

**Corona del Mar Business Improvement District
Board Meeting Minutes
December 5, 2013
CdM Chamber of Commerce Offices**

Board Members Present:

Bernie Svalstad, Chairman; Scott Palmer, Treasurer; Keith Dawson, Secretary; Tom Nicholson, Vice Chairman; Scott Laidlaw, Jim Walker.

City Representatives:

Bob Quaid (Willdan Financial) – BID Administrator
Mary Locey (City of Newport Beach) – BID Coordinator
Nancy Gardner (Newport Beach City Council)

Guest(s):

Joanie Reynolds (Willdan Financial), Linda Leonhard (Corona del Mar Chamber of Commerce), Jessica Prause (Port Theater), Karen Tringali (CDM Residents Association), Amy Senk (CDM Today), Jim Mosher (Resident), Ron Yeo.

1. Call to Order at 7:30 am.

2. Roll Call

The Chairman called the roll and determined that a quorum was in place. Those present introduced themselves.

4. Approval of Minutes

MOTION:

Tom Nicholson moved to approve the Minutes of the October 24, 2013 meeting as written. Scott Palmer seconded and the Motion was approved by unanimous vote.

5. Current Business

Bernie Svalstad requested the order of the Current Business Items identified on the Agenda be re-arranged moving item 5. F. to the first items of discussion

MOTION:

Scott Palmer moved to re-order the Agenda Items moving item 5. F. to the first item of discussion. Tom Nicholson seconded. Motion was approved.

F. City Requests for Proposals for BID Support and Services Update

Due to Bernie Svalstad’s role on the Chamber’s Board of Directors, he excused himself from the room while the Marketing and Communication Services Agreement with the Corona del Mar Chamber of Commerce Contract was discussed.

Mary Locey reviewed the Chamber’s proposal, included in the Agenda packet marked Exhibit C. This document outlines the continuation of marketing and communication services to the BID, some of which were previously allocated to the budget (listed in Exhibit C, #3, BID Existing Programs). Page 1 of the proposal/Exhibit C (under Scope of Work and Annual Fee Proposal) identifies additional services the Chamber will facilitate on behalf of the BID, including meeting facilities, the Business Beautification Award Program, the Dolphin Topiary Program, and attendance at the BID’s monthly Advisory Board Meetings. Services were also provided in July, August and September during the transition period prior to Willdan’s contract services. The total contract amount proposed is \$40,000. The proposal also identifies additional marketing services requested by the BID will be performed at an hourly rate of \$65.

Linda Leonhard clarified that the proposal does not request additional dollars but rather a redistribution of funds between Willdan and the Chamber.

A discussion followed regarding costs that had already been incurred, to date \$17,000 has been spent. The proposal is for services to be performed for the current fiscal year, ending on June 30, 2014. A contingency of approximately \$4,300 is built into the not to exceed contract amount.

MOTION:

Scott Palmer moved for the Board to approve the Chamber’s proposal. Keith Dawson seconded. The Motion was approved by unanimous vote.

Bernie Svalstad returned to the room and requested a motion to proceed with Agenda Item 5. E., BID Financial Reports.

MOTION:

Scott Palmer moved to proceed with Agenda Item 5. E., BID Financial Reports. Jim Walker seconded. The Motion was approved by unanimous vote.

E. BID Financial Reports for October 2013

Bob Quaid reported that there is presently \$182,069 cash on hand with accounts receivables in the amount of \$149,758, as of October 31, 2013. Approximately \$80,000 of the Member Assessment revenue has been collected per the Profit and Loss Statement. In regard to expenses, \$8,349 has been spent on Administration. Bob will clarify with Whittaker & Associates' the BID Administrator charge in the amount of \$7,154. A detailed breakdown of this fee has been requested for the next Board meeting. The Board discussed the possibility of re-allocating funds from Improvements to Maintenance in order to subsidize overages but decided to delay the re-allocation until other maintenance projects begin. Linda was able to negotiate a better fee with the printer for the tri-fold brochure, which resulted in a savings of \$840 (Marketing, Collateral/Brochure line item). Bob mentioned that in the future the BID may need to re-allocate some of the budgeted dollars in order to properly distribute expenses.

Bernie Svalstad received a proposal from Park West Landscaping regarding the improvement of tree wells, which included images, in the amount of \$1,400. The images were shared with the Board. Bernie Svalstad recommended that the Board consider Park West's \$1,400 to replant landscaping within the specified areas rather than wait another month and that there is \$2,000 in the 2014 maintenance budget for this expense.

