RECORD OF PROCEEDINGS

MINTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
RiNo ART DISTRICT (RAD)

HELD: Tuesday, October 17, 2017, at 9:00 am at the RiNo Art District offices, 2901 Blake Street, Suite 165.

ATTENDANCE:

The meeting of the Board of Directors of the RiNo Art District was called and held as shown above with the following directors present and acting:

Jonathan Kaplan
Chandler Romeo
Adam Gordon
Andy Feinstein
Jonathan Power
Anne Hayes
Sonia Danielsen
Tracy Weil
Vicki Sterling
Rex Brown

Also in attendance were: Jamie Licko, Eva Zimmerman, and Alye Sharp of the RiNo Art District; Tai Beldock of the RiNo BID Board; and Roderick McOwan, Pady Regnier, and Lenee Koch of the Marshall Retail Group.

Directors Cayce Goldberg and Justin Croft were absent, absences excused.

CALL TO ORDER:

Director Romeo called the meeting to order.

APPROVAL OF MINUTES:

After review prior to the meeting via email, the Board unanimously approved the minutes from the September 19, 2017 meeting after one minor edit.

FINANCIALS:

Ms. Licko informed the Board that RiNo's accountant has been very sick, so more details on the financials will be available when she's back.

Ms. Licko noted that Denver Arts and Venues will be giving an additional $7500 toward the Rino Made program in addition to Colorado Creative Industries' (CCI) $10,000 grant. The World Trader Center would also like to develop some programming for the RiNo Made program and artists.

RiNo DISTRICT MARKET:

Ms. Licko noted that she, Director Feinstein and Director Romeo met with the Marshall Retail Group last week about the retail store they're opening with the RiNo name at the airport. They've come back with a proposal to work with the District (in packet).

The proposal presentation included forging a relationship between the RiNo Art District and the Marshall Retail Group by:

- Joining as a sustaining member of the Art District on an annualized basis
- Sponsoring a muralist or artist to support CRUSH
- Explore an assortment of product for sale in The RiNo District Market
- Develop a RiNo logo branded area, 100% RiNo Made products
- Explore carrying successful products within other stores in DEN
- Feature piece on exterior or store and ongoing list of events
- Explore rolling art program on a continual basis for sale within the market
- Explore support RiNo Made store through product and purchasing collaboration
- Dual marketing plan for two stores
- Collaborate with DEN on arts events within the airport

Director Feinstein noted that they had discussed having RiNo events on screens within the store, to which they responded that they could certainly add that onto the list.

Director Weil asked if they'd be interested in having a "Roundup for RiNo" program with the difference of sale price and the rounded up amount going back to RiNo. Mr. McOwan said that they hadn't considered it, but would be happy to look into it.

Ms. Beldock asked if they'd be willing to share their proforma and what the potential revenue is forecasted to be, to which Mr. McOwan noted that while the proforma confidential, that revenue was about $1.5-$2M per year for a similar store. Ms. Beldock also asked for the cost for square foot at the airport, to which Mr. McOwan responded that it's about $500-600 per sq ft. They're shooting to be open in April-May 2018 with a seven-year lease, with two one-year options; Ms. Beldock also asked if they would distribute and/or help with printing costs for the

RiNo Guide. Mr. McOwan responded that they'd be happy to explore working with RiNo on that.

Director Danielsen asked if they'd be willing to explore donating back a percentage of sales to the RiNo Art District, and Mr. McOwan said they've been exploring other ways to give back, including featuring artists of RiNo, and that they'd rather support initiatives and supporting artists by featuring their work. She also asked if they wanted to use the trademarked logo, and if so, would they be willing to pay royalties to use it. Mr. McOwan said it's a further discussion, but would work similarly to other licensed products they sell, and that there would definitely be a financial component for the RiNo Art District.

Director Kaplan asked how they would sell RiNo artist goods and they noted they would purchase them up front, not on consignment.

The Marshall Group left, after which the Board had an open discussion.

Director Kaplan said although it would be good exposure, it directly competes with the RiNo store, and also noted the possibility of price discrepancy. Director Power stated that he thinks that all of it is a bad idea – everything is corporate, and we're a neighborhood that supports small business. Director Romeo said that the art district is changing quickly, and that the Marshall Group is being manipulative; she also noted that nothing about it feels good. Director Power noted that we should definitely not let them use the logo, otherwise no one will even notice the store.

Director Feinstein talked to his contact at the airport and told him that the RiNo Art District team was not happy that they weren't involved with this upfront. Director Romeo suggested we go to the Mayor and tell him the airport is usurping the identity of neighborhoods, and Director Power added that the Art District should write a cease and desist. Director Feinstein will talk to Larimer Square and Union Station to see if they want to partner in working together on this. Director Power noted that our character is more on the line than theirs.

To respond to Marshall, Director Power noted that the Art District needs to be very public and let everyone know they won't be working with the Marshall Group and want no affiliation with the RiNo District store in the airport, to which Directors Romeo, Kaplan, and Gordon agreed. Ms. Licko reiterated that she will draft a stern letter to cut ties, and Director Feinstein will talk to Larimer Square and Union Station folks to see how the Art District moves forward.

NEW BOARD MEMBERS DISCUSSION:

The Board all indicated their top ten choices for new Board members, which was narrowed down to a list of ten people for interviews. Each Board member will bring an interview question to ask at the next Board meeting.

NEXT BOARD MEETING:

Due to Thanksgiving, the next Board meeting will take place on November 14 from 9-11 AM.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-reference meeting and was approved by the Board of Directors of the RiNo Art District.

_____
Secretary to the Board