

**Draft Minutes from the
East Downtown Council Board of Directors Meeting
Thursday, November 7, 2013
First Covenant Church, 2nd Floor Lounge, 810 South 7th Street**

Present: John Campobasso, Dan Collison, Tom Hayes, Varun Kharbanda, Brian Maupin, Paul Mellblom, Jan Olsen, Lynn Regnier, Carletta Sweet, Tim Tucker, Bert Winkel
Absent: Jeff Anderson, Jackie Barrett, Christie Rock-Hantge, Carl Runck, James Scott

I. Call to Order

President Dan Collison called the meeting to order at 11:33 a.m.

II. Consideration of Agenda

Approved as submitted (CS/VK).

III. Consent Agenda

Approved as submitted (CS/BW).

IV. President's Report

- **Minneapolis DID 2014 Budget Advocacy.** Dan advised that since a group of downtown property owners were pushing to repeal the DID service fee (it requires 35% of them to be able to do so), he was asked to collaborate with the MDC to advocate for its renewal. This advocacy group mapped out all the businesses within a 120-block area of downtown showing what assessments they were charged and at what level based upon, among other criteria, the service level district the businesses fall within, i.e., Core, Standard Plus or Standard.

Dan was tasked with contacting some landowners to ascertain whether they approve or oppose the service fee and discovered an array of opinions: some don't care about cityscape, just the value of their property; some have criticisms of the services; and some would like to receive the service on their personal property which is not the purpose of the DID. And the challenge with some of the parking lot owners is that they are just disengaged and are two or three layers away from contact with city officials.

The DID proposition is that they keep the streets clean, engage people as they come downtown, and help mitigate some of the other challenges (e.g., homelessness) downtown experiences. It will take money to do that but they can't fix everything. But the DID is resolved to be more engaged with landowners so they understand the value of its services. Dan believes the DID will be expanding by necessity into the EDC district, it's a good model, and hopes that its new leader will engage with all levels of property owners / managers to bring value to street life. John, who sits on the DID's Operations and Services Budget Committee, explained that they will be reviewing their assessment strategy going forward.

- **2013 Budget Report / 2014 Budget Preview.** Dan explained the 2013 Budget Report (1-1-2013 through 10-31-2013) to help understand the true level of income by highlighting the fact that there was a lot of flow through with the Great Streets grant. This was EDC's first year without receiving this grant. More was spent than planned under Professional Services because of the strategic planning session with Cathy Bennett. Overall, cash on hand (\$36,389) is stable with some growth due to membership growth.

Dan then explained the 2014 Budget Preview he worked on with Brian and Christie. Regarding income, they are anticipating reaching \$16,000 in membership based upon the growth trajectory. The forums are intended to be breakeven. They would like to receive \$4,000 from the City's Great Streets Neighborhood Business District Support Grant Program for specific initiatives, i.e., advertising, community marketing and outreach and will be applying for this in January 2014. Regardless of growing membership, this is a time to capture the best of what's happening in an organized way.

Regarding expenses, Dan explained that the increase under Consulting / Professional Fees reflects a raise for the Executive Coordinator to reflect what has been occurring, i.e., having been billed for extra hours on items such as membership. He will be proposing to amend the job description to include services that were not in the original job description (e.g., webmaster, marketing assistance for the business forums).

Brian would like to see an upward adjustment because the rate has been flat on the low side for a while, and then hold the EC more accountable for what it takes to accomplish tasks within the job description. Jan explained that it's a contract for what is written in the job description and to keep the door open for doing extra work but based upon board approval.

Dan explained that his goal, as we head for approval of the 2014 budget in December, is to formalize and update the EC's pay package and job description.

- **Draft Staffing Development Plan.** Questions the board elicited concerning the operating budget and the reserve balance and the appropriate amount to have in reserve (i.e., 4 to 6 months of operating expenses) led into the staffing discussion. Dan explained that the reason the reserve is at its level is because First Covenant provides free office space and as the Membership Director he has been giving about 10 hours a week of volunteer labor for 3 years, stayed engaged with people and tracked down information.

Furthermore, he has conducted meetings with Joyce Wisdom from the Lake Street Council who will be attending the November 21st Strategy Committee meeting to talk about how the LSC developed, how staff was formed and how they obtained grants. His pitch to her was that the EDC is being asked to do more, which will require a staffing and organizational change, so what would she recommend the EDC go about it. Wisdom advised him to be disciplined enough to know what your actual costs are even if people are donating.

