Downtown Boone Development Association
April Board Meeting – April 30, 2024
8:30 am – The Jones House

Board Members Present: Kendra Sink, Vanessa White, Michelle Novacek, Wayne Miller, Sarah Long Megan Kevorkian, Mike Forrester and Suzanne Livesay at 9:40

Ex-Officio's Present: Eric Plaag and Edie Tugman.

MSD Members/Guests present: Lynne Mason.

Town Staff Present: Lane Moody, Geoff Hayes, and Mark Freed.

Call to Order
Kendra called the meeting to order at 8:35.

Lane asked if she could run through a few quick updates.

Lane first noted that she is still working on the website upgrades and needs Board members' short biographical information when they have a chance. She continued that if she did not receive that information, she would create a generic bio for them, referencing their term on the Board and the business with which they are associated.

Lane then went on to let the Board know that for the May newsletter, she was planning to include an in-depth review of the Downtown Boone Development Association, as well as information about Board members. She stated that she would be using the pictures of Board members that she used for the Board books unless advised otherwise.

Lane took a moment to review the NRLP 101 training that occurred on Wednesday, April 17. She stated that despite low attendance, she thought that there was some really good information provided and that they were hoping to host another session in the fall. Kendra added that the two employees who attended from Mast General both really enjoyed the session and learned a lot.

Lane finished up by letting the Board know about the 'Challenging Behaviors in the Workplace' training scheduled for next Tuesday, May 7, at 8:30 am at the Jones House.

Request for Approval of April Agenda
Lane asked if she could add an update on the 501(c)(3) status to the beginning of the organizational section of the agenda. Michelle made a motion to approve the agenda as amended. The motion was seconded by Mike and had a unanimous vote.

Request for Approval of March Meeting Minutes
Eric expressed his concern with the meeting minutes, stating that they incorrectly implied that the parking proposals were his personal proposals and asked that the minutes be revised to state that instead of 'his' proposal, it should say 'the' proposal. Eric continued that the proposal was the product of a parking committee, not him personally. Wayne inquired who was on the committee, and Eric

responded by saying that the committee was comprised of himself, Edie Tugman, Amy Davis, Lane Moody, and Reta Jackson. There was a short discussion of how the committee was being led, and if all members of the committee were in favor of the proposed changes. Edie briefly reviewed the progress of some of the proposals and reiterated that these proposals were the work product of the committee. Kendra inquired about the dynamics of the committee and stated her concern that the hierarchical structure of the committee could be a difficult position for staff members who might disagree with the proposals. Eric clarified that this discussion began in December when he presented his concerns to the Town Manager, who in return suggested the formation of the committee. He continued that Lane was on the committee due to her role with the downtown businesses and that Reta, as the Parking Manager, was an obvious choice to round out the committee. Eric stated that he thought he had been clear about the committee's role in drafting the proposals. He continued to express concern that the current meeting minutes support a false narrative and reiterated that these were not his proposals. Megan disagreed with the clarity of the past presentation and explained that her perception was that these were, in fact, his proposals. She continued that she believed that the minutes were accurate and expressed that she felt that this was an attempt to change the narrative because some of the proposals have been unpopular. Wayne stated that his perception was that it was coming from Eric and Edie and that he did not recall any mention of a parking committee. Wayne went on to state that it seems like Eric might have his perception of how he presented it, but that people receiving the information don't share the same perception. Edie asked if it was the perception that it was just Eric and Edie only working in a vacuum on these proposals. Megan stated she believed that Edie was suggesting an extreme narrative that she (Megan) didn't believe was true, continuing that she (Megan) was aware that there had been some discussion at a staff level. Still, nothing was presented to show that staff involvement qualified as an official parking committee, and stated that she was not comfortable changing the minutes to state that the 'committee' was presenting the proposals. Eric clarified that that was not what he was asking. There was a brief discussion about what language would rectify the concern, and Kendra suggested that all instances of 'his proposal' be changed to 'the proposal'. Megan apologized for her confusion and stated that she would be okay with that language change. Sarah stated that she had some recollection of a parking committee being referenced. Kendra then motioned to approve the minute's contingent that the reference of 'his' proposal be changed to 'the' proposal in the minutes. The motion was seconded by Wayne and had a unanimous vote.

