

**Draft Minutes from the  
East Town Business Partnership Board of Directors Meeting  
Thursday, December 6, 2018  
MSR Design, Mill Ruins Building, 710 South 2nd Street, Suite 800  
Downtown East Neighborhood of Minneapolis**

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Present: Marita Albinson, Carina Aleckson, Marc Berg, Elizabeth Campbell, John Campobasso, Chris Fleck, Daniel Gumnit, Vanessa Haight, Cyndy Harrison, Tom Hayes, Tom Jollie, Paul Mason, Brian Maupin, Kelly Stenzel, Carletta Sweet

Staff: Dan Collison, Christie Rock Hantge

Absent: Siyad Abdullahi, Phil Huebner, Varun Kharbanda, Paul Mellblom, Beth Shogren, Tim Tucker

Guests: Allison Sharkey, Lake Street Council

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**I. Call to Order**

President and meeting host Paul Mellblom called the meeting to order at 11:35 a.m., and welcomed new Board members Paul Mason and Marita Albinson to their first full meeting and for their commitment to making the East Town community a better place. Then everyone was asked to introduce themselves.

**II. Consideration of Agenda**

The agenda was approved as submitted (TH/JC).

**III. Consideration of Consent Agenda**

The consent agenda was approved which included the minutes from the November 1, 2018 Board meeting; Treasurer's report for November which was the F2018 Budget vs. Actual as of November 31, 2018, the Wells Fargo bank statement for the periods October 1-31, 2018 and November 1-30, 2018; Director of Downtown Partnerships for Minneapolis Downtown Council / Downtown Improvement District and Executive Director for East Town Business Partnership and 2020 Partners' report for October 28-December 1, 2018; and Executive Coordinator's report for the period 11/1/2018 to 11/30/2018 (JC/CA).

**IV. Presentation: Lake Street Council**

Executive Director Dan Collison advised 5 years ago when the ETBP was exploring the structures, strategies and effectiveness of other regional and neighborhood business associations and partnerships, the Lake Street Council's Executive Director at that time, Joyce Wisdom, conducted a roundtable with the Executive Committee. Since the LSC is historically considered a vibrant and impactful business association, and it is part of the EC's work to study and learn from such organizations, the EC thought it would be opportune for the Board to be reintroduced to the LSC for comparison and contrast to what we do.

Allison Sharkey, Executive Director of Lake Street Council (<https://www.lakestreetcouncil.org/about-us/your-staff>), commented it is a brilliant idea to study and compare business associations and she is happy to see how the ETBP operates; there's a lot that can be learned from each other and she has already learned a lot from Dan.

The challenge for LSC is its service area is 6 miles long [from the Mississippi River to the east to East Lake Calhoun Parkway to the west], covers over 2,000 businesses, and has demographically distinct nodes along its corridor which impacts the ability of some property and business owners to contribute to special service districts. As a consequence, they have to tailor programming to a number of different markets in three languages.

LSC began informally as a business men's club in 1968 over concerns that businesses, particularly auto dealerships which were the predominant commerce on Lake Street, were moving to the suburbs leaving a large amount of vacant commercial space. To combat this trend and attract new businesses to the corridor, business owners came together to conduct promotional activities. Lake Street has historically been a place where new immigrants could come and open new businesses, e.g., Ingebretsen's Nordic Market (<https://www.ingebretsens.com/>) and Schatzlein Saddle Shop (<https://www.ssaddle.com/>) who have been a stable of the area for a long time, and is part of LSC's narrative about what makes it authentic and

welcoming.

Lake Street went through a transformation in the 1980s and 1990s when there was an infusion of new energy and capital and the Latin community started blossoming. The LSC realized it needed to get with the times and become more reflective of the community that was investing in Lake Street, so Joyce Wisdom went to the McKnight Foundation and obtained a grant to allow them to grow from a half staff person they had been operating with for decades to three full-time staff and become a 501(c)(3) where they remained until 5 years ago when they began to grow again to where they now have five full-time staff including a native Spanish speaker and a native Somali speaker.

