

Gallup Business Improvement District  
Strategy Planning Meeting  
Gallup Cultural Center  
June 13, 2019

Please note: Prior to the meeting, members of the Gallup Business Improvement Board of Directors submitted ideas for new projects and activities for FY 2020. That list is included as Appendix A. A list of ongoing BID projects and activities is included as Appendix B.

Meeting facilitator: Sherman McCorkle

Attendees: Louie Bonaguidi, Archie Baca, Jr., Sammy Chioda, Mickey Menapace, Brett Newberry, James Rich, Bob Rosebrough, JM DeYoung, Maryann Ustick.

Excused absence: Anna Biava, Steve Gurley.

At 8:40 am Mr. McCorkle opened the meeting with several observations that are relevant to the operation and programs of the Gallup Business Improvement District:

*Seven concepts that are applicable to successful entrepreneurial thinking and management:*

Your beliefs create your boundaries

The initiatives you undertake determine the obstacles you overcome

Your success is determined by ignoring your limitations

Your imagination allows you to create something other than what you have experienced

Perseverance is equal to intellect and imagination in creating success

Every environment has an unstructured code of conduct

What you are willing to walk away from determines your long-term equity value

*Two Observations:*

Those who disagree with your initiatives will disagree with your decisions

Those who disagree with your decisions will eventually become your adversary

*Goals of Gallup Business Improvement District:*

Increase Gallup's ability to rapidly seize new and expanding economic opportunities by:

- Creating a business climate and positive image that is a strong foundation for economic development
- Attracting new businesses and fostering entrepreneurship
- Enhancing Gallup Downtown Business District's attractiveness for visitors and events
- Ensuring BID's talent base for future through improvements in education and attraction/retention of talent
- Supporting community efforts that enhance the opportunities and amenities for residents

The list of projects/activities recommended by BID Board members was distributed and discussion of them began.

#### 1. UNM-G dormitories in Downtown Gallup

Mr. Newberry said that he is trying to convince UNM-G to locate Student Housing downtown. It would be developed as a partnership between the University and the private sector. It will be a long-term development project.

Mr. McCorkle said that most universities obtain funding from a firm that specializes in working with universities.

#### 2. Infrastructure improvements to the downtown alleys.

Water and sewer lines have collapsed and must be replaced.

City Manager said that City of Gallup requested Capital Outlay funds from NM Legislature to pay for the needed replacement. NM Legislature would not provide funds for an alley project. Replacing the infrastructure and resurfacing the alleys will cost approximately \$1 million per block.

Mr. Newberry recommended studying the approach taken to alley improvements in downtown Flagstaff, AZ.

City Manager urged BID representatives (Executive Director and Board President) to meet with Legislators during the next Legislative session to request funds for the needed alley repairs/replacement. During the session held in 2019, the number one funding priority was the Coal Avenue Commons Project. BID, with others, were able to secure commitments of almost \$700,000 for it.

Mr. Baca and Mr. Chioda explained the enormous problems that the poor quality of the alleys present to downtown restaurants, especially during periods of rain or snow.

Mr. Bonaguidi explained that there are many organizations and entities within Gallup McKinley area that have great need for funding. Compared to some of those entities, Gallup BID has less political pull when requesting funds.

Mr. McCorkle suggested that BID try to work with other organizations in Gallup to jointly request funds for the alleys.

Mr. Chioda recommended that BID Executive Director and Board President meet with Greater Gallup Economic Development Corporation to request that organization's support in asking NM Legislature for funding for the alley and infrastructure repairs.

Executive Director mentioned that the Site Selectors that contact and work with GGEDC very much want to see a vibrant, attractive and safe downtown for the families of the client companies considering locating in Gallup.

City Manager said that GGEDC and Mayor of Gallup support improvement efforts in the downtown commercial district.

Mr. Newberry pointed out the reality that McKinley County, City of Gallup, McKinley County School System, etc. all have important needs that require significant amounts of funding. Rep. Lundstrum and other legislators each have a finite amount of money to provide to their districts.

City Manager said that City of Gallup must establish its commitment to projects that in the top ten list of priorities.

3. Install benches in downtown Gallup that will use a Rt 66 theme to enhance BID brand.

Mr. Newberry said that Gallup needs to expand its brand beyond “the Indian Capital of the World”.

