



The El Paso Downtown Management District Board of Directors meeting will be held Thursday, October 26, 2017 at 11:30 a.m. at the United Bank Building Conference Room of the United Bank Building, 401 E. Main Dr., El Paso, Texas

AGENDA:

1. Call meeting to order.
2. Streetcar Project Update – Raymond Telles, Camino Real Regional Mobility Authority, with possible discussion of the topic by the Board (no action).

NOTICE TO THE PUBLIC

All matters listed under the CONSENT AGENDA will be considered by the Downtown Management District (DMD) Board to be routine and will be enacted by one motion unless separate discussion is requested by Board Members. Prior to the vote, members of the audience may ask questions regarding items on the consent agenda. When the vote has been taken, if an item has not been called out for separate discussion, the item has been approved. The Board may, however, reconsider any item at any time during the meeting. The wording of all agenda items shall appear in the minutes of this meeting of the DMD Board of Directors as posted, unless otherwise revised by this or other motion of the Board, without the necessity of reading the wording of each item into the record.

CONSENT AGENDA

3. Approval of Minutes:
 - a. September 28, 2017 Board of Directors Meeting
4. Approval of Public Funds Investment Act Quarterly Report for July - September 2017.
5. Approve DMD Committee Charters.
6. Approve 2018 DMD Board and Committee Meeting Calendar.

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 2017 OCT 23 AM 10:52
 City Clerk

REGULAR AGENDA

7. Committee Report: Finance Committee- Chair Laura Pople
 - a. Monthly Financial Summary
 - b. FY2016-2017 Audit Process
8. Approve contract with Strickler Prieto LLP for performance of annual audit for the year which ended September 30, 2017 and allocate \$6,000 for costs associated with the audit from Budget Line 3525 (Accounting).
9. Report on DMD Investments:
 - a. Bank of Texas CD – balance, rate and status
 - b. WestStar Money Market Accounts – balance, rate and status
10. Committee Report: Grant Programs Update– Chair Peter Spier
 - a. Grant Programs Status/Fund Balance Report
11. Approval of a Reimbursement Grant Agreement for the Downtown Commercial Façade Improvement Grant Program
 - a. That the Executive Director be authorized to sign a Reimbursement Grant Agreement for the Downtown Commercial Façade Improvement Grant Program for property located at 115 N. Mesa Street (FAC 16-03) in the amount of \$ 25,000.00 with said project to be completed in accordance with the execution of the Agreement.
12. Committee Report: Infrastructure & Advocacy Committee – Chair Mike McQueen
 - a. Identification of Possible TIRZ No. 5 Funded Projects
 - b. Ambassador Program Update
 - c. Utility Discussion

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- d. Position Statement – City of El Paso Work Schedule
- 13. Discussion and Action to approve the DMD Position Statement on the City of El Paso work schedule.
- 14. Committee Report: Marketing Committee – Joe Gudenrath
 - a. Current & Upcoming DTEP Promotions
 - i. Holiday Promotions
 - b. Eat Authentico Restaurant Crawl Recap
 - c. Running of the Bulls 5K Run / Walk Recap
 - d. Social Media & INSIDER Distribution List
- 15. President’s Report
 - a. Board Membership Reinstatement of Eric Pearson
 - b. Executive Director Performance Evaluation
 - c. Legal Services RFQ
- 16. Discussion and Action to select Mendel Blumenfeld, PLLC as the “best value” service provider following an open Request for Qualification process, and authorize the Executive Director to finalize a three-year agreement with Mendel Blumenfeld, PLLC for legal services.
- 17. Discussion and possible action regarding the Housing Authority’s renovation and utilization of the Blue Flame Building.
- 18. Executive Director’s Report
 - a. TIRZ No. 5 Update
 - b. Board Assessment Recommendations
 - c. Administrative Rules, Policies and Procedure Review
- 19. Discussion and possible action on proposed amendments to the DMD Board Administrative Rules, Policies & Procedures.
- 20. Construction & Event Update- Frank Hernandez
 - a. Current/Upcoming Projects and Events
- 21. Economic Development Update by City of El Paso (Rafael Arellano)
- 22. Executive Session

At any time during the Board Meeting, the Board may, upon motion and affirmative vote of a majority of the Board in attendance, retire into Executive Session pursuant to the Texas Government Code, Chapter 551, Sections 551.071 and 551.074(a) for the purpose of consultations with legal counsel and/or discussion of a specific matter permitted to be in Executive Session pursuant to Texas Law. Executive Session is a closed, private meeting of the Board at which the public may not attend. No action and no voting may occur in Executive Session. The Board will return to open session to take any final action on any item discussed in Executive Session, or if no action is necessary, to continue or adjourn the meeting, as appropriate. The items to be discussed in executive session, if any, include the topics listed on the agenda, and possibly the following specified item(s):

