



Board Meeting Minutes

January 16, 2024 | 8AM

In attendance: Katy Mungler, Tammy Landon, Tiffany Walker, Casey McNeil, Jadziah DeRosia, Andy Paluch, Eddie Ryan, Eileen Coughlin, Hali Issente, Tiffany Saltis

Absent: Ed Bove, Kiana McClure, Sunita Dholakia, John Zawistoski

1. Call meeting to order at 8:04 am
2. Approval of the December board meeting minutes
 - Motion to approve: Andy Paluch (motion to approve with amendment of Andy's notes)
 - Second: Tammy Landon
3. Approval of November and December treasurer reports
 - Motion to approve: Andy Paluch
 - Second: Tammy Landon
4. Liaison updates
 - a. Board of Aldermen
 - Not present
 - b. Rutland Redevelopment Authority
 - Not present
5. Treasurer's Report
 - Notes from Treasurer (sent to the board pre-meeting):
 1. Cost to build-out the new lease space is approximately \$80K
 - a. Tiffany and I will be meeting on 1/14/24 to review invoices.
 - b. Proposing amortization period for the leasehold improvement costs be changed from 3 years to 9 years.
 2. As was previously discussed, please continue to slow-down the pace of Marketing and Events Brand Advertising and Business Development DRP Grants.
 3. Sponsorships – any updates on the amounts you are expecting to receive? FY24 budget is \$20K and through December 31, 2023 we have received \$15.5K
 4. Additional Events
 - a. Where was the revenue from the Jingle Bell Shopping recorded?
 - b. Still on track for a second event in FY24.
 5. Paramount Fundraiser – FY24 budget assumed \$10K of revenue
 6. Streetscape Contract Services – FY24 budget is \$11K. We have paid \$7,332 (\$1,833 per month) through October 2023 and no payments in November 2023 or December 2023. Are we done making payment until Spring 2024? Are we still on track to have the Rec Dept take this cost over in FY25?
 7. Downtown Vibrancy Fund
 - a. Funding - when will the 2nd funding payment be received and what is the amount?



- b. Reporting Dates
 - i. Mid-term report 1/31/24
 - ii. Proposed FY25 grant work plan 6/15/24
 - iii. Final report 7/31/24
- c. Goals
 - i. Create a Downtown Rutland Holiday Shopping Campaign (\$5,000) – will need to use the new account set-up to capture this cost. Have you worked with Pam to classify the costs related to this initiative?
 - ii. Install modular bike lockers (\$10,000) – will need to use the new account set-up to capture this cost
 - iii. Hire staff member with expansive grant writing and fundraising experience (\$5,000)

Discussion during the meeting:

Eddie gave some information on the leasehold improvement costs. He developed an estimate to add to the budget. Brian and Eddie discussed, and Eddie included \$30,000 to the budget over the 3 years of the lease. The General Contractor let Brian know the \$55,000 would be a good place to start with electrical on top. Eddie would have used \$65,000 as the budget number had he known the information from the General Contractor. The lease is a 5 year lease with 9 year control of the space. Eddie would like to have this cost split up over the 9 years. We are now looking at a total cost of the project of \$88,000. Tiffany and Eddie have reviewed the invoices. Two are in question. We made a \$15,000 deposit before the work started. It isn't clear where that \$15,000 was applied. We also paid \$4,000 to Home Depot for flooring. The contractor is looking into the flooring expense. There will be a meeting with the landlord to discuss paying for the heat pumps.

Andy asked about the decision to move to a new office. What amount would have been prohibitive to move the space? The funds that are being used for the fit-up, are these funds overage? Eddie explained that because of the nature of our operations, we get level funding from the RRA. Our expenses aren't flat over the year. We have to maintain a \$50,000 cash balance to deal with the fluctuating expenses and income we have over the year. Katye explained how we lost access to our restroom, as it was a shared bathroom in the old space. We also lost access to the basement storage space. This necessitated the move. Our goals included street level storage, street visibility, something that wasn't too large, but big enough to be a welcome center. We looked at a spot in the hub, along with several other spaces.

Looking back through the emails, not all of the quotes were shared with the full board or leadership. Bryan was handling the project, and when he stepped away there were some hiccups in communication. Tammy believes the space has a lot of potential, and the money was well spent. We made the decision with the information we had.