City Manager explained that the current brand is “Gallup Real True”.

Mr. Chioda stated that “Gallup Real True doesn’t tell you a whole lot.”

Mr. McCorkle said that he does not immediately know what Gallup Real True means.

Mr. Newberry recommended that Gallup study the benches in Winslow Arizona.

Mr. McCorkle asked what exactly will be the use of the physical benches in a branding campaign.

Mr. Newberry replied that installing benches would show the BID property owners that Gallup BID is investing in the downtown district.

Mr. Bonaguidi said that there is not enough room on the sidewalks for benches and that pedestrians are already in a crowded space when walking on the sidewalks.

Mr. Baca reminded everyone that there were benches on the sidewalks years ago. They attracted vagrants who slept on them.

4. Create themes branding Gallup along Rt 66.

Mr. Rosebrough said that it is more important to have a “Gallup” brand than a Rt. 66 theme.

City Manager said that City received grant funding for its tourism related effort because Gallup Real True ties in well with New Mexico True, the official State of New Mexico brand for the past six years.

Mr. Rich said that his firm prefers to use the theme “Historic Downtown Gallup”.

Mr. McCorkle said that agreeing on one theme for Gallup will be very difficult, that “creating themes is one of the hardest things to get a consensus on”

5. Purchase and install plaques on buildings in Gallup’s Historic Downtown Commercial District

Mr. Newberry described plaques on historic buildings in Flagstaff, AZ.

Bid Director explained that there has been a line item in the BID budget to pay for plaques and their installation.

6. Cross-walk safety improvements on Rt 66 to improve access to downtown.

City Manager said that NM DOT is developing a Gallup Traffic Safety Plan that will address some of these issues. That plan will be presented to City Council in June.

7. Diagonal parking and parking meters. Funds would be collected by Gallup BID and provide an additional revenue source for BID.

Mr. Chioda said that fear of not being safe in parking lots or parking on the street at night is an issue.

Mr. Rich said that City of Gallup must hire more police officers and have more patrolling the downtown district.

Mr. Bonaguidi expressed his support for changing to diagonal parking throughout the downtown commercial district.

City Manager said that it is not practical to have such a parking plan. She added that sometime in June- July the City will receive a draft plan from NM DOT for Gallup traffic improvements.

Mr. Rosebrough referenced the City of Gallup Metropolitan Redevelopment Plan, which contains a list of recommended projects to improve downtown Gallup's socio-economic position.

He asked that the Board stop the consideration of the list of ideas and projects under review and turn to consideration of the list of improvements in the Gallup MRA Plan.

Copies of the MRA Plan were handed out to members of the Board.

Page 68 of the MRA Plan contains recommendations –

Promote a mix of uses in the Downtown, including: retail, office, arts and entertainment, hotel accommodations, and high density residential areas through expanded use of historic buildings, selected infill, and some transitional expansion along Coal and Aztec Streets.

Executive Director described the MRA Plan Implementation matrix, page 79 in the plan, which lists recommended projects with corresponding funding sources and entities responsible for implementing each item.

Mr. Rich pointed out that the BID had been proactive in advocating for the Rt 66 Pedestrian Safety Improvement Project and had contributed funds for the project's design phase. In addition, BID advocated for the Alley Improvement project and committed funds for replacement of electric meters during the construction phase.

Mr. DeYoung mentioned the complications involved in replacing the water, sewer, gas infrastructure that runs across South Second Street, which is a NM State road.

City Manager described the role of the BID in the Coal Avenue Improvement Project, which is high priority on City of Gallup ICIP, secured federal grant funding and local matches for the design phase and has obtained commitments for construction funds over \$2 million.

Mr. Newberry said that he believes that City and BID talk about the projects, but the projects are not getting completed.

City Manager described the complications and expense of the alley project and the long delay in securing approval from the owners of property alongside the alley.

Mr. Chioda asked when the alley project would be completed. City Manager said that the alley project should be completed during the current fiscal year, i.e. by end of June 2020.

Mr. Chioda, City Manager and Mr. McCorkle spoke about the positive impact the completed project will deliver for the residents and businesses in Gallup and with NM Legislators who have been approached with funding requests for such a project in additional alleys in Gallup.