MOTION:

Scott Palmer moved the Board approve spending \$1,400 to improve the tree wells through Park West Landscaping. Tom Nicholson seconded. The Motion was approved by unanimous vote.

MOTION:

Tom Nicholson moved that the Board approve and accept the October 2013 BID financials. Scott Palmer seconded. The Motion was approved by unanimous vote.

3. Public Comments on Agenda Items

There were no public comments.

5. Current Business

A. BID Chairman Report

A formal report was not provided.

C. Amendments to Bylaws

Bernie Svalstad stated he been working with Mary Locey and Bob Quaid to amend the Advisory Board Bylaws. The City Attorney reviewed and provided feedback on the revisions recommended. Bernie Svalstad reviewed each of the redlined revisions outlined in Exhibit A of the agenda packet.

MOTION:

Tom Nicholson moved the Board approve the proposed Bylaw revisions. Jim Walker seconded. Discussion followed. The Motion was approved by unanimous vote.

Discussion: Scott Palmer commented that the wording “business owner’s appointed representative” under Membership was vague. Scott made the point that a family member not affiliated with the business, living in a different location could be appointed as a BID member. After further discussion amongst the group, Mary Locey brought to the group’s attention that the representative has to be nominated by the Board and approved by Council.

Bernie Svalstad opened up the discussion to the public and Jim Mosher commented that the duties of the Secretary are not completely accurate since it is Willdan’s responsibility to prepare the agendas and minutes. Jim Mosher also commented that it is customary in bylaws to identify the time and place of the meetings. Bernie Svalstad did not want to discuss these comments but instead deferred to the City Attorney for review.

MOTION:

Scott Palmer moved the Board approve a change in the wording in the second sentence of Section 5) C) iii. of the Bylaws to read “The Secretary shall also **provide general supervision necessary to** keep a written record”. The motion was seconded by Tom Nicolson and the Motion passed unanimously.

Action Item: Mary Locey will take the revised agreed upon language to the City Attorney for review and approval.

D. New Corona del Mar BID Board Member

Keith reported that upon further investigation of the letter of appointment submitted with Jessica Prause’s Application for Appointive Position that the Port Theater, which is a corporation, has a suspended status with the Secretary of State. Keith warned it could be problematic if a business is operating with a suspended status and is a member of the BID. This situation could be due to an administrative oversight but it needs to be corrected.

MOTION:

Jim Walker moved to nominate Jessica Prause to the BID Board contingent upon the approval of City Council. Tom Nicholson seconded. The Motion was approved by unanimous vote.

Action Item: Bob Quaid agreed to work with Mary Locey to get this item placed on the January City Council agenda and to verify the current status of the Port Theatre with the Secretary of State.

E. Council Results for Ordinance to Waive Penalties and Interest on Collections Delinquent Assessment

Mary Locey reported that the City Council performed a second reading of the Ordinance on November 26, 2013, which will become effective 30 days later; December 26, 2013. The City is working with Matt Lenton at Whittaker & Company to identify the delinquent businesses and develop the invoice to be mailed to the applicable businesses. The period to waive penalties and interest associated with delinquent assessments will begin on December 26, 2013 and expire February 28, 2014. The ordinance included a three-month payment plan option for those with assessments over \$500.

Action Item: Matt Lenton will be responsible for billing questions and Bob Quaid will handle general questions related to the BID functions.

G. A-Frame Signs

Bernie Svalstad led a discussion in regard to A-frame signs placed in front of businesses on private property. Daniel's Luggage and Vin Goat have received general complaints specific to their A-frame signs. Nancy Gardner recommended the BID request City Council review the ordinance specific to A-frames placed on private property in front of a business. Scott reminded the group that the BID was established in order to bring control back to the local merchants. Nancy recommended that a letter outlining the legacy of the BID's establishment be included in the staff report to Council. Scott also recommended that the letter acknowledge that signage is a form of advertising that can be done at a minimal cost.

MOTION:

Scott Palmer moved the Board recommend the City codify the regulation of placement and appearance of A-frame signs on private property within the CdM BID and that City staff work with the BID on the final language of such regulation. Jim Walker seconded. The Motion was approved by unanimous vote.

Action Item: Scott Palmer to write a letter documenting the BID's establishment.

Linda commented that someone should follow-up with Vin Goat and Daniel's Luggage regarding complaints received.

Action Item: Tom Nicholson volunteered to talk to Vin Goat and Bob Quaid agreed to respond to Daniel's Luggage on behalf of the BID.