- Discussion Regarding Executive Director Performance Evaluation and Possible Pay Increase (Section 551.074, Personnel Matter)

- 23. Possible Action to Complete Executive Director Performance Evaluation and Possible Pay Increase.
- 24. Open Discussion of topics relevant to Downtown El Paso (no action)
- 25. Discussion of the Next Board Meeting – December 7, 2017 (no action)
- 26. Open Comment Period* (no action)
- 27. Adjourn

** Open comment is an opportunity for members of the public to address the Board regarding items to be discussed at the meeting or any other issue of interest related to the DMD. Items that are brought up by the public but which are not posted for discussion or action may not be discussed among the Board members or acted upon by the Board, except for limited questions related directly to the topic or a discussion whether to post the public raised item on a future agenda. The Chair may limit the amount of time for public comment and/or allow additional public comment for each item.*

Posted this 23rd day of October, 2017, at the El Paso County Courthouse, 500 E. San Antonio, El Paso, Texas; El Paso City Hall, 300 N. Campbell, and at the administrative office of the El Paso Downtown Management District, 201 E. Main, Suite 107, El Paso, Texas, pursuant to instructions of Jon Law, Vice President of the El Paso Downtown Management District. BY: , Teresa Mais

Morgades stated Items 3, 4, 5, and 6 on the Consent Agenda are considered to be routine. Morgades requested a Motion and Second to approve the Consent Agenda.

3. **Approval of Minutes:**

- a. September 28, 2017 Board of Directors Meeting

4. **Approval of Public Funds Investment Act Quarterly Report for July-September 2017**

5. **Approve DMD Committee Charters**

6. **Approve 2018 DMD Board and Committee Meeting Calendar**

Discussion: None
Moved: Wayne Soza
Seconded: Y.I. Santoscoy
Roll-Call Vote: For: 15; Against: 0; Abstaining: 1 (Lane Gaddy); Absent: 0
Motion Approved.

REGULAR AGENDA

7. **Committee Report: Finance Committee**

- a. Monthly Financial Summary

Joe Gudenrath provided an overview of the DMD's current financial position. Gudenrath informed the board that the majority of variance is mainly due to the way grant project revenue and expenses are recognized. He informed the board that there will be a carry-over close to \$100,000 for next year's budget. Lane Gaddy suggested that the DMD consider not obligating funds when grant projects are approved but closer to when they will be reimbursed. This would allow funds to remain available during completion of long term projects.

8. **Approve contract with Strickler Prieto LLP for performance of annual audit for the year which ended September 30, 2017 and allocate \$6,000 for costs associated with the audit from Budget Line 3525 (Accounting).**

Discussion: None
Moved: Mike McQueen
Seconded: Steve Ortega
Roll-Call Vote: For: 16; Against: 0; Abstaining; Absent: 0
Motion Approved.

9. **Report on DMD Investments:**

- a. Bank of Texas CD—balance, rate and status
b. WestStar Money Market Accounts—balance rate, and status

Gudenrath provided a brief overview of the DMD's current investments.

10. **Committee Report: Grant Programs Update**

- a. Grant Programs Status/Fund Balance Report

Peter Spier gave an overview of the status of existing grant projects and reported the Grant Programs' fund balances. Currently, there are five projects in various stages of progress. One project has been submitted for approval.

11. **Approval of a Reimbursement Grant Agreement for the Downtown Commercial Façade Improvement Grant Program**

- a. That the Executive Director be authorized to sign a Reimbursement Grant Agreement for the Downtown Commercial Façade Improvement Grant Program for property located at 115 N. Mesa Street (FAC 16-03) in the amount of \$ 25,000.00 with said project to be completed in accordance with the execution of the Agreement.

Discussion: Spier gave a brief presentation on the application for the façade grant for the building on 115 N. Mesa known as the Abdou Building. He stated that the building is historic and the DMD has received a certificate from the El Paso Historic Landmark Commission certifying that the improvements will be in accordance to their production standards.

Moved: Sam Legate

Seconded: Eric Pearson

Roll-Call Vote: For: 16; Against: 0; Abstaining: 0; Absent: 0

Motion Approved.

12. Committee Report: Infrastructure & Advocacy Committee

- a. Identification of Possible TIRZ No. 5 Funded Projects
Mike McQueen informed the board that the TIRZ has asked for suggestions for possible funding from projects including vehicular wayfinding, alleyway resurfacing, restrooms in San Jacinto Plaza, a parking garage and Paseo de las Luces which is currently on hold from the City. McQueen invited the board to notify the committee if they had any ideas or suggestions of possible projects for the TIRZ.
- b. Ambassador Program Update
McQueen gave a brief update on the DMD’s Ambassador program. He informed the board that the security program will start on November 24 for the shopping season.
- c. Utility Discussion
McQueen informed the board that the DMD will open a dialogue with the City with regard to better preparing areas for development so the process is more streamlined once someone decides to develop in Downtown.
- d. Position Statement – City of El Paso Work Schedule
McQueen informed the board of the position statement the DMD is taking regarding the City of El Paso’s work schedule. He stated the position is to have the City’s offices open five days a week because it will bring people to Downtown an extra day.