Andy is wondering about the value added to the downtown businesses. What is the return to



the downtown business owners for an on-street presence? We need a good answer as a board to the question of value to those that pay the special tax. As a business owner the issue seems more about people being downtown, not people needing a welcome center. If we reduce the marking and branding budget, we aren't addressing the issue of needing to bring more people downtown.

Jadziah brought up the issue of not being on Center Street, and people not knowing there are several businesses off Center. She sees the maps as a huge asset to getting people to know about the full downtown.

Hal mentioned the space gets people to stop in, both visitors and downtown business owners. This space gives day-to-day interactions. The DRP can serve as an information and welcome center. We can also use the conference room for workshops, and the space can be used for business mixers.

Casey also shared the concern of cutting the marketing budget, as we don't have enough people coming downtown.

Tiffany talked about other funding sources, such as the downtown vibrancy fund. We need to get creative about the holiday decorations. The various committees should come together to discuss how all of these pieces can come together.

Andy is curious about why the marketing budget wasn't fully spent last year. Was there a decision made to underspend on brand advertising? Tiffany explained that our dollars went further with the in-kind donations made over the year. Andy would like to see that budget spent down. Eddie referred to page 2 of the treasurer's report. The budget that we developed for 2024, it included \$20,000 in sponsorship, \$10k from Paramount Fundraiser, \$10k for Sip and Shop. Until we have a better handle on what all of those pieces will come in at, we need to slow down spending. We don't have a lot of options in the budget to lower costs. We came in right on budget for FNL. Since the events are marketed, we also have marketing expenses for events. There are costs we have to incur for the Vibrancy Fund, such as the bike storage. It will contribute to the bottom line, but there are expenses with it as well. We won't get the benefit of the full \$25,000.

Andy is reiterating the frustration of a downtown business owner that money from promoting downtown is being cut, which is a core component of the DRP's mission.

Eddy let us know we have to see how the other budget categories come out. Hal and Tiffany mentioned that we didn't have less advertising, we just funded it differently. Eddie suggested we add marketing as a conversation at the board meeting each month.

Tammy mentioned owning a business on Cottage is benefited by the DRP presence on Center.



She advocated for stronger committees with more presence. Better events, better communication, and committee work being brought back to life.

Vote on moving amortization period from 3 years to 9 years

Motion: Katy Munger

Second: Casey McNeil

6. Old business

- When did the General Contractor communicate that the project would come in over the \$30,000 budget?
 - o If it was never communicated, what happened when invoices in excess of the \$30,000 budget were received?
- Then what happened?
 - o Who had a conversation with the General Contractor about the overage and strategies for controlling costs?
 - o Did anyone have a conversation with the Landlord to discuss if any of the associated costs were owner expenses rather than tenant fit-up costs?
- Was the additional budget for the project approved by the Board of Directors?
 - o If so, when, how and by whom was that decision made?
- Zooming out a bit, how was the initial decision made for the DRP to relocate to a space that required extensive fit-up?
 - o What other locations were considered?
 - o What is the value to the Special Benefits District Tax payers of the DRP using those dollars to convert prime retail space into office space?
 - Was there a different source of funding for this project? If so, what was it?
- Did the DRP consider working out of the Hub, why was it decided to not be a good fit?
 - What factors led the DRP to the new location, with \$30K work of improvements?
 - After Bryan left, who took ownership of the project?
 - What discussions were held with the landlord on split between build out by tenant vs. building upgrades made by the landlord.
 - What was the total expense for build out? \$80K partnership, \$--K landlord?
 - When were updated numbers provided by contractor, during the construction or after completion of project?

7. Committee reports

a. Events & Marketing

Committees will be meeting to discuss upcoming events for the year.



- b. Streetscape
Professional Decorators of Vermont has left the garland up for the season. Jamaica Gardens has reached out. We will be ordering the greenery early for a discount.
 - c. Business Development
Grants: One grant in the queue for a bakery that hasn't yet opened.
8. New business
 9. Executive Director update
Collecting downtown reinvestment statistics. Needing businesses to fill out the survey that was sent out. Hal and Tiffany have been going door-to-door to discuss with business owners. Katie and Tiffany will meet to discuss a strategy for missed board members. We have openings on the board for new board members. If it is in the bylaws to remove people from the board following the rules in the bylaws.
 10. Call meeting to end at 9:05 am