

Medical SSMID Commission Meeting Minutes

November 5, 2014

8:00 a.m. – 9:30 a.m.

Tallgrass Business Resources

Present: John Albert, Richard Cooley, Tim Charles, Michelle Jensen, Kathy McCauley, Mike Sundall, Julianne Thomas, Ted Townsend, Phil Wasta and Marcie Watson

Absent: Julie Sterling and Mary Meisterling

Steering Committee/Guests: Gordon Epping, Pat Shey, Richard Pankey

Economic Alliance Staff: Sarika Bhakta, Doug Neumann and Wendy O'Brien

Welcome & Call to Order

Townsend called the meeting to order at 8:01 a.m.

Consent Agenda

Thomas moved approval of the Consent Agenda. Wasta seconded, and the Commission unanimously approved.

Committee Updates, Next Steps and Timeline

Branding/Marketing

The Commission was pleased to hear Thomas announce that the MedQuarter street banners are now up. Marketing collateral is underway. The Branding & Marketing Committee met with de Novo regarding their capabilities—was pleased with their presented work—and has had a kick-off meeting with them to produce MedQuarter marketing collateral. Thomas noted that the video pricing has been adjusted up about \$1,000, but that does not affect de Novo still having the lowest bid for the bundled collateral materials. The timing of video production will be set for Spring 2015, in order to showcase the MedQuarter businesses in a more attractive time of year—i.e with leaves on the trees. de Novo is starting brochure work.

Operations

Bhakta shared the Operations Committee report on behalf of Meisterling who was unable to attend.

Street Sign Toppers: The City recommends replacement of current street signage vs. adding onto signage because of weight restrictions of the brackets. The Committee will work with the City regarding details of cost sharing (as the City will benefit from having signage brought up to code) and design that will be consistent with the spirit of the Lakota Group's design, which the Commission agreed to use as a guideline in October. Any changes that are required or proposed by the City will be worked through with the Branding/Marketing Committee and shared with the Commission.

Major Gateway: The City is looking at logistics of right-of-way for the 4-6 potential locations.

Interstate 380: Is possible, but will be combined with other districts.

Meisterling and Bhakta will be meeting with City staff regarding coordination, cost-sharing, RFP process, timeline, etc. as implementation of some of these initiatives could potentially occur as early as next spring/summer.

Standards

Wasta gave an overview of the City's feedback on creation of an overlay district. The City's experience with recent overlay districts of NewBo, Kingston, and Ellis—has led them to recommend a greater level of details and specifics. The Standards Committee will meet November 17th with the City to review Lakota's list of standards and determine which standards lend more clarity about the MedQuarter's vision without being too restrictive.

Thomas noted here, that she has concerns about 30 ft. being too deep a set-back on 4th Avenue.

Good News

Townsend shared recent news and congratulated Sterling on receiving the Corridor Business Journal's 40-Under-40 Award. He also shared the American Planning Association's Iowa Award for Urban Design for the MedQuarter's Master Development Plan. The Commission decided to display the award at Tallgrass Business Systems and will plan to display them at future open house type events, so the district and community have a chance to see this prestigious recognition.

Property Tax Rollback

Neumann updated the Commission on how the new State commercial property tax legislation could affect the SSMID. Property tax valuations are being rolled back 5 percent per year over 5 years. In the near term, the SSMID may not be affected because the State has agreed to backfilling revenues to Cities for any lost tax revenue. SSMID revenues seem relatively secure through at least 2017. Beyond that, legislative change could either secure or threaten some portion of revenues. It was noted that with ongoing voluntary support from the hospitals, which isn't affected by the tax rollback, the Medical SSMID is sitting better than other SSMIDs that have 100% of their revenues subject to the tax rollback legislation.

SSMID Tax Rate

The current Medical SSMID tax rate is \$3.75 per \$1,000 of taxable value. The Commission needs to set the rate each year. Wasta moved that the Commission retain the \$3.75 rate for the FY16 tax year. McCauley seconded the motion, and the Commission unanimously approved. Bhakta will report that action to the City Treasurer.