The LSC board is comprised of 16 people and could go up to 20, but they have struggled with the larger board size and a robust staff in finding places where board members could bring their significant talents and expertise into the conversation. As a result, they have contracted with Propel Nonprofits (<https://www.propelnonprofits.org/>), created from the merger of Nonprofits Assistance Fund and MAP for Nonprofits, to go through a strategic planning process to help make sure they are doing a good job of recruiting, selecting, and providing board members with significant opportunities in which to participate.

LSC's current funding mix is about 50% from foundations, i.e., McKnight and a number of other local foundations; 33% from government contracts via the City and County; and 16% from memberships which they have approximately 250 – reference the 1-page *Join the Lake Street Council!* fee structure form and 1-page, 2 sided color benefits flyer she distributed – and the annual gala. A list of their budget sources is available upon request. They focus their fundraising initiatives on foundation support because with limited time it's easier to look for a \$20,000 foundation grant than work on small businesses for a \$150 membership, but they will continue to consider them because those partnerships help to establish relationships with all businesses in the community.

A couple years ago they conducted a survey on the concerns of businesses and on what they thought the LSC should be working. Concerns included the change in the minimum wage, being able to keep afloat and making a significant profit. Corridor marketing was still the No. 1 activity on which the LSC should work, as a result they have a full-time communications and marketing staff person, and a robust *Visit Lake Street* (<http://visitlakestreet.com/>) campaign which includes an electronic newsletter, 15,000 followers on social media, marketing initiatives supported by the City's Business District Support Grants, a wallet size discount *Uptown VIP Card* she distributed, and hosting different food tours, e.g., a self-guided Lake Street Dumpling Tour 2018 (<https://www.facebook.com/events/185701032054038/>), a four-fold brochure of which she distributed, that went viral and resulted in tens of thousands within a couple days interacting with their event page. Because events are staff intensive, they don't do a lot of them but they try and make sure they dovetail with their other campaigns. This year they began *My Lake Street. My Home.* (<http://visitlakestreet.com/explore/my-lake-street-my-home>) campaign to encourage people to patronize immigrant and refugee-owned businesses in particular.

LSC's programs include direct business support and advising. They don't get real deep into business plans and financials, which are referred to other business partners, but instead help with everyday business concerns. They do a lot of convening around community safety issues and figuring out how to fund those programs.

They're involved in advocacy at the local level by representing small businesses along the corridor at City Hall and she has worked with Dan quite a bit on this over the last couple years; the major employers along the corridor often have their own government relations staff. And finally, they advocate for better transit and infrastructure projects.

What they **don't do as much as the ETBP** and what Sharkey admires is planning for the future development in the area. The ETBP has been well organized in pulling the right stakeholders together to guide development in the area; she'd like to learn more about how that was done.

Thereafter, Sharkey entertained questions from the Board during which she advised:

- LSC is headquartered in space [at 919 East Lake Street] donated by U.S. Bank across the street from the Midtown Global Market.
- LSC does not have designated board seats for either the neighborhoods, which would amount to 16, the size of the board itself, or for the businesses. However, the board representatives from major employers do try and recruit someone from their organization when their term is about to expire.
- Their executive committee is charged with determining the slate of candidates for the board.
- Because of the diversity of the corridor and the neighborhood associations being somewhat empowered to create and have adopted Small Area Plans, LSC hasn't had the manpower to develop strategic planning for the distinct nodes.
- An example of a strategic redevelopment site in the area would be at Lake Street and Hiawatha Avenue that the Corcoran Neighborhood Organization has driven. LSC has been involved by referring potential local tenants for the commercial spaces, helping to advance proposal to improve traffic management. It's mostly the neighborhood organizations that step into the land use planning role, but because many of them don't have the capacity to do so, finding a way for the business associations and neighborhood organizations to work together is an important step.
- There is no funding for land use planning; government and foundation funding sources are tied to small business development and programming.

Dan noted East Town has intrinsically built in systems, larger than traditional destinations and incredibly capitalized separate running entities that drive people here, i.e., U.S. Bank Stadium, Guthrie Theater, Amory, The Commons and the riverfront that tends to tilt ETBP's work toward spotlighting, connecting, informing and driving the high level narrative, as well as helping those institutions care about the two neighborhoods within the district.

For more information, Sharkey can be reached at [asharkey@lakestreetcouncil.org](mailto:asharkey@lakestreetcouncil.org).