Mr. Baca requested an immediate small improvement in the alley behind Jerry's Café, which is impassable in periods of heavy precipitation.

Copies of page 79 of the MRA Plan, the Implementation Matrix, were distributed.

Mr. McCorkle asked the members if they wished to continue going through the list of recommended items on the meeting list agenda, or limit the discussion to the projects shown on page 79 of the MRA Plan.

There was a discussion of the restoration of the "Rotosphere" (formerly located at supermarket plaza at 4th & Aztec). This project was recommended in the MRA plan. BID examined the feasibility of the project and could not go forward with it. Mr. Chioda recalled the beauty of the Rotosphere and also the fact that it was falling apart and could no longer rotate prior to its removal to storage.

Mr. McCorkle moved the discussion to the -  
Facade Improvement Program.

There was a discussion about the popularity of the facade improvement reimbursement program and the amount of funding that should be allocated to the program. City Manager recommended making more funding available at the time of the completion of construction for the Coal Avenue Improvement project because that is a time when owners of property that abuts the Coal Avenue project will want the front of their properties to look as good as possible. For example, in other cities, the facade program may offer up to a \$5,000 grant award, matching the property owners' expenditure one to one, toward facade improvement. Completion of the Coal Avenue Commons Project is the time to make the Coal Avenue facades, even the smaller store fronts, look as good as possible as a strategic part of the overall effort to improve Gallup's downtown. City Manager also recommended creating a new, separate vandalism (broken windows) repair reimbursement program.

Executive Director mentioned the need that Coal Avenue stores affected by the Coal Avenue project will have for funds to cover the replacement of the small section of cement from immediately in front of their door to the line of the sidewalk that is being replaced. The topic of changing the parameters of, and enhancing, the BID Facade Improvement Program will be put on the agendas for BID Board meetings.

Mr. Baca spoke about the ongoing BID Board discussions about creating an actionable sidewalk repair/replacement program. Funding for a sidewalk program will be pursued during the next NM Legislative session, with that effort beginning during the period of the Interim Committee hearings.

There was a discussion about the need for repairs in the Courthouse Plaza. If that were chosen as the BID's highest priority, it would replace the BID's other efforts. Money will have to be gotten from State and Federal grant programs.

Mr. McCorkle observed that many of the items/projects being discussed fall into the category of "Pedestrian Management", i.e. Rt 66 Pedestrian Safety, sidewalk replacement, event crowd management, repairs in the Courthouse Plaza, bicycle racks, benches, cleaner downtown, crosswalks, street lights, alley infrastructure. Perhaps these can be combined and leveraged against one another in a way that the demonstrated need is presented in a holistic "Master Plan", rather than showing each separately in lists of many items. Such a plan will be a more cost effective and doable approach to getting the work done.

#### 8. Install bicycle racks downtown

Mr. Chioda referred to the proposed installation of bike racks and stated that during the past dozen years bike racks have been installed, but they receive very little use. Mr. McCorkle said that encouraging use of bicycles, scooters and electric scooters changes the nature of the sidewalk environment and raises safety concerns.

Executive Director asked members to look at the list of "Private Sector Initiatives" on page 79 of the MRA Plan. At several BID Board meetings, members had discussed the possibility of the BID doing work that would encourage getting such large projects underway. BID had approached owners of properties recommended on the p. 79 list and found that the owners did not want to develop or sell their property. That led to the process of the BID looking for willing sellers, which led to talking with owners of properties at 8th & Aztec, 4th & Aztec and Puerco & Coal. Those owners were/are willing to sell.

Therefore the BID paid architectural firm Dekker, Perich, Sabatini to create site analysis and renderings for development projects for which there is a demonstrated need in downtown Gallup.

Feasibility and marketing studies will be the next step.

Rep. Lundstrum secured a grant for a Gallup market study. It should be completed in spring, 2020. The study is key initial piece of information for attracting developers and investors to projects in Gallup.

Such investors will commission their own "Bank-specific" studies to secure loans for the projects.

The next steps in the process will be the discussions between the property owners and potential developers, owners, investors.