Façade Improvement Program

Neumann shared information about the Downtown SSMID's Façade Improvement Program, which offers grants of up to \$10K (most grants are \$3,000 to \$5,000) of matching funds to spur projects that improve district businesses' façades. The Downtown program is funded with \$50,000 in SSMID funds and \$50,000 from the City's Economic Development funds. There are currently 7 projects under consideration. Czech Village/NewBo and Marion also have similar programs.

The Commission was interested in how these programs worked and consensus is to explore options for a MedQuarter façade program. The Standards Committee will research and design what a program could look like and develop a proposal to present to the Commission. Thomas mentioned murals as something to consider, if they could be included in the program.

4th Avenue Update

Bhakta explained new developments in the potential for MedQuarter Greenway Improvements along 4th Avenue. During the walk-around with HR Green last month, it was clearer that any improvements were limited due to December RFP deadline. However, the HR Green consultant Jen Winter shared a possible solution in delaying the work between 5th and 12th St. and proceeding only with the pavement project from 12th to 19th streets. That would give the Commission more time to determine what improvements they want included in the City's RFP and negotiate financing and any shared funding for a project that could include far greater greenway enhancements than currently envisioned in the city project.

There is some concern on the part of the Commission, that breaking out the 5th to 12th St. work could risk its completion. A meeting including HR Green, the City of CR and Commission members will be scheduled to discuss. There might be interest in more planning on the project if the SSMID can be guaranteed no more than a 12-month (one construction season) delay.

Other Business

Sundall shared that PCI will once again invite kids to visit and have pictures with Santa on December 4th and would like to use MedQuarter logo and consider posting to the website.

Management & Professional Services

Townsend shared a handout of the Medical District Administration Work Paper drafted by him and Albert and shared in a meeting yesterday with Dee Baird & Neumann. The work paper summarizes key issues to address in a new services contract with the Economic Alliance. Townsend acknowledged that Economic Alliance just received the issues yesterday, but asked Neumann if there was any initial response.

Neumann said the meeting yesterday was very positive. The Economic Alliance agrees with virtually every point in the work paper. The Economic Alliance has been saying for several months now that the efforts of the district need to be accelerated with more professional service time. Neumann agrees with the strategy of having a single person in charge and directing all activities on a full-time basis. That would solve the issues of single-point of contact, in addition to concerns about someone championing the district and giving full time attention to the district's needs within the Economic Alliance. He noted that the current agreement was created 30 months ago in the very infancy of the SSMID. At that point, an average of just 75 hours per month of services made sense. But there's so much more to do now that we are past time to grow into the new reality of the District.

As to cost, Neumann clarified that he initially was hired to provide executive services in place of a higher-cost executive consultant that had been helping with district formation. That also made sense at the time but doesn't anymore. The Economic Alliance wants any service contract to reflect its true costs—no profit but also no subsidy. With the different mix of staffing (administrative and programmatic) now needed, and assuming the overall hours of the contract are expanded, the average hourly cost of services will be lower than it has been.

The independence question seems of highest concern to some commission members. Neumann noted that the Downtown SSMID wrestles with the same question. It has recently come out with a new logo and branding effort, and makes sure that things like correspondence to the mayor comes under SSMID letterhead and from the commission, rather than from the Economic Alliance. The independence issues have been very satisfactorily addressed with the Downtown SSMID, and Neumann sees no reason why the same wouldn't be true with the Medical SSMID. He and Baird are very happy to work out specifics on this issue.

Finally, on the very last point on the work paper related to the Medical District's strategic planning, Neumann asked for clarification from the commission on that point. He feels like the strategic plan the Medical District put together was a great process that resulted in a great plan, and he doesn't understand how future planning would be compromised by the Medical District continuing to work with the Economic Alliance. Clarity around that concern will help if a service proposal is put together.

Executive Session

The Commission adjourned to Executive Session at 9:21 a.m.