



**SUNRISE MARKETPLACE
BOARD MEETING MINUTES
Thursday, February 15 — 1PM
Sunrise MarketPlace Office
Citrus Heights, CA 95610**

Directors Present: Christi Woodards (Chair), Tiffany Clement, Ted Mitchell, Steve Patterson, Don Tollefson, Wayne Wasulko

Directors Absent: Jason Bollinger, Christi Decelle, Andy Gianulias, Travis Kimball, Mike Nishimura, Jeff Smith

City of Citrus Heights: Vice Mayor Jeannie Bruins, Councilmember Al Fox, Devon Rodriguez, Rhonda Sherman,

CHPD Representative: Sergeant Chad Morris

Guests: Susie Rodgers

Staff: Kathilynn Carpenter, Breanna Niekamp, Julie DePrada

CALL MEETING TO ORDER Christi Woodards

Meeting called to order by Christi at 1:09 PM.

PUBLIC COMMENTS Christi Woodards

None.

ADMINISTRATIVE Christi Woodards

A motion was M/S/C (Wayne Wasulko/Andy Gianulias) to approve the November 16, 2017 Board meeting minutes. It has since been noted that there was not a quorum in attendance at the meeting. These items will be continued to the March meeting.

CITY OF CITRUS HEIGHTSDevon Rodriguez

Getting ready to do internal roll out of awareness campaign next week, which includes the new logo and branding. The City is currently meeting with staff about what that means, and the process of implementation.

CHPD REPORT CHPD Representative

CHPD and SMP are working together to mitigate crime in the District. Sergeant Morris distributed a report for the SMP area. There has been a significant decrease in crime, especially those crimes related to burglaries and theft in SMP during the years 2015, 2016 and 2017. There is a preponderance of activity showing for Sunrise Mall since these crimes are reported on a regular basis as the mall pays for CHPD officers to be on site Thursday – Sunday. Additionally, the anchors have aggressive loss prevention departments. Crime will never go away completely, but CHPD is researching how to decrease it further. In addition, HART has had a very positive impact on the homeless activity in Citrus Heights. The navigator is doing a great job getting people into permanent housing.

The City’s sign ordinance has also become a hot topic lately. The City’s goal is not to hamper small business, but to encourage a professional image that will also promote more traffic to the business. The government has the right to regulate commercial speech. The City does allow A-Frame signage when the business has little to no visibility but there are still other regulations that a business must follow. Shopping Centers regulate signage as well.

POP-UP STADIUM PROJECT UPDATE Christi Woodards

Staff updated the Board on the progress of the stadium relating the following information:

- SMP and the City spent the better part of 2017 working together to secure funding for the pop-up stadium. Considerable time and effort was spent on the grant application, City Council approval process and the grant agreement negotiations. SMP received funding on January 19, 2018. We completely understand and appreciate the importance of this public process.
- Most event and entertainment schedules are finalized in the October-January timeframe. While the team has had many conceptual discussions regarding equipment purchases, operations, and potential uses for rental; it has not been possible to secure equipment or uses without funding in place. To finalize rental and vendor contracts, both the equipment and operations costs must be fully vetted. Therefore, the team hasn’t been able to develop and send out completed venue rental packages. These details are particularly important as we are a new venue.
- Through substantial research of staging, production and stadium operations; we have a better understanding of these costs. We’ve also gained a better understanding of what will be required by various promoters in terms of seating, lighting, sound and village hospitality.

- At the same time, staff spent considerable effort procuring a grant from SMUD for the palm tree lighting; which we did not receive. In November, the Board directed staff to move forward with this project in 2018 with SMP bearing the \$200,000 cost. We agreed to return in February with a budget vetting the costs of both projects to see if we could afford both the palm tree and stadium projects. Staff believes that our budget cannot absorb the costs of a full roll-out of both projects in 2018.

Two scenarios were presented to the Board:

Option (A) includes a light activation of the Stadium in 2018 and moving forward with palm tree light project in 2018. Option (B) includes a fuller, SMP funded activation of the Stadium and no palm tree light project for the remainder of the BID term. There are risks inherent in each option.

Option A

- This option features a soft launch of the stadium for 5-6 weeks during an August/September timeframe. We will purchase all equipment being funded by the \$300,000 grant this year as per the agreement. This would give us an opportunity to test out the stadium and work out any potential issues with a few events later in the summer. It will also allow for the palm tree project to move forward this year. The later timeframe mitigates the risk of having a stadium installed early in the summer to only sit empty for several months with a few sporadic uses. This would be unacceptable to both Macys and Spinoso, who have approved use of the land with the understanding that the stadium would drive footsteps and generate awareness for the area. It is also unacceptable for SMP, which will bear all the installation and take-down costs for the stadium, which normally would be recovered through rental fees over the season. It would also be unacceptable for the City, who would have to manage messaging of a stadium partially funded with City money sitting empty for the better part of the season. Even with a later timeframe, there is still risk. There is the possibility that SMP would bear the costs of installing the equipment and not be able to recoup costs if there were not enough users of the Stadium.

Option B

- Under this scenario, the Stadium would launch late June/July. It will take at least that long to secure the Use Permit, purchase all equipment, contract with a concession company to operate the stadium, and secure storage and insurance. SMP would fund most of the activation without rental income to offset costs. As these costs haven't been fully vetted, the Board would have to accept substantial risk, a net deficit at the end of the season that would potentially cripple SMP operations for the remainder of the year. Also, there would not be enough funds to move forward with the palm tree project. Depending on the financial outcome of the season, it is likely we would not be able to move forward with the palm tree project at all without additional outside funding. The risks above still apply, and it is possible the stadium will be underutilized.

Board Direction

- The Board reviewed both options and discussed the risk inherent in each approach. The unanimous consensus of the Board was to move forward with an alternative option, one which would not expose the BID to financial risk. Under this option (Option C), the stadium will launch in 2019 and staff will move forward with the palm tree light project in 2018. This will give the team sufficient time to purchase equipment, secure storage, finalize operations, rental and vendor contracts and promote the stadium to potential users. This option also has the benefit of saving money that would have been allocated to operations in 2018. The Board directed staff to return in March with a new budget reflecting this option.

PALM TREE LIGHT PROJECT UPDATE Kathilynn Carpenter

Discussed in above section.

FINANCIAL REPORT Kathilynn Carpenter

~~A motion was M/S/C (Steve Patterson/Wayne Wasulko) to approve the 2017 Year End Actuals~~

~~A motion was M/S/C (Tiffany Clement/Steve Patterson) to approve the January 2018 Actuals~~

~~No motion was M/S/C to approve the 2018 Budget (Continued)~~

It has since been noted that there was not a quorum in attendance at the meeting. These items will be continued to the March meeting.

MARKETING COMMITTEE Susie Rodgers

Continued.

CHAIR/EXECUTIVE DIRECTOR REPORT Christi Woodards

- *March Board meeting date (March 8 or March 15)*

ADJOURN MEETING Christi Woodards

Adjourn at 2:25 PM.

Respectfully submitted by,
Breanna Niekamp

Accepted and approved by, Christi Woodards, Chair- Sunrise MarketPlace Board of Directors.

Christi Woodards, Chair

THE NEXT MEETING IS SCHEDULED FOR MARCH 15, 2018