Mr. Rosebrough spoke about the allocation of funds within the BID's budget. The amount allocated in the BID budget for wages, administrative, marketing by BID and marketing support for others is higher than the portion of the general fund obtained through property owner assessment fees. He said that the property owners are paying for a bureaucracy rather than improvements.

Mr. McCorkle pointed out that the general fund is not fungible. It is also possible to say the opposite: that City is paying for the admin and marketing and the property owners are paying for the improvements.

Mr. Rosebrough said that the City of Gallup has its own bureaucracy and the City does not need an additional bureaucracy. Mr. Rosebrough said that the City could keep their match and be money ahead. Mr. Rosebrough said that it is his view that the BID was created to remunerate a match from the property owners to funds provided by the City to justify a disproportionate amount of spending to improve the downtown.

Mr. Newberry agreed with Mr. Rosebrough's viewpoint.

Mr. McCorkle asked the rest of the Board if they are unhappy with the work done by the BID.

Mr. Bonaguidi said that prior to creation of the BID, there wasn't any marketing being done for the City downtown district.

Mr. Rosebrough said that he thinks that the City can provide the services being performed by the BID. City has a very competent staff. Eliminate BID Board, Executive Director, transfer entire operation and funds to City of Gallup.

Mr. Bonaguidi said that none of the property owners has enough free time to take on large projects that the BID addresses and that the City cannot provide staff to manage BID projects, because all City staff are already busy.

Mr. Rosebrough said that City staff will manage the construction portion of the alley project.

Mr. Bonaguidi pointed out that the construction performed in the alley project is the City's project, not the BID's project.

Mr. Rosebrough asked Mr. Bonaguidi to provide a single example of a BID project. Mr. Bonaguidi said that looking at the history of the BID provides examples. Mr. Rosebrough asked Mr. Bonaguidi to name one. Mr. Bonaguidi mentioned antique and decorative overhead streetlights, arts crawl, façade improvement, Rt 66 Pedestrian Safety project. He urged Mr. Rosebrough to take the time to learn what the BID has actually done. Asked if City is getting a good return on its match, City Manager said that projects have been conceived that have not yet been completed. When they are completed, the return will be more obvious.

Mr. Bonaguidi spoke about the impact on Gallup's economy from a lack of entrepreneurs, lack of property appraisers.

Mr. Rosebrough said that the property owners' assessment is being put into a bureaucracy.

Mr. Bonaguidi said that any organization needs management, the bureaucracy. He pointed out that one of the BID's efforts is trying to get business people interested in downtown Gallup as a place to do business.

Mr. McCorkle observed that there seems to be a difference of opinion among BID Board members between the property owners of retail storefronts and the property owners of professional offices.

Mr. Chioda said the gross receipts tax collected citywide has declined in comparison to other NM cities. He cited Wal-Mart, Amazon and other factors. He also mentioned that there are service businesses located downtown and the drain on consumer spending represented by spending at the local casino.

Mr. Chioda expressed doubt about the City's ability to take on the management of the BID; he has seen BID execute initiatives that may not have been done by the City.

Mr. McCorkle asked Mr. Rosebrough to describe the administrative structure that the City would use to manage the work of the BID.

Mr. Rosebrough said that the BID needs very little management of its efforts.

Mr. McCorkle asked if Mr. Rosebrough meant that the City would lend managers to the BID.

Mr. Rosebrough said that the City could use a mix of staff, part-time employees and contractors to manage the work and bill the property owners.

Mr. McCorkle asked if a part of the BID funds are paid back to the City. City Manager explained that City charges 10% of their match to administer the billing and collection of the assessment fees.

Mr. Newberry recommended negotiating with the City to lower the 10% administrative fee.

Mr. Newberry referenced the BID business plan, which does not specify the budget amount for administrative cost.

Mr. Chioda asked how much the BID will spend in FY 20 for private security patrols in downtown. Executive Director replied that it will be approximately \$30,000. Mr. Chioda said that it is a good example of why the BID budget allocations should be re-prioritized.

Mr. McCorkle asked if the programs listed within the BID budget are included in the original business plan.

Mr. Rich said that each item had been voted on and approved by the BID Board as it expanded on the original business plan. He also said that marketing BID activities to the general public is definitely needed and recommended that BID seek support for its marketing efforts from Gallup Lodgers Tax.

