City of Saluda
Board of Commissioners

Special Called Meeting
SBA & SDF Partnership
November 28, 2017 1:00p.m.

The Saluda Board of Commissioners met in the upstairs of Saluda City Hall for a Special Called Meeting to discuss drafts of the Saluda Downtown Foundation Bylaws, Downtown Economic Development Agreement and City of Saluda Funding Agreement.

Mayor Fred Baisden, Commissioner Mark Oxtoby, Commissioner Leon Morgan, Commissioner Carolyn Ashburn, City Manager Jon Cannon, City Clerk Tola Ellis, Scott Dadson, Ben Farmer, Lynn Cass, Mary Meyland-Mason, Debbie Thomas, Cathy Jackson, and Marc Blazar.

Ben Farmer, Project Manager for the Isothermal Planning and Development Commission (IPDC), provided copies of the following drafts to all in attendance:

- City of Saluda and Saluda Business Association-Downtown Economic Development Agreement
- City of Saluda Funding Agreement for Economic Development and Promotions in the Downtown District
- Saluda Downtown Foundation, Inc. Bylaws

He explained revisions in Article 4, Section 2 and Article 6, Section 3 in the Saluda Downtown Foundation, Inc. Bylaws since the last meeting. The changes provided a cleaner understanding of how the SDF will operate as it pertains to the Downtown Economic Development Agreement. Scott Dadson, Executive Director for the IPDC, added that this is the master agreement that includes two smaller parts (Bylaws and Funding Agreement) in which either can be negotiated or revised without compromising the structure of the main agreement. Also, the documents streamline the idea of serving only one master.

Mr. Farmer further explained that the Coordinator is only obligated to dedicate a minimum of 5 hours a month towards the role. Discussion ensued over the possibility of expanding the role at the discretion of the SBA Board and current required commitments.

Next, the Funding Agreement was reviewed. Marc Blazar, SBA President, asked if the Coordinator's time would need to be segregated between time spent with the SBA and SDF. Mr. Dadson replied that it would depend on how the Funding Agreement will be created. Ultimately, the time delegated for the Coordinator will be determined by the finalized Work Plan and segregation will only be an issue of

accounting. Mr. Dadson then provided clarity as to IRS compliance for nonprofit organizations and how the Funding Agreement will only go into effect if the City provides funding.

Mr. Blazar asked what the City has been funding for the SDF currently. City Manager Jon Cannon replied that the SDF has raised money and the City has funded the annual Small Town Main Street membership fee, City staff time and travel expenses. Mr. Dadson stated that the City would decide a value transfer on an annual basis that can be specified in the Funding Agreement. The terms and amount can be agreed upon by both parties. Commissioner Ashburn brought up the possibility of utilizing the local occupancy tax, once approved, as potential funding for tourism and economic development. Discussion ensued over the status of the request to start enforcing a local occupancy tax and the anticipated amount to be received. Then, Commissioner Morgan asked if budget amendments would be allowed if the SDF/SBA needed additional money after the initial amount is given. Mr. Dadson replied in the affirmative.

Commissioner Ashburn said that she has been exposed to funding opportunities at STMS conferences and feels that the grants need to be taken advantage of. Mr. Blazar asked what types of grants and Commissioner Ashburn replied that she does not know the specifics but, has seen the impacts since the conferences were held at municipalities that benefited from Main Street grants. Discussion ensued over grant expectations, procedures and available opportunities.

Commissioner Oxtoby asked what was next. Mr. Dadson responded that if the agreements were fine, then both parties can decide to adopt them. Mayor Baisden stated that the Board would love to but, felt that everyone needed more time to digest. After some deliberation as to what details would be needed to move forward, it was decided that both parties would separately create specifics for the Funding Agreement, meet again in January to discuss and finalize with an adoption in February.

Finally, Ms. Jackson expressed concern for individuals who may provide opposition for an agreement that appears to focus only on the downtown area of the City. Mr. Dadson replied that this process will give a collective platform for all parties involved. City Clerk Tola Ellis added that it was her understanding that this agreement is not a manifestation of a new idea. The City is already in agreement with the NC Small Town Main Street in which its mission is centralized around downtown development and so, this process is only bringing forth a better system to fully take advantage of what is currently available.

Meeting adjourned at 2:00p.m.

Respectfully submitted by Tola Ellis, City Clerk. Adopted this 11th day of December, 2017.

Fred H. Baisden, Mayor

Tola Ellis, City Clerk