## V. Action Item: 2019 Budget

Treasurer Carina Aleckson advised the FY 2019 Budget draft as of 10-17-2018 was presented at the November 1st Board meeting (<https://easttownmpls.org/wp-content/uploads/2018/10/2019-Budget-draft-10-08-2018.pdf>); it reflects the addition of sponsorships on the income side, and the 5% salary increase for the Executive Director and 3% salary increase for the Executive Coordinator on the expense side.

Dan added it's a simple, cash in-cash out budget with an operating reserve that has remained stable over the years. Draws have been taken from the reserves due to the gap between the affirmed budget in December and the dynamism of membership renewals and sponsorships. On the income side, he will occasionally receive an honorarium or consulting fee for a speaking event or grant from the City from which a portion is designated to administration that will flow back into ETBP, e.g., \$2,000 from the City's Great Streets Business District Support grant for the Chameleon project. Because there is virtually no overhead, the organization is running as efficiently as possible. First Covenant Church donates office space and although there's no cash outflow for it he's keeping that value in the budget should circumstances change.

Part of the magic of this budget is for the last 4 years the ETBP has partnered with the Minneapolis Downtown Council-Downtown Improvement District in a shared staff agreement via McKnight Foundation grants which goes directly to the MDC in support of his salary and specific initiatives.

Paul noted the shared staff agreement has been a good deal for the ETBP because the cost for staff has been reduced and Dan is constantly promoting and implementing our and the other organizations' shared aspirations.

Thereafter, the 2019 Budget was approved as submitted (JC/CS).

## VI. Updates

**A. Executive Director Monthly Overview: MDC-DID/ETBP Shared Staff Agreement.** Dan gave a brief overview of how this shared agreement evolved. It stemmed from the 2013-2017 Strategic

Framework, which had under the *Sound and Sustaining Organizational Structure* area of strategic focus the goal to adopt a new Executive Director model and necessary governance changes, all of which was fueled by a grant from the McKnight Foundation in partnership with the MDC (reference May 7, 2015 Board meeting minutes).

Since its inception, each month Dan has reported on the work objectives for the (1) MDC-DID McKnight Grant; (2) ETBP; (3) MDC-DID; and (4) Joint MDC-DID/ETBP. Dan then guided the Board through the work objectives for each entity, progress to which was highlighted in red.

Under *Economic Prosperity for All*, the Inclusive Downtown Think Tank with the YMCA will wrap up next week and he'll cast a vision for 2019 to take prototypes forward. Also, an Idea Festival pilot program is being considered.

Under *Small Business Strategies*, the Chameleon Consortium is front and center and there are multiple strategies being developed, e.g., the NCAA Final Four pop-ups in April 2019; and finalist for the Concessionaire/Retail Master Lessee at the Public Service Building (<http://www.ci.minneapolis.mn.us/www/groups/public/@finance/documents/webcontent/wcmssp-214458.pdf>) where Sawatdee would be one of three star vendors.

Of all the work objectives, the Chameleon Consortium is currently the front edge of his activities. Then he passed around the marketing materials developed for a 30-day pilot pop-up in April: an invitational cover letter to small businesses, property owners (they've spoken with Gaviidae Common, City Center, and IDS Center), and sponsors; and brochures targeted to each group.

If given the Concessionaire contract for the PSB, it will launch a whole new ballgame, e.g., creating a 5-year agreement between the MDC, City and some incredible vendors to run and operate the concessions. The CC would work all year to develop what it would look like. It's a unique opportunity for the ETBP because it will give it a more hands on role in participating, recruiting and helping these small businesses grow.

Dan then advised he would forward Carlson Consulting Enterprise's second study they completed this morning on downtown retail that created a model for the CC. Much gratitude to the McKnight Foundation which funded both studies at \$30,000 each.

Paul expressed hopefulness that as we hear these partnership work objectives we're able to relate them to the 2018-2022 Strategic Framework.