Executive Director explained the Lodgers Tax requirement that it must be used for advertising "out-of-market" to attract visitors who will stay in hotels. He also explained that BID had been advertising to Gallup residents and business owners utilizing the back page of the monthly Gallup Journey Magazine, which has a circulation of 9,000.

Mr. Rosebrough said his personal opinion is that direct personal contact with property owners is an effective way to communicate, while paid advertising is not.

Mr. McCorkle asked if the Board had authorized the BID advertising and marketing.

City Manager said that the BID Board had approved the FY 19 budget and spending. A new Board was constituted in March and the current spending debate concerned the budget for FY 20. She also reminded the Board that the purpose of the strategy meeting was not specifically to debate the budget line items, but it was to prioritize the activities for the coming year.

Mr. Newberry and Mr. Chioda said that it is a sad situation that a large part of the BID budget is allocated to pay for downtown security.

Mr. McCorkle observed that, while all cities are different, in most cities there is a substantial amount of private security. For example, in his business park he has to provide private security.

City Manager said that the City provides policing services at all times to all parts of the city, including downtown. BID is providing a higher level of security than is received in any other part of the City and paying for it from BID's operating fund.

Mr. Rich said that the kiosks need more frequent maintenance.

Mr. McCorkle again pointed out that there is a philosophical divide among the BID Board members, which will have to be resolved over time.

He asked if the Board members wanted to address their philosophical differences today or return to the agenda of determining the priorities for its work during FY20.

Mr. Rosebrough said that the Executive Director should regularly meet with each property owner.

Mr. Baca asked how that would be done.

Mr. Rosebrough said that appointments should be scheduled.

Mr. Baca asked Executive Director how much time that will use. Director replied that several hours per day would have to be dedicated to the visits.

Mr. Baca asked if spending 2-3 hours per day talking with property owners would result in other activities would receive less attention. Director said that there would be trade-offs and that they would be seasonal. For example, no longer spending time in Santa Fe advocating with legislators during the legislative session; and not being able to visit property owners during July prior to the large BID signature event.

Mr. McCorkle asked if the Board wanted to return to the prioritization of its activities for the coming year, or to discuss the budget and philosophical issues.

Mr. Rosebrough said that he wanted to continue to discuss the amount of budget allocated to administration and marketing.

Mr. McCorkle asked if the BID Board approved the spending on those categories. Mr. Rich said that the Board had approved the budget for FY19. However, there are new members on the Board since it was reconstituted in March and the newer members want to debate the FY20 budget.

Mr. Chioda recommended finishing the process of choosing the priority projects and setting the budget during a separate BID meeting.

9. Install traffic signals at:

Rt 66 & Strong

Rt 66 and 9th

Long term. Not a priority at this time

10. Control access to Walkway with high fence/metal wall

City Manager explained that this idea cannot be implemented because it will block access for emergency service vehicles

11. More welcoming barricade objects at street intersection entrances to Arts Crawl – replace the use of trash trucks

City Manager explained that the issue is addressed in the design of the Cole Avenue Commons Project

12 Sidewalk program

Mr. Baca described ideas that have been discussed for funding the projects, providing incentives to the property owners.

Mr. Rich supported the idea of providing incentives to motivate the property owners to repair/replace sidewalks.

13 Downtown lighting

Downtown Development Corporation and later Gallup BID, paid for purchase and installation of light poles that are replicas of the historic street lamps. This is an expensive program and should be considered as a long-term prospect.

14 A cleaner downtown

Executive Director explained the arrangement between BID and City Parks Dept. to have some seasonal summer workers clean the sidewalks within the BID District.

Mr. Chioda asked if BID could use work details made up of inmates from local jail to clean the sidewalks at other times of year.

City Manager said that there is not enough staffing in place to have guards to accompany/monitor the prisoners.

Mr. McCorkle said that some locales hire homeless people for these tasks.

City Manager emphasized that someone will have to manage the program.

Mr. McCorkle said that there is definitely a cost attached to managing such a program.

Executive Director mentioned that BID had paid the Care 66 homeless program for several years to provide workers, but Care 66 is no longer in business.

15. Security camera program

Mr. Chioda recommended against this idea. He has participated in security camera programs and they were not very effective.