Request for Approval of Financial Statements

Michelle asked if there was a different report that could be used for the financial statements that includes the transactions of what has been spent and what is remaining in the line, to indicate if we are on budget or not. Lane stated that she was not aware of a single report that would do that, but she believed that she could print off transactional detail for each line that would show both transactional detail and remaining funds. Michelle stated that she didn't want to have the individual sheets but did want to make sure that we had not gone over the budget in any of the lines. Lane stated that none of the lines have been overspent. Michelle then made a motion to approve the financial statements. The motion was seconded by Kendra and had a unanimous vote.

Update on 501(c)(3) Status

Lane stated that she received a letter from the IRS requesting additional information regarding the DBDA's request to reinstate our tax-exempt status. She continued by stating that the IRS reported that our Articles of Incorporation were not attached to Form 1023 when it was submitted, and the IRS

needed to confirm that our purpose and dissolution clauses meet IRS requirements. Lane stated that the purpose and dissolution clauses in the DBDA's Articles of Incorporation were almost verbatim to the language suggested by the IRS, and she did not have any concerns about the request. Lane went on to report that the IRS is also requesting information about our economic development activities and more details about our revenue and expenses. She finished up by stating that she had reached out to Jeff Flynn, the IRS agent who had contacted her, but only got his voicemail; however, she would continue to try to get a hold of him to discuss further.

Discussion of Proposed Changes to Façade Improvement Grant Application

Lane opened by stating that she finalized all the changes that were approved at the last meeting and briefly reviewed those. She stated that NC Main Street keeps an inclusive list of all grants offered throughout the state. Lane continued that, except for larger cities, the DBDA on average offers more in façade grant funding than most other Main Street programs of similar size. Lane noted that grant funding comes out of our Community Appearance line and stated that there was $5,000 in unallocated funds in that line in the 2024-2025 recommended budget. After a short discussion, Michelle made a motion to approve that the 50% grant match amount be upped to $7,500 and to clarify that funds are granted on a fiscal year budget from July 1 to June 30. The motion was seconded by Mike. Megan and Sarah both recused themselves and the motion passed.

Discussion of Contract with the Town of Boone

Lane opened the discussion by noting that this is the standard contract with the town, and the only changes she made to the contract were to update the dates and change "his designee" to "her designee" on the second page of the contract. Michelle had a few questions regarding the audit requirement, Main Street suggested best practices and 990 forms. Lane explained that the loss of the tax-exempt status was due to incorrect 990 forms being submitted and reviewed the PNC accounts that the DBDA has. There was a short discussion of the structure of the DBDA and the origination of the funds in the private accounts. Eric suggested that Lane looks into a new law requiring corporation principal reporting because if not done, it could have significant financial impacts. After a brief discussion on the reporting, Sarah motioned to approve the contract. The motion was seconded by Michelle, and it had a unanimous vote.

Discussion of Committee Agendas

Lane opened by stating her desire to remind the Board of all the different projects that were identified in the strategic plan and the need to revisit committee work.

Discussion of Moving the July DBDA Board Meeting

Lane stated that she had a personal conflict with the July DBDA meeting date and asked if the Board meeting could be moved up one week for the month of July. Megan motion to move the July DBDA meeting to July 23. The motion was seconded by Kendra and had a unanimous vote.

Discussion of Downtown Photography

Lane stated that she had recently come across a local photographer, Mary Griffin, whose fee schedule is more in line with the DBDA budget. She continued that the TDA had reached out about their need for additional photography. Lane met with them to discuss, and they identified numerous opportunities to partner on downtown photography. Lane continued that, per the discussion with the TDA, we would need to confirm with Ms. Griffin that commercial licenses for the photos would be granted in perpetuity, and then hopefully partner with the TDA and photographer to develop a game plan for

getting updated photography. There was a brief discussion of the fee schedule and the desired photography. Lane also mentioned that there might be an opportunity to utilize downtown staff for the photoshoots to avoid having to worry about consent forms. Michelle motioned to approve moving forward with a partnership with the TDA for updated photography with Mary Griffin. The motion was seconded by Megan and had a unanimous vote.

