



Summit Downtown, Inc.

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To: Summit Downtown, Inc. Board of Trustees
From: Tony Melchionna
Date: January 27, 2016
Re: Summit Downtown, Inc. Board of Trustees
January 27, 2016

Members Present: Pat Angelo, Bob Conway, Lori Dahl, Tony Melchionna, Nora Radest, Michael Rogers, Kevin Smallwood, Susan Taylor, and Beth Welsh. Staff: Marin Mixon and Kathryn Best.

Members Absent: Sandy Lizza and Richard Sun.

Guests: Gil Owren – Property Owner, former Trustee
Mike McTernan – President, Summit Common Council
Steve Pardee – Former Trustee

Tony Melchionna called the meeting to order at 8:05 am.

APPROVAL OF MINUTES – Tony Melchionna

Tony Melchionna asked if there were any edits to the December 2015 Minutes.

Since no edits were suggested, Kevin moved that the December 2015 minutes be approved, Bob Conway seconded and the motion passed unanimously.

CHAIRPERSONS REPORT – Tony Melchionna

Tony began by welcoming Nora Radest, Summit's new mayor, Mike McTernan, the Common Council president, and all the guests at the meeting. Tony introduced Pat Angelo, SDI's new resident trustee, and thanked him for running. Pat introduced himself, saying he's the general manager at food. He thanked the Board for having him, saying he's been working in Summit seven days a week for the last six year. Tony said SDI looks forward to having Pat on the Board and hearing his unique point of view.

Tony asked Marin to read the letter drafted about strengthening the restrictions on food trucks in the downtown to be sent to Common Council. Tony suggested that perhaps the language in the letter needs to be even stronger: food trucks should be allowed for downtown events, but not on any other days. Restaurants downtown pay thousands of dollars every month for rent and overhead costs. SDI needs to protect these brick and mortar establishments from the food truck fad.

After hearing the letter, Mike McTernan said that he needs to look at what regulations are currently on the book. Increasing communication between the City and SDI when a food truck applies is the easy piece of the puzzle, and he sees no reason why the City won't agree to that.

COMMITTEE/PROJECT REPORTS

ELECTION – Kevin Smallwood

Kevin thanked and welcomed Pat again.

He then read the slate of nominees running for the Executive Committee.

Chair: Tony Melchionna

Vice Chair: Bob Conway, Kevin Smallwood

Treasurer: Lori Dahl

Secretary: Susan Taylor

Board members cast their votes with secret ballots. Tony was re-elected as Chairman, Kevin was re-elected Vice Chair, Lori was re-elected Treasurer, and Susan was re-elected Secretary.

FINANCE – Lori Dahl

Lori Dahl let everyone know that the December 2015 financials are on-track. SDI will be sending the remaining monies from the Clean Communities grant to the City. She then asked if there were any questions about the financials.

Seeing no questions, Lori moved that the December 2015 Financials be accepted as presented, the motion was seconded by Bob Conway and passed unanimously.

With regard to the 2016 draft budget, if you would like to print it out, make sure you select “print entire workbook.” As always, Marin and Lori are working to make the financials and budget more user-friendly. One point of clarification: this budget wasn’t put together with the goal of balancing income and expenses. The actual costs needed to meet SDI’s goals and objectives have been included. Now there needs to be a discussion on how to proceed.

The tree wells should look fabulous, especially with the PGA tour at Baltusrol this summer. In the past, the tree wells were done by a smaller contractor. They need to be handled by a larger firm. There needs to be a discussion on how to proceed, so the numbers may change.

The amount of tax income listed is the amount received in 2015. According to the new tax assessment, the tax income will increase slightly.

