

**Bloomington Urban Enterprise Association
Board Meeting Minutes
City Hall, McCloskey Conf. Room - 401 N. Morton St.
October 12, 2018**

ROLL CALL

Members Present: Paul Ash, Julie Donham, Jackie Yenna, Jane Kupersmith, Margaret Fette, Alex Crowley, Chris Sturbaum

Members Absent: Darcie Fawcett

City Staff Present: Brian Payne, Larry Allen

APPROVAL OF MINUTES – No minutes submitted

REPORTS FROM OFFICERS & COMMITTEES

- **Director's Report** – Please let Brian know if anyone has suggestions for a City Council appointed member. Brian met with Toby of the Owlery. There is a sub-committee of the City Council that will interview all the folks. However, they don't get together until there are a few candidates. There was discussion about potential appointees.

Brian updated the Board that he is working on a Resolution to renew the BUEA. He is working with Stacy Jane to find a date on the Council's calendar.

- **Financial Report** – Brian stated there was not a lot of activity in the budget. Craig Brenner from Bloomington Boogies \$4,000 for his Zone Arts Grant. There is still \$16,000 in 2017 Zone Arts Grants that have not submitted for reimbursement. Brian will send a reminder out to everyone that has not submitted.

Julie asked if there was an ending date on those grants. Brian stated they have until the end of the next calendar year, so it is coming up.

Margaret asked how much money the BUEA has in the bank. Brian stated Jeff is not present to give an exact amount, but there is about three million dollars in the bank. Many of the funds are in CDs. The BUEA over the last five years has an average expenditure of between \$100,000 and \$250,000. The average revenue coming in has between \$400,000 and \$600,000 per year. The Cook Pharmica EZID expires in 2022. It is about \$200,000 per year.

NEW BUSINESS

UNFINISHED BUSINESS - Public Hearing - Vote on Resolution 18-02: Authorization to Approve Funding for the CDFI Friendly Bloomington.

Julie Donham opened a Public Hearing

Brian recapped what has been done up to this point with the CDFI. This is the 4th meeting in a series of four meetings, including the impromptu meeting of last week at which the CDFI Friendly Bloomington project has been discussed. Brian also explained what occurred at the meeting in Chicago at the OFN (Opportunity Finance Network) conference which is basically the trade association for CDFIs. There was a panel speaking on the Bloomington Friendly City, there was interest among the private banks. There is a lot of nationwide interest in Bloomington, Next City which is the national news organization that covers urban innovation was in attendance. The President of OFN was in attendance. This is a good opportunity for the BUEA to be out in front and be part of the leadership of this organization going forward. Brian explained the timeline. In the Resolution there is an ask for the RDC to consider a match which they will be doing on Monday, the 15th, and then again on November 5th.

Alex stated there are some interesting prospects. There are some national banks that are willing to put monies in to help CDFIs have capital available to invest, providing the background capital. There are some banks considering operating and debt, and an equity play as well from one of the banks.

Paul asked if anyone has been interested in the hospital site. Brian stated that has been on the deal flow sheet whenever one talks to CDFIs.

Brian explained the reason the Resolution is structured the way it is came out of the impromptu meeting where there were specific requests. One was to see other public entities have skin in the game, such as the RDC. Also wanted to make sure the BUEA has leadership on the CFB Capital Investment Committee, as that is where the BUEA money is going. That is why there is a condition that Julie Donham be appointment to that committee. The BUEA also wanted to set a benchmark for private raising, and that the money was not just RDC and BUEA funds. The BUEA also asked to have a claim upon the money should something happen to the non-profit, making it clear that the BUEA would like to get the money back if the non-profit is not going to pursue this mission.