Dan also spoke with Sarah Hernandez, Program Officer at the McKnight Foundation who was instrumental in getting LSC a \$100,000 grant 10 years ago for a bunch of initiatives, to pitch the same question posed to LSC. Hernandez recommended that he meet with MAP for Nonprofits (he has a meeting scheduled on November 13th) and come back to McKnight because MAP's services would be something McKnight might be willing to fund.

Dan believes the EDC needs to begin building realistic numbers so that the organization isn't vulnerable based on a person or a given institution and views the reserve as a war chest. It's time to spend money to get a different organization.

Discussion ensued regarding the immediate-, short- and long-term considerations of the Draft Staffing Development Plan. Dan views this plan as a 2-year reinvention period — either something is going to flourish and grow big or we'll just partner with the MDC and stay as is. What he is proposing is a stopgap and with more seasoned nonprofit developers like MAP to ask the hard questions, continued engagement with the MDC and City leaders, hopefully we'll get pregnant with an idea about what we need to do. He would apply for the paid Membership Director position because that's how he works and there's a synergy between that and his role as President in developing the business forums.

Some of the comments elicited by board members included:

- Table discussion until we can determine what is normal (e.g., BOMA Saint Paul, MNCREW).
- Find organizations whose function is to manage professional organizations for a specified period of time.
- Need to be thinking about how to be effective, relevant and valuable to the membership.
- Develop the strategic plan further as it will have an impact on these considerations.
- Delegate some of the duties and responsibilities to board members to mitigate time spent by the president so that he does not become overstretched.
- Not a bad idea to have this as an actual position and fund it and if the president starts to do it and it becomes too much for him we can get somebody else.
- Another possibility is that in the future we have an Executive Coordinator who has more time and could take on the additional responsibilities. We'd still have the job description and money and could merge the two positions.
- The position should pay for itself.
- Discomfort in having the nonpaid President also performing as the paid Membership Director and believe his best value is to serve as President meeting people as ambassador of the EDC then the Membership Director (equivalent in the nonprofit world to a development director), if he is good at what he does, will recognize all the opportunities to pull those people into the organization.

- At some point we will get big enough to hire an executive director who will end up doing a lot of those meetings and the day-to-day great stuff and the role of the president will be to support those efforts but we're not there yet!

Further discussion will need to be conducted to resolve the various issues and be able to include it in the 2014 budget.

V. Stadium Implementation Committee

Paul Mellblom's update was postponed in the interest of time.

VI. Business Forum Development Committee Report

Dan explained that the committee had fleshed out the following:

- **November 21st Business Forum.** Topic: "Envisioning Downtown Minneapolis in 2025. Part One: Downtown Community" at the Normandy Inn.
- **December 19th Business Forum.** Topic: "Envisioning Downtown Minneapolis in 2025 Part Two: Development" at the Guthrie Theater.
- **January 16th Business Forum.** Topic: "2013 Election Results: East Downtown Grew from One to Three Minneapolis Council Members at TBD.
- **February 20th Business Forum.** Topic: "The role of minority construction labor amidst a cast of thousands," featuring NAMC, MSFA, Mortenson, and Ryan at TBD.
- **March 20th Business Forum.** Topic TBD at TBD.
- **April 17th Annual Meeting Business Forum.** Topic: "Introduction of new HCMC CEO Dr. Jon Pryor, plus an update on Downtown Medical Office Building, and 5-Year Strategic Plan" at TBD.

Dan stated what's exciting is that the forums are starting to be fleshed out ahead and we're getting some really important people and a lot of interest in what we've got going.

VII. Marketing / Communications Committee Report

Tom Hayes advised that last month the MC decided to solicit a little help from the membership to develop the communications plan. Since then they have gotten more realistic and have shifted the start date to early January wrapping up by March, however they are soliciting now. In today's MC meeting they selected targets to reach out to and discussed the value proposition and some tactics that have been suggested as communications activities. However, they will do the communications plan first then see if the tactics flow from the plan.

VIII. Strategy Committee Update

Dan advised that this is a calendarization of board activities (reference the East Downtown Council Board Calendar Year document submitted in the board package) and he will proceed with it as is and can refine it when necessary.

IX. Membership Report

Postponed in the interest of time.

X. Other Business

Postponed in the interest of time.

XI. Adjournment

The meeting adjourned at 12:55 p.m. (BW/TH).