

Economic Development Retail Sales Tax Board
Minutes
July 13, 2023
6:30 p.m.

The Economic Development Retail Sales Tax (EDRST) Board held a virtual meeting on Thursday, July 13, 2023. The meeting commenced at 6:57 pm and adjourned at 8:00 pm.

Voting Members Present:

Kathleen Sorkin
Bobette Patton
Brandon Bradshaw
Byron Price

Voting Members Absent:

Matthew Bellows
Cynthia Martin
Brendan O'Brien

Council Liaison:

Mayor Terry Crow was not present at the meeting.

Staff Present:

Gregory Rose, City Manager
Brooke A. Smith, Deputy City Manager/Dir. of Economic Development
Montez Miles, Economic Development Specialist

Others attending:

Jessica Bueler, LSBSD Marketing Specialist
Derek Deavers, LSBSD Chair
Deb Henderson, Executive Director – U City Farmers Market

Minutes – October 6, 2022

Motioned by Brandon Bradshaw, seconded by Byron Priced and carried by voice vote to approve the minutes.

Public Comments

There were no public comments.

Old Business

i. LSBSD Reimbursement Request – 4/20 Event

Chair Sorkin opened the floor for this agenda item and welcomed Jessica Bueler, Marketing Specialist and Derek Deavers, Chair for the Loop Special Business District to provide background on this item and explain their request to be reimbursed for the 4/20 Event held by the LSBSD in the Loop.

Chair Sorkin opened the discussion by asking what the funds were spent on and asked why the LSBSD thought the EDRST board had agreed to fund this event. At issue was the fact that the event promotes the use of marijuana.

Jessica Bueler provided background on how the event came about and details on what occurred during the event.

The EDRST Board members discussed the issue with the representatives of the LSBDB and city staff.

City Manager Gregory Rose noted that there seemed to be a misunderstanding regarding the funding of this event, which is why he wanted the LSBDB to present their case to the board so the board could make a recommendation to the City Council. He also noted that he would make his own recommendation to the City Council as well.

Discussion resumed on the topic.

Deputy City Manager Smith explained the next steps, informing the board that they would need to make a motion either recommending approval of the reimbursement or not recommending approval of the reimbursement.

City Manager Rose asked what the full cost of the event was, noting that if there was a sponsorship for the event, that should be discussed.

Derek Deavers stated that Sunshine Daydream donated \$25,000 and that he (Derek) personally donated \$5,000 of his own money. He said that \$22,000 was used from the EDRST funds, noting that the donations matched what was supposed to be awarded by the EDRST Board.

City Manager Rose said he would like for he and the Board to have full information about the event. He asked that the LSBDB provide a line-item budget so the board can have a good understanding of how the funds were spent. Deputy City Manager Smith said she had an expenditure report that she could share. City Manager Rose said this wasn't the forum to share those numbers.

Chair Sorkin asked if the total budget was \$52,000. She asked what they spent and if the sponsors were getting reimbursed. Derek answered no, they would not be reimbursed. Chair Sorkin asked again if they spend \$52,000 on the event. Derek answered yes. Chair Sorkin asked Deputy City Manager Smith if she had receipts for the full amount. Smith answered that she has receipts totally \$22,869, which is what LSBDB is requesting to be reimbursed for.

Byron Price asked for additional explanation on Derek asking would it have mattered if they changed the name of the event to Earth Day. City Manager Rose answered that it is hard to deal with hypotheticals. He said he believes there are two issues. The first being the board made a recommendation as it relates to the FY24 budget that the 4/20 event not be funded and this issue being that there was some misunderstandings regarding the 2023 event and the Council will likely want a recommendation from the board on whether it would be willing to recommend funding the event for 2023 since there was a misunderstanding. He said that in order to make the recommendation, he believes the board will need to review the expenditures from the event to see how the money was spent.

