
Ellensburg Business Development Authority MINUTES

Board of Directors Meeting, Tuesday, June 21, 2016
@ Kittitas County Chamber of Commerce
609 N Main Street Ellensburg, WA 98926



Present: Craig Smith, Ric Byham, Grant Clark, John Perrie, Bruce Tabb, Steve Townsend
Staff: Jim Armstrong, Lindsey Ozbolt
Public: Ralph Bullock

Quorum was established. Meeting called to order at 5:30 p.m. by Craig.

I. Agenda Motion by John to approve the agenda presented at meeting. Seconded by Ric. Motion approved.

II. Minutes Motion by John to approve the May Minutes. Seconded by Ric. Motion approved.

III. Financials:

Lindsey presented the financials. Steve gave an update on the finance sub-committee meetings and explained how the budget and P&L along with checking/savings accounts are being proposed to change. Board agreed the committee and staff should continue to work with the bookkeeper and accountant. Need to bring back a more specific draft of new financial layout and a specific depreciation schedule to next meeting. **Motion** by Steve to have accountant write-off \$734.31 associated with the Airport Debt Reserve Account that no longer exists, Seconded by Bruce. Motion approved. **Motion** by Grant to approve the financials, Seconded by Ric. Motion approved.

IV. Old Business

- a. **Checking/Savings account signatories:** Lindsey updated that this task has been completed.
- b. **By-Laws Review:** Staff is currently working on creating a red-line version to be reviewed by the board later this summer.
- c. **City Dolarway Property – Update:** Both real estate firms were notified in writing as to whether they were chosen at the previous board meeting or not. Next step is for RE/MAX to coordinate with Lindsey regarding appraisal process.
- d. **Incubator Update – Bio-Diesel & Ellensburg Distillery:** Olympic Collection Service sent a letter stating we can give written notice to Bio-Diesel to remove their remaining property from the incubator or we will do it after 20 days. **Motion** by Bruce to move forward with appropriate legal steps to remove supplies, machinery, etc. left by Bio-Diesel, Seconded by John. Motion approved.
- a. **Ellensburg Distillery –** Ralph Bullock addressed the board and explained his current situation with needing federal approval through the TTB to relocate his business. He submitted the paperwork to the feds on 6/21. He plans on relocating his business to a property that he owns and also intends on coming current with his rent, hopefully by end of July. He also offered up some of his property as collateral for a lease addendum to allow him to stay until he can relocate. Ralph left after his presentation. The board continued discussions on the issue. **Motion** by Bruce to enter into a lease addendum agreement with Ralph stipulating he must vacate on or before August 31, 2016 and collateral of his properties will be required, Seconded by John. Motion approved.
- e. **Incubator Roof - .09 sales and Use Tax Grant Application:** Lindsey gave overview of application that was submitted to Kittitas County and what the review process will be. Discussion continued around likelihood of being awarded funds and what the

conversation needs to be with the City if funding doesn't come through. Stressed that EBDA is the property manager of the facility, not the owner.

- f. **Incubator Maintenance:** Lindsey gave overview of maintenance needs which include: \$1500 for initial landscaping/clean-up, \$150 for monthly seasonal landscape maintenance, \$2000-\$2500 for swamp cooler maintenance, need interior AC unit maintenance, \$6622 for repair and replacement of roll-up door parts for Suite #1 & 2, and \$3200 for storefront door repair and maintenance in Suite #3 & 5. Additionally, heating system will likely need maintenance this fall, no bid yet. **Motion** by Bruce to allow up to \$15,000 for repairs at incubator, Seconded by John. Motion approved. Lindsey to discuss with John Akers the \$5000 repair/maintenance limit notification in Interlocal Agreement.
- g. **Airport Maintenance:** Lindsey gave overview of maintenance needs which include: \$200 for entrance sign refinishing and \$400 for landscaping. **Motion** by Ric to allow up to \$1,000 for maintenance at airport, Seconded by Grant. Motion approved. Discussion followed regarding what approvals were needed from the board for maintenance etc. **Motion** by Bruce to allow staff to spend on maintenance needs etc. as budgeted for the year by line item, Seconded by Steve. Motion approved.
- h. **Incubator Leases & Policies:** Staff is working on creating a red-line version of all policies and new leases. Will be shared with subcommittee and board later this summer. These documents will cover incubator and airport, along with general EBDA policies. Tenants need to provide proof of insurance and microloans need
- i. **Vacant Spaces at Airport & Incubator:** Lindsey gave update that four businesses have looked at airport bays. Board agrees that those leasing at the airport do not need to provide business plans or financials, we just need a credit check. Staff should contact those that may still be interested to let them know. Staff will begin marketing incubator Suite #3 as Scott Faulkner is no longer interested in his space after his latest 30 day lease extension.
- j. **Strategic Planning:** Lindsey explained Interlocal Agreement work plan requirements for EBDA to produce a strategic plan. Board agreed to move forward with a 4 hour retreat this summer. Jim will facilitate the event. Lindsey will send out a survey to determine best date and time for everyone. Ric put together a draft framework of his thoughts and will provide it to Lindsey as a PowerPoint.
- k. **Downtown Hotel Feasibility Study:** Steve and Bruce explained the Kennedy & Mohn hotel feasibility study. The EDA and Kittitas County Chamber have each committed \$1000 towards the study. The downtowners group is requesting that the EBDA commit \$9500 towards the study. Steve recused himself from the vote and further discussion. **Motion** by Bruce to commit \$9500 for feasibility study, Seconded by John with reservation. Discussion ensued. John expressed a desire for more partnership commitments to the project to show more support of the project. Grant questioned whether board is paying an expense that an investor should pay. It was clarified that this study would help create/attract an investment group, not just one investor. Motion approved 4-0. Ric abstained and Steve recused himself from vote.

V. New Business:

- a. **Hobart Claim:** Lindsey explained that a claim was received via certified mail from Hobart and that it was forwarded on to our attorney, Jim Denison. Jim Denison recommends that we forward this issue on to Chuck Zimmerman. **Motion** by Ric to retain Chuck Zimmerman, Seconded by Grant. Motion approved.

VI. Good of the Order:

- a. Ric announced that his last meeting as a board member will be the July meeting. He will provide a letter to the City. The board expressed their thanks for his service.

VII. Adjourn - Meeting adjourned at 7:36 p.m.