H. Revitalization Improvement Projects and Maintenance Items

Gateway Improvements – Bernie Svalstad reported that this project is stalled since it will be difficult to replace the existing parking. Nancy Gardner made recommendations for alternative plans. The group then discussed the parking spots potentially affected by this project and comments from the City that the parking may pose a safety hazard. Bernie Svalstad recommended that he and Jim have a discussion with Mike Sinacori of the City in regard to this matter and review the modified parking plan.

Parking Project – Jim Walker reported that the preliminary draft of the parking management plan will be available in early January 2014, allowing for a month to review before the final plan is anticipated to be completed in February 2014. Jim clarified the tasks that will be included and excluded from the scope of work. Bernie Svalstad noted that the City's consultant is behind schedule and the City may have to intervene.

Action Item: Jim Walker and Bernie Svalstad will follow up with the appropriate person in order to have a face-to-face meeting in the immediate future.

Marguerite Project – Bernie Svalstad reported that the City will hold a meeting in mid-December to determine next steps and the timeline. Ron Yeo commented the contract with Rabben/Herman Design for preliminary design has been executed by all parties and they are ready to begin work.

Street Furniture Maintenance

Bike Racks – Ron reported that a letter was mailed in regard to the bicycle racks. Three responses were received, two against and one for. Linda read the letters aloud. The two letters opposed to the bicycle racks cited concerns for bicyclist safety. One of the opposition letters was from State Farm and questioned the encouragement of bicycle use. Linda has already responded to State Farm. The other opposition was presented in an e-mail from a concerned citizen and Bob Quaid responded to that individual. Studio Cycle supported the purchase of bicycle racks and requested one be installed in front of their store.

Action Item: Nancy Gardner requested the opposition letters be forwarded to Tony Petros for the review of the bike master plan committee.

The next step is upon receipt of the City Manager's approval, the City will begin the bidding process specific to the bicycle racks, which will include installation. Upon completion of the bidding process the actual locations will be finalized.

Trash Receptacles – Ron Yeo reported that the contract for the existing trash receptacles is in place and re-furbishing will start soon. Ron Yeo will inform Bernie Svalstad when this process will begin. Bob reported that he received a call from Landscape Forms regarding the shipment of the new trash receptacle for the candy shop, which is ready for delivery.

Newspaper Racks – Ron reported that Bernie Svalstad sent a letter to the City requesting the revision of the newspaper rack code, including the refinement of enforcement. Nancy Gardner stated this item will be on the Council agenda in March 2014.

Signal Arm Modifications – No report given.

Sidewalk Steam Cleaning – No report given.

Plaza Upkeep – No report given.

Landscaping / Tree Wells – previously discussed during the meeting under item 5. E. BID Financials.

Pocket Park – The pocket park is in the works and should go out to bid in January 2014. Nancy Gardner commented that a letter was received and the concern was reviewed by the Parks, Beaches & Recreation Commission but the plan will remain unchanged.

Other – Linda questioned whether anyone had heard from Dekra-Lite regarding the holiday décor installation. She contacted Stacy for an update but a firm answer was not received.

Action Item: Bob Quaid instructed to follow up with Dekra-Lite regarding installation immediately due to the upcoming Christmas Walk.

I. Marketing Report.

Linda reported that the Holiday Ad Campaign has commenced and ads ran in *The Daily Pilot* and *The Indy* and the QR codes have already been used.

In regard to Farmers & Merchants Bank Beautification Award, Linda invited BID members to the ribbon cutting on Friday, December 13 at 4:00 pm. They do not want to receive the award at this time but rather at their January 31 gala.

Dolphin Committee has inventoried the materials for this event and cleaned out the storage facility. The Committee will begin identifying purchasing needs in January. Linda mentioned that no feedback has been received regarding the dying dolphin topiary. Scott recommended that a back-up dolphin topiary be located.

The Directory will be ready in the first quarter of 2014 and Linda will work with Bob on the BID database.

Linda requested volunteers for the BID booth at the Christmas Walk and outlined the materials that will be distributed.

There will be a meeting with Visit Newport Beach on January 7, 2014 at 3:00 pm regarding the website. The meeting will be held at Visit Newport's offices and Board members are welcome to attend. Linda and Bernie Svalstad to attend, and Bob and Scott Palmer are tentative attendees. They will be discussing integrated marketing as well.

Bernie Svalstad questioned whether the Board is interested in holding a brainstorming meeting regarding marketing opportunities in January through July 2014.

Action Item: Bernie Svalstad and Linda will work together to set up a meeting. Bob Quaid will determine whether this meeting needs to be noticed.

7. Adjournment

MOTION: Scott Palmer moved to adjourn the meeting. Jim Walker seconded. The Motion was approved by unanimous vote.

Meeting adjourned at 9:03 a.m.