Derek said that he agreed with Gregory but wanted everyone to know that they were approved for an April, May, June festival and they had a 4/20 event and a Juneteenth event. He said they didn't have to pass the Juneteenth event title by the Board or Council and if they

did not have to approve the Juneteenth event, why would they have to approve the 4/20 event, saying it seems judgmental. He said the event did well, better than the other events in the past. He said that they were passed for the festivals and that no one has questioned the Juneteenth event, yet everyone seems to have issue with the 4/20 event. City Manager Rose responded that regardless of the event that occurred, at this point the issue is whether they can be reimbursed, noting that the funds were awarded in the previous fiscal year and that the Board will have to pull the funds from the reserves should they decide to approve reimbursement. He said at this time the matter before the board is whether or not to recommend the reimbursement of the event and he believes the board will need to review how the money was spent and explained why. Chair Sorkin said that if she understands correctly, Deputy City Manager Smith only had receipts for \$22,000 in expenses. Smith confirmed. Derek stated that the other funds were spend on bands, stages, and other items. He said the \$22,000 was spent on advertising and security. City Manager Rose once again mentioned getting the full budget for the event so the board could review all the expenditures so the board can make a recommendation and that he would also be requesting more information before it goes on to Council.

Byron Price stated that he wanted to be clear that just because the Juneteenth event was funded by this board does not mean he will vote to pass the 4/20 event. Derek specified that he meant to festivals were passed regardless of the name and that it seems judgmental to not want to fund the 4/20 event even though marijuana is legal in the state and city.

Chair Sorkin asked for confirmation that the LSBD was seeking reimbursement, and the sponsors (Sunshine Daydreams and Derek Deavers) would not be reimbursed. Derek confirmed, saying that those funds were donated and that all LSBD is asking for is the \$22,000.

Motioned by Brandon Bradshaw, seconded by Byron Price and carried by voice vote to request additional information before making a decision on this item.

New Business

i. LSBD FY24 Request for Additional Funds

Derek Deavers and Jessica Bueler presented the LSBD's request for approximately \$266,000 in additional funds in FY24. Discussion was had on the topic.

Chair Sorkin expressed concern about lack of details provided by the LSBD with their request. She said she would like to see action deferred until more details are received given the high amount of the requests so the board can be sure they are being good stewards of the money. Chair Sorkin noted that other people have applied for funds for activities in other parts of the city and while the board honors the relationship it has with the four entities that receive annual funding, to set aside over half a million dollars with not much in the way of details and not have an open cycle of funding requests/RFPs could present some issues for the board. Derek said he respects that and they can definitely provide the details.

Discussion was had on the application process and what the board needs from the LSBSD to move forward, with everyone agreeing that LSBSD should come back and present the details to the Board in order to have their request considered.

Motioned by Byron Price, seconded by Brandon Bradshaw and carried by voice vote to move this agenda item to the next meeting.

ii. Farmers Market FY24 Request for Additional Funds

Deb Henderson of the U City Farmers Market presented information on Wednesday Market that started in June, noting that it received a great response.

Brandon Bradshaw asked about the Farmers Market having to relocate and how that will affect the programming. Deb Henderson responded that she received an email from the property owner the day before the meeting stating that he wanted to do something different with the back area. She said there had not been much time to make plans on such short notice. She said she did indicate to the owner that they were hopeful to raise funds to purchase the market, noting the market is 50 years old and it has value to the residents and farmers.

Chair Sorkin asked if Deb Henderson would object to the board delaying action while Deb explores options for locations given. Deb stated that she thought it was reasonable.

Chair Sorkin thanked Deb Henderson and noted that the board has to reconvene in a few weeks anyway so there is time for Deb to look into a resolution.

Motioned by Brandon Bradshaw, seconded by Bobette Patton and carried by voice vote to delay action until the next meeting.

iii. Façade Improvement Program Policy Changes

Deputy City Manager recommended deferring this agenda until the next meeting given the time.

Motioned by Brandon Bradshaw, seconded by Bobette Patton and carried by voice vote to defer this agenda item to the next meeting.

Board Member Comments

Chair Sorkin said she could make a special meeting the week of the 31st. She also noted that the Mayor, who serves as staff liaison, would be returning and she thought it important that he be included.

Next Meeting Date – October 5, 2023 at 6:30 p.m.

Adjourn

Chair Sorkin called for a motion to adjourn. Motioned by Byron Price, seconded by Bobette Patton and carried by voice vote.

The meeting adjourned at 8:00 p.m.