to reach out to the PA Beverage & Tavern Association & The Pennsylvania Restaurant & Lodging Association.

Crystal Weaver stated that there does need to be some additional discussions on the outdoor dining and sidewalk sale matters as she felt that some of the merchants did not seem to fully understand why the subject was being discussed and the role of the Merchant committee and DID. Dave advised that the Member Intra-Marketing Committee (MIM) would be doing that as well as reaching out to those establishments that currently have outside dining.

- f. **Annual Statement of financial Interest Forms**; D. Aichele passed out this year’s form and reminded everyone to please complete and return as soon as you can. Dave will see that any member not present at today’s meeting will receive the form.

Executive Directors Report

M. Snively again thanked the group for attending the community meeting on February 21st. Mr. Snively gave a brief update on the partnership between the LCA and the Safety Coalition. There will be two members of the LCA Board joining the LCS Board. The LCA Marketing Executive Leadership Team will be looking at better ways to market the camera system as well as fundraising ideas.

Adjourn

Motion by **R. Patterson**, second, **N. Neff** to adjourn. Motion approved and the meeting adjourned at 1:20 p.m.

Respectfully submitted,

Marshall W. Snively
Executive Director