Lori asked if anyone had questions. Gil Owren said he’d like to speak from a property owner’s perspective. SDI would have to raise the SID tax by about 75%. Municipalities must adhere to a 2% cap on increases. Telling property owners that the SID tax will go up 75% would be a shock. Gil thinks the Board should address two overarching issues. First, the Board needs to address the property owner vacancies on the Board. Gil feels that they need to be notified of the budget and the vacancies on the Board. If they are invited to participate again and decline to do so, then they are in less of a position to complain about the budget. Secondly, he feels SDI needs to consider its surplus. The Board was very proud of the surplus it established while he served as trustee. But, it was established for a reason. He feels it would be difficult to justify raising the tax 75% with so much in the surplus. One time capital expenses, like the tree wells and the website could be good candidates for projects to use the surplus.

Beth Welsh strongly feels that SDI needs to more clearly articulate what we plan to spend the money on. What specifically do fabulous tree wells look like? What kinds of plants will we buy? How much

will they cost? Similarly, what exactly do we plan to do with the website? There needs to be added value for each expenditure, and that needs to be itemized and articulated.

Gil suggested partnering with the City on the tree wells. Marin and Tony agreed, saying they plan to discuss a partnership with the City.

Lori reminded everyone that all the numbers in the budget right now are only starting points.

Michael Rogers reminded everyone that the Board has to decide whether each line item on the budget is a priority.

Mike McTernan asked everyone to remember that the budget is a strategic document. It should reflect both SDI's goals and objectives and the charter that formed SDI. Mike also reminded everyone that SDI's board used to consist of 20 trustees and subcommittees. Now, the professional staff is asked to do more and more, and that costs money. If you don't have the volunteers, you have to pay someone to do the work. This is something everyone needs to come to grips with. Finally, the surplus gives the Board the ability to do one-time capital projects without taking out a bond. This is great, but the Board needs to remember that there might be a capital project that needs to be funded in the future. If SDI is going to spend down the surplus, there needs to be a plan to generate money to put back into the surplus.

Mayor Radest reminded Gil that an election notice was already sent to all the property owners. To Mike McTernan's point, property owners need to understand that if they're not going to volunteer, they're going to pay for the work to get done.

Lori reminded everyone that there is someone who would love to be a Trustee who has valuable marketing experience at a high end jewelry store, but since he's not a property owner, we can't have him on the Board. Tony mentioned that Beth previously proposed a Board that didn't have all concrete seats. It would have allowed SDI to fill seats with the brightest, best minds, even if they didn't fall into the correct category. A previous Common Council told SDI they would not approve that proposal.

Beth said that Annette Dwyer is very good at taking conceptual goals and turning them into quantifiable monetary figures. Could we ask her to help us do that here? Beth also said that Jessica Hobson should give a 5 minute report at every Board meeting.

Lori told everyone there will be a budget meeting in the next few weeks. An email will be sent out to everyone once the date is set.

COMMON COUNCIL UPDATE – Mike McTernan

DPW is working very hard to remove all the snow from the downtown. There will be a meeting in the coming weeks for the Planning Board to kick off the work on the Master Plan for this year. There will also be open houses for community input. The City is working with an excellent consultant. SDI should be paying close attention to this process and participating.

SUBURBAN CHAMBERS UPDATE – Beth Welsh

Mike Shapiro is the new president of the Suburban Chambers of Commerce. The Second Annual Mayors' Forum will be held on February 5. SuperAuction Saturday will be held on February 6. Tying the Communities Together Awards Dinner will be held on March 16. The awardees have just been announced and included, Ellen Dickson, Summit P.A.L. and other deserving individuals and groups.

OTHER BUSINESS

Mayor Radest announced that she's forming a mayor's committee to prepare Summit for the PGA tour this summer. She would like to have a hospitality tent and take advantage of this opportunity to market Summit. She has spoken to a marketing whiz that lives in town and wants to be involved. She hopes SDI will be involved in the committee, but acknowledged that this isn't solely SDI's responsibility.

PUBLIC INPUT

None

A motion was made to adjourn the meeting by Kevin Smallwood. It was seconded by Bob Conway and the meeting was adjourned at 9:24 am.

The next Trustee meeting is February 24, 2016