13. Discussion and Action to approve the DMD Position Statement on the City of El Paso work schedule.

Discussion: None.

Moved: Mike McQueen

Seconded: Sam Legate

Roll-Call Vote: For: 16; Against: 0; Abstaining: 0; Absent: 0

Motion Approved.

14. Committee Report: Marketing Committee

- a. Current & Upcoming DTEP Promotions
 - i. Holiday Promotions
Gudenrath stated that in the absence of a chair he will be giving the Marketing Committee report. He gave a brief overview of the upcoming promotions including highlighting Small Business Saturday, Mistletoe Kiss promotion at WinterFest, the Barstool Open bar crawl, and the Hidden Hearts promotion.
- b. Eat Authentico Restaurant Crawl Recap
Gudenrath gave a brief summary of the Eat Authentico Restaurant Crawl. He stated that the DMD underperformed in selling 41 out of 70 tickets, but as for feedback from the participants they stated that the value of the crawl was high and 100% stated they would attend the event again.
- c. Running of the Bulls 5K Run / Walk Recap
Gudenrath informed the board that there was not much information for a complete recap, but it was a successful event in terms of execution and the attention that it brought to Downtown. He stated that the DMD’s goal was to have 300 participants and there were over 400 participants. He thanked the board

members for their sponsorships, participation, and support. He informed the board that the participants received a survey so the DMD can make next year's event better.

- d. Social Media & INSIDER Distribution List
Rudy Vasquez gave an update of the number of likes, followers and subscribers the DMD has gained within their social media and newsletter and stated that the DMD continues to see growth across all platforms. Gudenrath added that the DMD's newsletter is growing closer to the goal of 5,000 subscribers.

15. President's Report

- a. Board Membership Reinstatement of Eric Pearson
Morgades informed the board that current administrative rules call for the automatic resignation for board members missing three consecutive meetings, and if that occurs, the board member has the option of requesting reinstatement. He informed the board that the Executive Committee is then tasked with the review and possible reinstatement. He further informed the board that this rule was recently invoked due to absences by Pearson in May, June and August. Morgades stated that Pearson has requested reinstatement and the Executive Committee is supporting his reinstatement. Morgades stated that the DMD looks forward to Pearson's continued contributions and renewed commitment to the board.
- b. Executive Director Performance Evaluation
Morgades informed the board that Executive Director Performance Evaluation has been completed and will report to the board during Executive Session later in the meeting.
- c. Legal Services RFQ
Morgades informed the board that the DMD initiated an RFQ process on October 9th and the DMD received one submission from Mendel Blumenfeld. He stated that the DMD feels this is acceptable and Item #16 is a recommendation to select Mendel Blumenfeld as the DMD's legal service provider.

16. Discussion and Action to select Mendel Blumenfeld, PLLC as the "best value" service provider following an open Request for Qualification process, and authorize the Executive Director to finalize a three-year agreement with Mendel Blumenfeld, PLLC for legal services.

Discussion: None.
Moved: Sam Legate
Seconded: Jamie Gallagher
Roll-Call Vote: For: 16; Against: 0; Abstaining: 0; Absent: 0
Motion Approved.

17. Discussion and action to suspend the DMD's Support of the Housing Authority's renovation and utilization of the Blue Flame Building until the DMD receives more information regarding the project.

Morgades informed the board that at last month's meeting the DMD was notified by William Kell that Paul Foster would no longer have a stake in the Housing Authority of El Paso's Blue Flame Project. He stated that this is a departure from what the DMD was told in February when HACEP attended the DMD's meeting to request support from their project. Since the DMD's last meeting with HACEP, they have announced the project will move forward with construction in January. Morgades stated that despite knowing that the DMD's support or lack of support on the project will not affect the outcome of the project, he and Jon Law wanted to provide the board the opportunity discuss the news and possible take action.

Gudenrath gave a brief summary of timeline of events starting from the first meeting with HACEP. Gudenrath gave a brief summary of his actions following the discovery of changes within the project team. He stated that he recommends that the DMD support the project because of several reasons including building the Downtown residential population. Gudenrath presented a then and now comparison chart of information included in HACEP's initial presentation and what was in their recent press release.