**B. Downtown Minneapolis Neighborhood Association.** Because she didn't attend the LUC meeting on December 4th and her other affiliations are inactive this month, Carletta Sweet asked Christie Rock Hantge to provide the LUC update. Christie advised two items were considered for letters of support, to wit:

1. Class B liquor license application with 18+ nights for Wild Greg's Saloon, a country-western bar at 315 1st Avenue North (<http://www.startribune.com/country-bar-opening-in-former-troubled-nightclub-spot-in-downtown-minneapolis/500290842/>). The conversations centered on the 18+ nights because the owner felt he was being treated differently than other downtown establishments. The LUC recommended a LOS which will go before the Board on December 11th.
2. Request to the Heritage Preservation Commission to demolish Oakland Apartments at 213-215 South 9th Street by Meyer Gonyea Partnership. A fire severely damaged the 22-unit apartment building in October 2016 and the City subsequently condemned it in December 2016. After the City ordered it razed as a nuisance property in February 2017, when the contractor applied for the permit, the City identified it as a historic resource due to its association with architect Harry Wild Jones ([https://en.wikipedia.org/wiki/Harry\\_Wild\\_Jones](https://en.wikipedia.org/wiki/Harry_Wild_Jones)). As a result, additional steps will need to be taken to prove demolition is necessary. The LUC recommended a LOS for the request to demolish

which will go before the Board on December 11th.

**C. Elliot Park Neighborhood, Inc.** Vanessa Haight announced:

1. Tonight's Elliot Park Art Walk and Holiday Market (<https://www.facebook.com/events/376042909593595/>) beginning at Finnegan's Tap Room, 817 5th Avenue South.
2. The 1400 Park Avenue mixed-use project is alive again with the same plans (<http://www.minneapolismn.gov/www/groups/public/@cped/documents/webcontent/wcmssp-185554.pdf>). Since all of the City approvals are still in place, they can begin utility work right away.
3. They have been planning their 2019 priorities and a new focus is the food access issue that has gained momentum. What is needed is a place to pick up healthy food to cook at home or is ready made to eat.

**D. Minneapolis Downtown Council/Downtown Improvement District.** Dan covered under updates above.

## VII. Committee Reports

- A. Executive.** Paul referenced his notes from November 20th (<https://easttownmpls.org/wp-content/uploads/2018/12/EDC-Executive-Comm.-Mtg-Notes-Nov-2018.pdf>) and added there was nothing new to report.
- B. Board Development.** Paul advised they will be meeting soon because at the annual meeting in April 2019, several members' terms will be expiring and elections will be held for next season's Board. He encouraged those with potential candidates to forward their interest and credentials to his attention.

Then he announced because MSR Design needs more office space and it would be too expensive to do so here [at the Mill Ruins Building], they will be moving into 510 Marquette Avenue South (<http://www.510marq.com/>) in Downtown West. Since they will no longer be in the East Town district, he'll be stepping down and encouraged those interested in serving as President to let anyone on the committee – Carina, Carletta, Dan, Marc or himself – know of their interest.

- C. Business Forum.** Dan advised this committee last met on November 15th just prior to the business forum, and continues to refine speakers and brainstorm about sponsorships for the first quarter of 2019. The ETBP has to stay ahead of the curve in proposing topics for the upcoming season because 4 of the 10 forums are conducted jointly with the MDC. Since themes are being developed for the 2019-2020 season, they would like to link membership businesses that would benefit from being the featured sponsor at those forums not conducted jointly with the MDC. He will soon send out an email calling for topics.
- D. Membership, Marketing and Communication.** Referencing the Membership Report as of December 6, 2018 which can be found on the Board Members Only page at <https://easttownmpls.org/wp-content/uploads/2018/12/ETBP-Membership-Report-12-6-2018-REVISED.pdf>, Christie advised not much has changed since last month. They have received some outstanding payments from businesses that had already pledged support. Since there were no new members, membership stands at 75, 3 of which are trade members. And the total accounts receivable is \$7,200.

MMC Chair Chris Fleck extended gratitude for the tremendous support from the platinum members, Dan for his efforts in obtaining presenting and table sponsors for the forums, and members of the MMC Committee for reaching out and inviting guests to the forums during the 3-month membership

drive.

Fleck then advised to keep track of the MMC's activities toward fulfilling the three outreach goals established (reference November 1, 2018 Board minutes), he created a Google spreadsheet for MMC members access only and then sought their feedback on its ease of use.

The next MMC meeting will be at 10:15 a.m. on Tuesday, December 18th in advance of the business forum at the Elliot Park Hotel.

### **VIII. Adjournment**

There being no further business, the meeting adjourned at 12:46 p.m. (CS/MB).