Kara Smith, Main Street Director, described some Main Street services currently being implemented

16. Mural tour information for tourists

Mr. Baca described his concept for designing and printing a digest size brochure that tells the story of the creation of each painting, with information about the artists. This would be distributed to tourists at the Visitors Center and elsewhere.

There was a discussion between Mr. Chioda and City Manager about identifying projects that BID may be considering which could hand over to Gallup Main Street to pay for and execute.

17. Create Gallup Redevelopment Investment Consortium

Executive Director described discussions among Board members and with consultants about the impact of establishing one or more development funds to accomplish rehabilitation for buildings and building newly constructed buildings. Mr. McCorkle said that he is involved with investment corps in Albuquerque. "The investment money is called at the beginning of the project. The investors do not put in their money up-front. It is a very nifty tool to have in your tool box."

18. Encourage downtown business owners to become more responsible & proactive about the success of their own individual businesses.

The items and comments were recorded throughout the meeting on large sheets of white paper. At this time, the pages were laid out on a conference table. BID Board members were given colored markers, with each one a different color to avoid duplication or voting twice. The Board members then marked their preferred priorities. That produced:

*Final selection by Board members - New programs and activities for FY 2020, in order of most votes received -*

1. Alley improvements
2. Facade program enhancements
3. Sidewalk program, in conjunction with City of Gallup
4. Diagonal parking where possible
5. Increase number of antique style light poles
6. Create Downtown Improvement Investment Consortium

*Ongoing BID programs & activities list:*

Program names:

Summer Downtown Cleaning Campaign

MainStreet/Arts & Cultural District support

Alley Pilot Project - installation of new electric meters on buildings situated within the project boundary

Gallup Clean & Beautiful Program Match

Monthly BID sponsored and managed Arts Crawl events

Signature Event - Gallup Rt. 66 Freedom Ride Flight & Cruise multi-venue event

Unarmed Downtown Bicycle Security patrols during summer season

Trash Cans - maintenance of paintings

Plaques for historic buildings

Sign Grant Reimbursement Program

Façades & Sidewalks Improvement Program

Transformative Projects (research, concepts and renderings for construction in accordance with the Gallup Metropolitan Redevelopment Plan)

Funding for marketing support for events, by other organizations, that bring people to BID District

Local community marketing about BID activities & events

Radio spots promoting Downtown Christmas

Educating and advocating with members of NM Legislature and appropriate NM Departments

## Appendix A

### Potential BID activities proposed by BID Board members for June 13, 2019 Strategy retreat session

- UNMG locate Student Housing downtown (downtown foot traffic at night)
- Infrastructure improvements to the downtown alleys (partnership with the City)
- Downtown benches branding Route 66
- Building themes branding Route 66
- Historic plaques for the various downtown buildings (Gallup MainStreet discussed this issue)
- Crosswalk safety improvements on 66 Ave to improve access to downtown
- Diagonal parking and parking meters (funds would be collected by Gallup BID and provide an additional revenue source for BID)
- Bike racks throughout the downtown area
- Install traffic lights at:
  - Rt 66 and Strong
  - Rt 66 and 9th St
- Controlling of the walkway with a high metal fence/wall
- Better welcoming entrances to Arts Crawl than city dump trucks
- Alley improvement
- Create a BID sidewalk program
- Downtown lighting

- Cleaner downtown
  - Security camera program
  - Mural tour info for tourists
  - Create Gallup Redevelopment Investment Consortium (corporation)
  - Encourage downtown business owners to take more responsibility & be more proactive about the success of their own individual businesses.
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## Appendix B

### BID current programs & activities list

Summer Downtown Cleaning Campaign

MainStreet/Arts & Cultural District support

Alley Pilot Project - Electric Meter installations

Gallup Clean & Beautiful Match

Monthly Arts Crawl

Signature Event Rt 66 Freedom Ride Flight & Cruise Festival

Downtown Bicycle Security patrols Memorial Day - Labor Day

Trash Cans - maintenance of paintings

Plaques for historic buildings

Sign Grant Reimbursement Program

Façades & Sidewalks Improvement Program

Transformative Projects - concepts for construction

Events held by other organizations - marketing support to bring people downtown

Marketing - in-market, by BID

Downtown Christmas radio advertising