Discussion of Hellbender Mural Design

Lane opened by passing out a rough draft of the hellbender design that has been approved by the Design committee and took a moment to review the loss of the Center for Biological Diversity funding for the project. Reminding the Board that this is now a DBDA-supported project that would still very likely be included in the larger Endangered Species Mural Project. She continued that the artist is Ralph "Josh" Johnson who currently estimates the cost to be $10,000 but has noted the need for a scissor lift to complete the project. Lane noted the excitement around the project, specifically from statewide biologists. Lane asked if the Board would be willing to spend up to $16,000 on the mural, noting we could potentially compensate the artist for renting the scissor lift. Sarah made a motion to spend up to $16,000 inclusive of expenses on the Hellbender mural. After a short discussion going back and forth on the costs and security, Wayne seconded the motion, and it had a unanimous vote.

Review and Discussion of Revised Proposed Changes to Parking

At 9:35 am, Kendra stated that she must return to a work conference meeting and asked that Michelle take over the meeting in her absence. Michelle noted that she would need to leave at 10 am but was fine to cover in Kendra's absence.

Edie took a moment to state that she recently began voting during the DBDA Board meetings, and this was because when she was appointed to TDA, she had inquired about what exactly a Board liaison is. She continued by reading from Chapter 35 of the Town Code, specifically section 5, that states: 'Unless otherwise provided by Council, Board liaisons shall be voting members of such bodies and may serve as the Chair or Vice-Chair of the body.' She noted that Eric was unaware of this and had recently cautioned her from voting on the Board. There was a brief discussion regarding Town Council liaisons on Town Boards. Lane noted that within the DBDA contract with the Town, it specifically states under the 'Governance' section that 'should the Town Council also appoint one or more of its members as liaisons to the DBDA, the DBDA board of directors shall include them in their meetings and deliberations, but they shall be considered as ex-officio, non-voting members of the Board.' The arrival of Suzanne ended the discussion of liaison voting.

Lane opened the parking discussion by noting that Eric did not have a presentation prepared but she kept the item on the agenda in case there was a desire for additional board discussion. Suzanne stated that she thought it would be best to go ahead and cast a vote on the proposal. Wayne stated that he did not want to vote on the proposal. Suzanne then expressed her desire to articulate the DBDA's stance on the proposal and asked if the Board would like to have an informal discussion.

Megan noted that it was her recollection that in the fall, the DBDA had general consensus to pause discussions around parking until the completion of the County and University parking decks. Lane confirmed that was her recollection as well. Megan stated that she still agreed with the sentiment to wait and inquired about pausing the discussion.

Edie inquired about why the Board feels that either of those projects will be impactful on downtown parking and continued to review some of the discussions with the County. Eric noted that the discussion

with the County would be happening separately from the proposal and reviewed his understanding of the workings of the new county parking deck. There was a brief discussion regarding the county parking options as well as the impact of the convocation center deck on downtown parking.

Sarah noted that she was having trouble coming to a decision on the parking proposal considering all the lingering things. Suzanne asked if the Board would like to briefly go through each of the suggested changes. Wayne expressed his concern about voting on something that he was worried could change again before being submitted to the Town Council. Wayne asked what Eric and Edie were asking the Town Council to do with the proposal. Eric confirmed that the parking proposal is on the agenda for a vote and could potentially be discussed during the work session before the vote. He went on to say that Amy was preparing revenue charts to show where the revenue was committed. Sarah asked about the impact of the decision by the DBDA on the proposal. Edie stated that currently, the DBDA was one of the most impactful voices in the discussion. Suzanne reminded the Board that Edie had previously expressed the importance of the DBDA's voice, noting that there are times when the Board has been misrepresented in the media and stressed that she believed a recommendation would be best so that it is clear where the Board stands on the proposal.

