

(10)

Cal Horton**ATTACHMENT 2**

From: charles house [CHARLESHOUSE@UNIVERSITYFLORIST.COM]
Sent: Wednesday, June 04, 2003 7:30 PM
To: Cal Horton
Cc: Robert Humphreys; Rebecca Maitland; Margaret Skinner; Josh Gurlitz; Aaron Nelson
Subject: Chapel Hill Downtown Commission Funding.

Dear Cal,

Thank you for the opportunity to talk about the Mayor's request for reducing the funding for the Commission and using those funds in some other type of economic development in the downtown area. Speaking for the Board, we all agree that the best interests of the downtown community, no matter what form it takes, is everyone's primary goal and we are grateful for the Mayor's efforts and interests in the Downtown.

Prior to the Kaufman report, which we commissioned, the Commission had petitioned the town for extra funding to carry out a form of economic development - in particular, our branding campaign. This was approved and an extra \$20,000 was added to our budget for this effort. These extra funds were also part of the special district tax levied on the property owners that had been requested by them a number of years earlier and to my understanding did not come out of the General Fund.

Late last month, the Council directed you to see if approximately \$20,000 could be diverted from the Downtown Commission to free up funds for the Mayor and Council's use in other downtown efforts, particularly, economic development. This would be approximately 25% - 30% of our budget.

If the Council wants to divert our development funds for the same purpose and they feel that they are better able to handle this development task, then it would seem that the most logical decision would be to eliminate our downtown branding efforts and let the Council or committee they select handle this matter. However, our program of work, submitted to the Council earlier in the Spring, showed a heavy investment in branding our downtown community, not the Commission itself, and we were very successful in bringing a number of constituencies on board - in particular, the downtown property owners. Through our efforts, there is a real and meaningful dialogue among all of the groups interested in a vital and dynamic central business district.

If our organization's budget is reduced by the amount you suggest, we will not be able to totally fulfill the obligations outlined in our program of work for the coming year and our efforts will have to be more focused on promotions and events. In looking over our annual report, you can see we really do parlay the funds received into a much larger figure when in kind donations, free promotional materials and sponsorships are taken into consideration. I do hope the Council and Mayor see that.

Because our Board has not been privy to the Mayor's Task Force deliberations and the Task Force has not made it's final recommendations to the Mayor, we are somewhat perplexed as to our status for the next budget year. We are very aware that we are a body contracted by the Town to carry certain duties and responsibilities as outlined by our program of work and approved by the Council. We all want what is best for the Downtown. We just need to be included in the process.

Please let me know of any way I or the Board can help in these matters. Call me at 810-6122 or 929-1119 if it would be helpful to meet.

Thank you for all you do for our Downtown.

Charles House
Chair
Chapel Hill Downtown Commission

6/12/2003