



## **Medical SSMID Commission Meeting Minutes**

**April 3, 2013**

**8:00 a.m.**

### **Tallgrass Business Resources**

#### **Present**

|                  |                         |                |                 |
|------------------|-------------------------|----------------|-----------------|
| John Albert      | Tim Charles             | Richard Cooley | Michelle Jensen |
| Mary Meisterling | Melanie O'Donnell Olson | Julie Sterling | Mike Sundall    |
| Julianne Thomas  | Ted Townsend            | Phil Wasta     | Marcie Watson   |

#### **Absent**

#### **Steering Committee / Guests**

|             |                |          |                |
|-------------|----------------|----------|----------------|
| Kris Gulick | Richard Pankey | Pat Shey | Judi Whetstine |
|-------------|----------------|----------|----------------|

#### **Economic Alliance Staff**

|               |             |              |
|---------------|-------------|--------------|
| Sarika Bhakta | Jody Bowers | Doug Neumann |
|---------------|-------------|--------------|

#### **Welcome & Introductions**

Townsend called the meeting to order at 8:02 a.m. and introduced guest Judi Whetstine of the City of Cedar Rapids Board of Ethics.

#### **Principles for Conflict of Interest**

Whetstine spoke to the Commission on conflicts of interest. She informed the Commission that the Board of Ethics is working on a decision flow chart to help people determine if a conflict of interest exists. Real conflicts are actually pretty rare. Whetstine provided an example of a situation reviewed by the Board of Ethics: A riverfront group of houseboat owners were in charge of setting their own rental rates. Whetstine explained that because the benefitted group is larger than just one business or organization, it doesn't fall under the city's conflict of interest ordinance. The members of that commission could set rental rates without conflict or recusal.

If the Medical SSMID makes a decision that financially benefits only one Commission member's personal property, directly or indirectly, that would be a conflict and that Commission member would need to recuse themselves at the very beginning of such a situation. Whetstine explained recusal as knowing a likely conflict exists. In that case, a Commission member should let the Chair know that there is a potential conflict and recuse themselves immediately, not just for the final vote. She stressed that the Commission member with the conflict should not participate in the discussion or even offer advice on the issue outside of the meeting. They should also physically leave the room during the discussion. Her final piece of advice was to make sure that any recusals are reflected in the record as well as if a Commission member left the room for the discussion.

Councilman Shey encouraged the Commission to use advisory opinions from the Board of Ethics if questions arise.

A Commission member asked if existing contracts with the City create a conflict or if it's the nature of the contract that creates the conflict. Whetstine responded that it's the nexus between the personal benefit and the contract that creates the conflict.

The question was also raised as to whether a conflict was created if Commission members were arguing for aspects of the master plan that benefitted their specific interests. Whetstine answered that there would be no Commission if it was defined that closely. The potential for conflicts rises when you get to the point of assigning contracts to actually do the work.

A Commission member asked if the Downtown SSMID has had any issues with conflict of interest. She responded that she has not encountered complaints or issues related to the Downtown SSMID. Neumann shared that the Downtown SSMID has reviewed the conflict of interest ordinance a few times over the years. When they make specific contributions, they do review the conflict policy to make sure that there is no conflict in those specific cases. It's very rare that it comes up, because most of the SSMID business involves district-wide improvements.

Whetstine shared that she did not hear anything to be concerned about or to ask for an advisory opinion about related to the Medical SSMID. However, at any time the option of an advisory opinion is always available by contacting the City Clerk's office.

Townsend thanked Whetstine for her assistance and information, and she departed the meeting.

### **Consent Agenda**

Townsend introduced the Consent Agenda, which includes the minutes from the prior meeting, the Professional Services Progress Report and monthly financials. Wasta moved approval of the Consent Agenda. O'Donnell-Olson seconded, and the Commission unanimously approved.

### **Committee Updates**

#### **Master Development Plan**

Albert reported that the contract with The Lakota Group is under legal review. The first meeting with The Lakota Group has been set for the afternoon of April 18<sup>th</sup> and morning of April 19<sup>th</sup>. At this meeting they will start planning and identifying stakeholders and tour the district on day one and the consultants will meet with City Staff on day two.

It was suggested that the MDP Committee should be disbanded and a new group formed as the steering committee to direct the process with The Lakota Group. The commitment would include ten meetings over a six-month period. There are also focus groups scheduled, the first being with primary stakeholders, as well as six Commission updates and three community workshops scheduled.

It was suggested that there is value in the entire Commission being involved initially. Later, as things move into more detailed work, smaller groups can be identified. Pankey expressed interest in taking part in the steering committee. Consensus was for the entire Commission to serve as the steering committee for the Master Development Plan along with Pankey and Epping, if they so desired, and the original committee members. Albert will continue to head the steering committee.

