

2016 Annual Meeting Gateway Redevelopment Group

7 PM Thursday January 28, 2016

624 West 6th Street

Present: Terry Genz, Sara Bartholomew, Steve Bartholomew, Frank Juarez, Jack Haberman, Dave Cordes, Lois Woods, Maurice Woods, Merl Vastine, Craig Canfield, Adam Kuehl, Paul Fessler, Marion Meginnis, Dennis Lopez

The meeting was called to order at 7:10PM.

**Election of the Board of Directors:** The following slate of officers was proposed for 2016.

President - Jack Haberman, Vice President - Craig Canfield, Treasurer - David Cordes

Secretary - Marion Meginnis, At Large Board Members: Paul Fessler, Adam Kuehl, Dennis P Lopez. A motion to approve the slate was made by Steve Bartholomew and seconded by Terry Genz. The motion passed.

**Minutes from 2015 Annual meeting:** Sara Bartholomew made a motion to accept the minutes of the 2015 Annual Meeting. Craig Canfield seconded the motion; the motion passed.

**2015 Accomplishments:**

-23 members who filled out pledge forms. Many more worked as volunteers.

-The shop, opened Fridays and Saturdays, generated \$25,169. Since the shop first officially opened, sales have totaled more than \$83,000.

- New people are assisting in ARS volunteer capacities. Visitors to the shop also learn about the neighborhood and about GRG.

-Volunteers worked on four salvage jobs. We also get calls to pick up merchandise and people also drop off donations.

-The caretaker apartment was rented for the full year. Our tenant has left as of January to move to another city. We are looking for a new tenant. Rented for six years solid. Dave Cordes continues to manage renting the apartment; he sees no problem renting it for \$575 a month inclusive of all but internet. Current rental is \$550.

-820 W. 6<sup>th</sup>. Given to us by Wells Fargo in 2015 along with \$35,000. We found a developer and he fixed it up. He was planning to rent it, but he sold it. So a foreclosed, closed up house is now sold again. Cordes noted the house was very rough with a bad roof, walls covered with Masonite paneling, dropped ceiling with rotten plaster above. Required removing all the plaster and a complete new sheetrock. All new electrical was run. Almost all the plumbing replaced. It is livable and clean and has new mechanicals. For the middle to lower range houses in our neighborhood, it is in much better condition.

-517 Ripley. GRG took possession of this property from the county. It is off the demolition list. Will require some clever work to save it. Small is in! Was laid on a stone foundation and a basement was dug years later and now the sill has collapsed. Still working on a way to stabilize the property.

-Jipp Endowment Fund. Have \$9,448.38 in the Endowment Fund. Now have over \$61,000 in the bank.

**2015 Financial review:**

-These are not the final financials for the year because we are still waiting on information, like statement from Endowment, to finalize the yearend report. A final report will be emailed to members. The review presented at the meeting compares budget vs actuals where available. Some projects were not completed and others arose as new items during the year.

-Since the pledges for Friends of 510 were not needed, they are credited back. Everyone was notified and thanked in a follow up letter. On expense side, there was expense for 510. The income that we posted from 510 activity was \$4,000 in 2014, but we were paid in 2015.

-Funds for 821 W. 6<sup>th</sup>—Wells Fargo dollars—are shown as a restricted grant. Net income is shown. Insurance is pretty reasonable. Legal fees included a new abstract for the Jipp properties. Net ordinary income was over \$25,000.

-Four years of depreciation is shown in this report per the board's direction last year.. Going back to that date takes into account some closing out of projects that we had undertaken. Cordes noted that IRS depreciates property based on its primary use. The Jipp building is mainly commercial, and the depreciation is 39 years.

-Current assets, checking and savings as of 12/31/2015 was \$60,007. Cash in hand was \$1,311. We appear to up close to \$20,000.

-Fixed assets are items relating to the building. Current liabilities include Jipp sidewalk not completed and apartment deposit a total \$2,279, Total assets are \$218,257.68. Haberman noted that we must file a 990 this year because of our income. A motion to accept the financial report was made by Paul Fessler and seconded by Sara Bartholomew. The motion passed.

### **2016 Budget and Goals:**

A proposed budget was presented and goals were discussed in light of it.

-Some members questioned why the sales goal was low since there is no penalty if sales are not achieved. Sales are driven by inventory, and we don't know what that will be.

-A discussion of how GRG might deal with the proposed demolitions followed.

-President Haberman proposed to set aside \$20,000 for stabilization/rehab of 517 Ripley and \$10,000 for stabilization of 716 W. 5<sup>th</sup>.

-Other properties were discussed. The group asked about 402 W. 6<sup>th</sup>. A proposal was made for someone from the board to approach the owner. Dave Cordes volunteered to speak with her and report back to the board. Marion Meginnis talked about activity over the past two months to reach out to the city about the demolition requests. She suggested that a 2016 GRG activity might be a survey of the neighborhood to get a better feel of at risk properties.

-Meginnis suggested adding an uncommitted \$10,000 demolition contingency fund to deal with issues that might come up in 2016. President Haberman said that champions must be found to deal with any activity beyond work on 517 Ripley or 716 W. 5<sup>th</sup>.

In other goals/budget related matters:

- A proposal was made that we put more than our committed amount into the Jipp Endowment Fund. Dave Cordes suggested that, with a number of extra expenses in 2016 tied to possible intervention on demo-list buildings, we wait until the end of the year to decide about adding extra dollars to the Endowment over and beyond our committed 10% of 2015 sales until we see how the year goes. President Haberman asked for volunteers to write up the guidelines for the Jipp Endowment Fund.

-Paul Fessler made a motion to accept the additional \$10,000 in general demolition funds and the Cordes suggestion regarding the Endowment Fund. Steve Bartholomew seconded the motion. The motion passed.

### **Open Discussion**

-Palmer has a new facilities manager. They have taken down several properties for which GRG was not contacted and plan to remove others. Haberman and Lopez have met with the new manager. There may be opportunities at 216 E. 11<sup>th</sup> St. and another house at 9<sup>th</sup> and Pershing.

The meeting was adjourned at 9PM.