Edie noted the amount of time that has gone into developing these proposals and stated that the Town does not currently have the money to put in the additional spaces at Rivers Park. Michelle agreed that it does take revenue to create parking and that it was still unclear exactly where the additional revenue is going. Noting, that if it was clear where the revenue would be going, people would still find it painful but would likely have more buy-in.

Megan noted the need for long-range planning to support the additional parking downtown and inquired about how much additional revenue would be generated from the changes as proposed. Edie stated that she was unclear about how much revenue would be generated. Eric added that parking infrastructure is currently being piecemealed and there is no money in the budget to upgrade the infrastructure, so the Rivers Street parking lot in addition to the failing infrastructure is requiring the need for additional revenue. He continued that the fairest way to accomplish that is to have the people using the resource fund it. Edie encouraged the Board to dial in the numbers and when you break them down daily it is much more reasonable. Eric reviewed the breakdown of the costs that are listed in the proposal.

Suzanne noted that the rate changes are negatively impacting her hourly workers to which Eric responded by reviewing the new options within the changes to the hangtag system and the different options for how they are billed. Wayne inquired about why employees are not allowed to purchase permits and Eric explained that there have been problems with employees taking advantage of the permit system, and Eric noted his desire to clean up the abuse. There was a discussion about the logistics and availability of the hangtag system and how it will work.

At 10 am, Michelle left the meeting. Eric added that he hoped that as quickly as possible the spaces would be added to the Rivers House to help alleviate some of the issues. Megan requested that any new parking proposals clearly state what the problem is. Megan continued that she was appreciative of the work of Eric and Edie, but she feels that the burden of the responsibility is being put on the backs of people who are already paying additional taxes downtown. She continued that it appears that while there is a parking problem, there is also a problem with revenue generation and that is being put on the backs of the downtown businesses. Megan and Edie disagreed on who should be responsible for parking infrastructure costs. Megan noted that the proposal seems to be shifting and is now also being

presented as a fix for revenue issues within the town. There was a short discussion about the funding for the County parking deck.

Suzanne asked if the Board could start to wrap up the discussion. Sarah added that if people have complaints make sure to follow them up with solutions, instead of just complaining. Eric reviewed the proposal and goals of the two areas with three spaces each that will have free parking for errands downtown. Suzanne expressed that she believes that the proposal as written needs more creative thinking and that while she believes it's on its way, continuing to workshop it would result in something that makes more sense.

Suzanne then asked if there was any public comment and asked to limit it to 3 minutes.

Lynne Mason then spoke and acknowledged that this is a very complicated issue. She expressed her concern that it has not been effectively communicated or discussed with the entire downtown. She noted her concerns that the increase in costs will make Blowing Rock and Banner Elk more enticing. She is worried that employee parking has not been adequately addressed and encouraged decision-makers to seek additional buy-in from stakeholders.

Suzanne closed the public comment and again expressed her desire that the Board make a recommendation on the proposal. Wayne stated that he was uncomfortable voting on the proposal because he is still concerned that what is voted on during DBDA is not what will be presented to the Town Council. Mike added that he feels that the proposal is rushed and incomplete. Suzanne added that to be respectful of the volunteers' time, it would be best to give a response so that the time that has been put in isn't for nothing. She also thanked both Eric and Edie for their hard work. There was back and forth among the Board about the appropriate way to move forward.

Eric added that there are MSD members who have large lots in downtown and the DBDA should be inquiring with them about employee parking. Megan encouraged wrapping up the discussion because of time. Edie stated that she would be happy to clearly say at the Town Council meeting that the DBDA does not offer their support for the proposal. Wayne expressed his concern with Eric or Edie representing the DBDA during the discussion of the proposal. There was continued back and forth on how to move forward with a recommendation from the DBDA. Eric encouraged the board to select a spokesperson, and Edie noted that there will likely be limits placed around public comment. Eric reviewed how he anticipated the meeting would run and also highlighted the anticipation of limits around public comment due to a variety of contentious issues on the May 8 agenda. Suzanne then made a motion that the DBDA recommends that the proposal go through a workshop process to find the best possible solution. Mike seconded the motion, and it had a unanimous vote

At 10:20, Sarah made a motion to adjourn. The motion was seconded by Mike and had a unanimous vote.