Discussion: Legate expressed concern about the income level of the residents and the new developers involved in the project. He also would like the board to be reeducated on the project since it has changed. Gerry Cichon of HACEP answered to the subject matter of Legates concerns. Steve Ortega stated to

Cichon that the board would like to be reassured the project will be a first-class project. Cichon responded to Ortega's concern. Lane Gaddy asked Cichon to clarify some of the changes from the original plan to the present plan. Peter Spier expressed concern about the CAD value. Cichon responded and stated that the value should go up. Pearson stated that he hopes that the board is not afraid of a diverse Downtown and that Downtown needs residents. Gaddy stated that diversity is needed in Downtown and his concern is that the original agreement has materially changed. McQueen stated that the project is in the best interest for Downtown. Morgades stated that the project can possibly have a big deficit and his concern is who will pay for that.

Moved: Sam Legate – To suspend the DMD's support of the project until additional information is available.

Seconded: Lane Gaddy

Roll-Call Vote: For: 5 (Carroll; Gaddy; Legate; Santoscoy; Torres); Against: 10; Abstaining: 1 (Morgades); Absent: 0

Motion Failed.

18. Executive Director's Report

a. TIRZ No. 5 Update

Gudenrath informed the board that the TIRZ is looking for project suggestions and that the City is looking to refine the cost estimate on the Paseo de las Luces project with the intent of going to the TIRZ to request them to fund a portion of that project.

b. Board Assessment Recommendations

Gudenrath informed the board of the areas that were recognized as areas of improvement for the board. He stated that some of the issues noted from the Board Assessment are addressed in the Administrative Rules review.

c. Administrative Rules, Policies and Procedure Review

Gudenrath informed the board that there are eight changes to the Administrative Rules and briefly went over each one.

19. Discussion and possible action on proposed amendments to the DMD Board Administrative Rules, Policies & Procedures.

Discussion: Legate asked for the logic behind reducing officer terms. Gudenrath responded that it will provide greater flexibility and opportunity. Ortega and Legate asked about the Ex Officio membership. Gudenrath outlined who was included, and stated he would renew efforts to engage them.

Moved: Ruben Torres

Seconded: Wayne Soza

Roll-Call Vote: For: 16; Against: 0; Abstaining: 0; Absent: 0

Motion Approved.

20. Construction & Event Update

a. Current/Upcoming Projects and Events

Frank Hernandez gave an overview and updates of upcoming construction, projects and events.

21. Economic Development Update by City of El Paso

Paola Gallegos provided a brief update of the economic developments in the City of El Paso including development of several different buildings in Downtown. She informed the board on the Downtown Alleyway Reactivation project.

22. Executive Session

At any time during the Board Meeting, the Board may, upon motion and affirmative vote of a majority of the Board in attendance, retire into Executive Session pursuant to the Texas Government Code, Chapter 551, Sections 551.071 and

551.074(a) for the purpose of consultations with legal counsel and/or discussion of a specific matter permitted to be in Executive Session pursuant to Texas Law. Executive Session is a closed, private meeting of the Board at which the public may not attend. No action and no voting may occur in Executive Session. The Board will return to open session to take any final action on any item discussed in Executive Session, or if no action is necessary, to continue or adjourn the meeting, as appropriate. The items to be discussed in executive session, if any, include the topics listed on the agenda, and possibly the following specified item(s):

- Discussion Regarding Executive Director Performance Evaluation and Possible Pay Increase (Section 551.074, Personnel Matter)

Enter Executive Session at 12:51 pm.

Discussion: None.
Moved: Steve Ortega
Seconded: Wayne Soza
Roll-Call Vote: For: 16; Against: 0; Abstaining: 0; Absent:0
Motion Approved.

Exit Executive Session at 1:21 pm.

Discussion: None.
Moved: Peter Spier
Seconded: Mike McQueen
Roll-Call Vote: For: 15; Against: 0; Abstaining: 0; Absent:1(Lane Gaddy)
Motion Approved.

23. Action to Complete Executive Director Performance Evaluation and Possible Pay Increase.

Discussion: None.
Moved: Peter Spier – to approve the evaluation as recommended by the evaluating committee, authorize Morgades and Law to present the evaluation to Gudenrath and place on file, and provide a two (2%) incentive payment based on current salary.
Seconded: Mike McQueen
Roll-Call Vote: For: 15; Against: 0; Abstaining: 0; Absent:1(Lane Gaddy)
Motion Approved.

24. Open Discussion of topics relevant to Downtown El Paso
No Action

25. Discussion of the Next Board Meeting—December 7, 2017.
No action

26. Open Comment Period*
No Action

27. Adjourn
By consensus of the Board the meeting adjourned at 1:24 p.m.

Submitted by:


Mike McQueen, Secretary
DMD Board of Directors

Date: 11/15/17