

Special All Member Meeting December, 2016 - Minutes

A special meeting of the members was held by CTM on December 15th, 2016. The meeting was held in the Auditorium of the CCAC. The purpose of the meeting was to discuss and vote on supporting the Clifton Market financially in the amount of \$20,000.

The meeting was called to order at approximately 7:05 PM.

The meeting opened with a presentation by Eric Urbas President of CTM. The complete presentation is in Appendix A. The details of how the meeting would be conducted and how members were allowed to speak are contained in this presentation.

There was a discussion period from 7:20 until 8:30PM.

Voting was allowed to start at 8PM.

Voting concluded at 9PM.

Members voted on the question stated below starting at 8PM until 9PM.

“Do you support the Clifton Town Meeting to fund the Clifton Market in the amount of \$20,000, either through equity or loans, provided there is no legal issue with doing so, which CTM will confirm by legal counsel.”

189 votes were cast.

- 159 in favor
- 30 against

From 7:20PM until 8:30PM

Speakers who had signed up could present a 2-minute commentary in favor of or against supporting the Clifton Market financially. Five “in favor” and five “against” were permitted.

- Five CTM Members spoke in favor of supporting the Clinton Market financially.
- One CTM Member spoke against supporting the Clifton Market financially.

Every speaker above stated they were supportive of the Clifton Market succeeding and that is was an important to the community.

Ten additional speakers were allowed to sign up to speak as they chose.

- Three CTM members spoke – two in favor and one against financial support.

Every speaker above stated they were supportive of the Clifton Market succeeding and that is was an important to the community.

There was then a Q/A period in which members were allowed to comment or ask questions and as possible get those questions answered.

Charles Marxen from Clifton Market answered several questions about the Clifton Market. These are summarized below:

- Q: When will the market open
 - A: CM is hopeful it will open by the end of the month but that could be delayed.
- Q: Why is the market delayed in opening
 - A: CM needs an electrical permit which they do not have. This is expected to be resolved soon.
- Q: Can we see the markets financial information
 - A: a slide was show giving the then current source of funds and uses.
- Q: How many unique members does the market have
 - A: at least 1400 unique members.
- Q: How much cash reserves does the market have
 - A: CM has about 2 months of cash reserves.
- Q: How many shoppers are expected at the market
 - A: about 15,000
- Q: How much must each shopper spend to make the market successful
 - A: about \$16/week.
- Q: Is the market a non-profit?
 - A: CM is recognized non-profit in Ohio but is not a US Federal non-profit (501C).
- Q: How much is Clifton Market lacking to open?
 - A: CM has sufficient funds to open but all funds received in the near term help to make the most successful opening.
- Q: How are profits of the market distributed to owners?
 - A: profits are distributed as a discount or refund on purchases made at the store (patronage dividend).

The comments and questions made by members are summarized below with a summary of the answer when one was given.

- The Clifton Market will once again make Clifton one of the best places to live in Cincinnati.
- Q: The CTM board has a fiduciary responsibility to its membership. How will the CTM board uphold it's fiduciary responsibility if an investment is made?
 - A: CTM will get legal counsel to answer this question.
- Q: Can the amount of investment less?
- Q: Does the money need to be repaid? Can it be granted?
- Q: If the membership votes in favor I assume the board must try and follow the memberships intent. Is this true?

- A: yes CTM has the obligation to follow the intent of its members, but CTM must get legal counsel to answer questions related to the membership intent before proceeding.
- Q: What process was followed to allow this vote to occur?
- Q: Why not establish a process for awarding funds [of CTM]?
 - A: CTM has several processes for using or awarding funds .
- CTM should make the community more aware of the grant programs it participates in such as the NBDIP Façade Improvement program, which is available to all businesses in Clifton.

Comment cards were also offered and several comments were made in writing.

Many of these were read aloud. Below is a summary:

- What due diligence has the CTM Board completed on this potential investment? Please provide specifics. Why did the membership not see this?
- The Clifton Market idea is one of the things that convinced us to move to Clifton. I am in favor.
- There are many other important initiatives in the community, a neighborhood school and possible relocation of the CCAC, save the money for those things.
- A gift of \$5,000 annually not to exceed \$20,000, beginning in 2017 and ending in 2020. This is better than giving 20K in on lot. This follows CTM's past behaviors of support to local organizations.
- Is this legal? There is a risk – CTM should not risk its assets. This is a lot of money- is it 20,000 or nothing at all. Many people have worked over many decades to raise this money.
- What is the financial situation of the store and what does \$20,000 do for that financial position?
- Can the market share its financial information with the membership? This request has been made by CTM.

The meeting concluded at 9PM.

Votes were tallied until about 9:30.

Votes were counted and then recounted by Eric Urbas, Kevin Marsh, Joyce Rich, and Ashley Evans.

The total for the count and recount was 159 in favor and 30 against.

Appendix A:

Welcome to the CTM Member Meeting

12/15/2016

Agenda

Welcome

Directions - 5 mins

The Question to the Members and Background – 10 mins

During this time if there are more than 5 speakers 'for' or 5 'against' those persons will need to decide who will speak.

Speakers – 40 mins

Open Discussion– 30 mins or more

Voting

Check In

Check in and obtain your ballot (s)

Hold ballots until the designated voting time.

Please fill out a question/comment card and place in one of the bins if you wish.

This topic or any topic is ok, we will use the information later if it is not pertinent now, all info is appreciated.

The bins will be collected and filtered for common questions and answered later if time during open discussion.

Voting Refresher

All voters must be present (no proxy voting).

Each individual and household member gets 1 vote.

Each business membership gets 1 vote.

Ex. You have a household membership and your business has a membership you would get to vote once for yourself and once for the business.

Speaker Sign Up

There is a sign up sheet for those who wish to speak. There are 5 'for' slots and 5 'against' slots. There is also an open list. The open slots will be at the end and taken in order until the Speaker time is exhausted.

Speakers will be taken in the order they sign up.

Speakers will have up to 2 minutes each.

We will ask that if there are more than 5 who wish to speak on one side of the question, that those members determine who will speak.

Speakers will be respectful or will not be allowed to speak.

The Question

Do you support the Clifton Town Meeting to fund the Clifton Market in the amount of

\$20,000, either through equity or loans, provided there is no legal issue with doing so, which CTM will confirm by legal counsel.

Community Council Information

6 community councils were contacted- Hyde Park, Spring Grove Village, Northside, Price Hill, CUF, Pleasant Ridge

None have made a financial investment in a for profit entity.

None have investigated doing so.

Northside Community Council

Northside Community Council - has the most similar condition as Clifton with the Apple Street Market

Apple Street Market is listed as an Affiliate on their website.

The council views supporting the market a priority consistent with its mission.

The council supports it in other non financial ways.

Clifton Community Council

CTM Owns 50 % of the Clifton Community LLC

Clifton Community LLC is a for profit LLC that owns and operates the Clifton Plaza. There are no net revenues from Plaza operations at this time.

The Clifton Community LLC was established by CTM and the CBPA. In 2002 it purchased 333 Ludlow Ave and operated a rental property (building) at that space for a period of time until the the building was demolished.

The original purpose for creating the LLC and buying the land/building was for the eventual creation of a new library behind where the merchants lot sits now.

For & Against (2 minutes each)

Open (Taken in order until time is out)