Jane stated they have done a lot of listening and she will endorse this ask enthusiastically and looks forward to putting this BUEA money to work. Jane noted Julie is appointed as a founding member but it doesn't guarantee a long term spot as the BUEA representative. Jane asked if that could be amended. Larry stated there is some difficulty because the Articles of Incorporation for this nonprofit have not been set. With a position on that Board, from the founding board, there is potential there to have the Articles of Incorporation reflect that a BUEA member will always sit on that Board. When the Board

is selected and Articles of Incorporation voted on, then the BUEA Board member would have the ability at that point to say going forward we would like representation and that should be part of the Articles of Incorporation. Julie was worried that her name only was listed. Larry stated there could be a move for an amendment to remove Julie's name and say "a BUEA member as a founding member of the new CDFI Board."

Chris asked if our donation couldn't be conditional on having representation.

Alex explained that one of the reasons Julie was specified is because there is a specific financial background needed to be on the investment board. This is why it is pretty specific as to who from the BUEA perspective should be at this level of specific skill set. There was more discussion around this topic.

Larry stated the more conditions that this approval puts on this yet to exist entity, the harder it may be for the startup of this yet to exist entity, particularly in leveraging other potential investment. These are seen as pretty restrictive and starts to further narrow the impact of this potential organization. There was more discussion on this topic. An amendment could be made to the Resolution removing Julie's name and adding "a BUEA Member as a founding member of the new CFB board."

Brian stated the Founding Board will be a five person Board. Three of those folks are known, a BUEA rep, the Mayor, and the Community Foundation.

Jackie Yenna asked if it wouldn't be up to the BUEA to determine who they would like to appoint.

More discussion as to the working of the amendment followed.

Larry worded the amendment as follows: "The Board of CFB supports the creation of a permanent seat reserved for a BUEA member on the CFB board, and the appointment of a person of the BUEA's choosing as a founding member of the new CFB Investment Committee"

Chris made a motion to accept the amendment to Resolution 18-02. Jackie seconded the motion. The amendment passed unanimously.

Paul Ash moved that Resolution 18-02 be approved as amended. Jane seconded the motion. The motion passed unanimously.

Jane moved to nominate Julie Donham as the founding member of the new CFB investment committee. Motion was seconded. Motion passed unanimously.

There was discussion about who might be interested in being on the not yet formed CDFI Board. Alex stated there will be some heavy lifting required on this Board as it gets going, which will include writing up job descriptions, interviews, etc.

Brian added this will be a small group of about 5 people, to include the Mayor, Tina Peterson, and someone from the BUEA, and two people yet to be identified. They will be responsible for drafting the Articles of Incorporation, filling out a job description for the Executive Director, reaching out to the community and trying to attract the board members they think should be a part of the full board, and figuring out who should be on the investment committee.

Alex thought the best thing to do going forward is to have Mark help us to quantify exactly what this position will entail.

Julie added she thinks from the perspective of the BUEA this person will need to be pretty active, and when you are one out of five you have to be there to represent the interest of the BUEA.

Brian also asked if anyone is interested to let him know. Alex added he will ask Mark to put together a type of job description for the board.

Jane stated she would be interested. Margaret stated she is not interested because she is so overscheduled currently, that it would be unfair for her to offer.

Margaret and Julie felt Jane would be a good candidate.

GENERAL DISCUSSION

Jane reported that one of the conditions on the Arts Grant to I-Fell was that they join Gallery Walk. Jane went to the Gallery Walk meeting this week and some headway was made. Gallery Walk is now willing to grant I-Fell as an auxiliary membership and I-Fell has been requesting this for years. Brian stated this seems to be moving forward.

Margaret asked the difference. Jane stated a member is an active gallery that is doing their primary business as a gallery. I-Fell is more studio space, and maybe a gallery one night a week/month.

There was a question as to whether the Lotus building was able to open during Lotus. Margaret stated she did not recall seeing it open at any point.

Brian announced the Dimension Mill Launch Party is November 15, 2018 starting at 5:30. One of the Zone Arts Grants went to a mural in one of the lounges there. An invitation will be sent out. The CDFI event will also be in The Mill on November 14, 2018.

ADJOURNMENT

Margaret made a motion to adjourn. Julie seconded. The meeting was adjourned.