Staff will send a save the date to everyone for April 18<sup>th</sup> and 19<sup>th</sup>.

#### **Branding/Marketing**

An update was provided on the progress with Informatics and the MedQuarter web site. After their initial kick-off meeting, Informatics came back with three items that were deemed out of scope. The items were related to the buildings module, administration of the provider directory and the mobile site. At this time, the building module, while nice, is unnecessary and will not be part of the site. The initial input of the provider directory is in the budget, but ongoing updates are not. Those could be done by Medical District and its partners. For the mobile application, the whole web site would be available on phone but would not be easy to read. At this time, the mobile site will at least have directory with names, contact information and address. The Commission was asked to designate one signatory for MedQuarter web site business.

An explanation and discussion of the new web site's content and capabilities ensued. When asked if there would be a designated space for events, it was confirmed that there would be an events space, but it would not include a registration portal. Stakeholders will be able to submit events and then link them to their own registration pages. The question was raised whether the Commission should make an exception to include public services outside of the district, such as the federal qualified health center and free clinics. After some discussion of the pros and cons as well as other situations that could warrant listings from outside the district, such as religious institutions, it was decided the issue will be discussed further and decided by the Committee.

O'Donnell-Olson moved to designate Dr. Thomas as the signatory for all MedQuarter web site business. Meisterling seconded, and the Commission unanimously approved.

The need for detailed logo-use guidelines was raised. Neumann suggested that the Iowa's Creative Corridor branding team has dealt with identical issues and would be happy to have someone attend committee meeting to share their process. After some discussion, it was decided the issue will go back to the Committee for further discussion and decisions on logo-use guidelines prior to any authorization or encouragement of district members to start using the MedQuarter logo.

The timeline for completion of the web site will be set once the current scope of work has been signed off on. When asked about utilizing the website for the MDP process, it was explained that the existing site can be utilized for this, but new site will not be ready.

### **District Services**

It was reported that Doug Wilson from the City of Cedar Rapids Public Works Dept. expects streetscaping to be completed between mid-July and early August. Discussion ensued about an invoice for the pedestrian street lighting. The City has denied responsibility for paying this invoice. However, there is no precedent or agreement set to state otherwise. Councilman Gulick suggested the MOA with the City be put in place as soon as possible to settle these type of issues. Neumann noted that there has been some suggestion by City personnel that PCI should be paying this bill. He clarified that is not a valid statement or request. It was assured that the lights will not be turned off, but that at this time there is no responsible party assigned to pay the bill. The District Services Committee will be getting back together to work on the MOA with the City.

### **Non-Profit Voluntary Contributions**

Neumann explained the issues they have been continually running into in determining the hospitals' voluntary contributions. Three years ago the steering committee backed into a \$500,000 to \$600,000 operating budget from the estimates of what the major stakeholders would contribute. However, the original formula used for determining the hospitals' contributions was false due to incorrect data. Now, trying to calculate a new rate for voluntary contributions is proving impossible as market rates are volatile and the data continues to change each time it's pulled. He also explained that there is a very long lag time from

assessment to taxation; 27 month-old assessments are determining current tax bills. It was stressed that though the hospitals do have some exempt properties, they still pay a large amount of property taxes each year on their non-exempt properties.

The recommendation was to return to a flat fee of \$125,000 voluntary contributions for both hospitals. That, plus the taxable properties should net about \$200,000 per hospital. A draft of the letter to be sent to the other non-profits in the district was included in the packet. It asks for \$250 from properties valued at less than \$500,000, for \$500 from properties valued between \$500,000 and \$1 million and for \$1,000 or more from properties worth \$1 million or more.

Neumann also clarified that PCI is not paying taxes this year, not because of a break they received, but because they did not own any property during the time period now being taxed. PCI will eventually contribute approximately \$113,000 annually. Discussion ensued on whether to include the amounts that the non-profits would be paying if they were not exempt and whether to limit the benefits that any non-contributing non-profits receive.

Consensus was to move forward with the flat rates for the hospitals and the other non-profit rates as established in the letter. Sundall moved the Commission should proceed with the letter asking for voluntary contributions from the non-profits in the district. O'Donnell-Olson seconded, and the Commission unanimously approved.

#### **Automobile Row Historic District**

The Commission was informed that this issue has been put on hold while the City reviews it further. Councilman Gulick confirmed the hold. Townsend requested notification of any further actions by the City. Gulick will get back to him if he hears of any additional activity.

#### **Commission Reappointment Update & Elections**

Townsend shared that three Commission members terms are expiring in June. They are planning to ask the City to reappoint those members rolling off. Sundall moved approval of the reappointments. Meisterling seconded, and the Commission unanimously approved.

#### **Adjourn**

The meeting adjourned at 9:31 a.m.