

**DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
July 20, 2015**

DIRECTORS PRESENT: Greg Taylor, Derek Wissner, Ann Rohrbaugh, Grant Fletcher, Carl Brown, Jim Escamilla, Bobby Hopewell (via phone), Lisa Carriveau (via phone)

DIRECTORS ABSENT: Bjorn Green, Bob Miller, John Schmitt

STAFF PRESENT: Steve Deisler, Deb Houseman, Eva Ennis, Meg Gernaat

OTHER: Greg Ayers, Michael O'Connor, Jim Ferner, Ken Nacci, Dorothy Robinett, Chris Shook

I. CALL TO ORDER

Director Escamilla called the meeting to order at 3:02 pm.

II. ADOPTION OF AGENDA

S. Deisler requested that the sixth amendment to the parking sublease for Ramp 3 be added as action item A.

**DIRECTOR TAYLOR MOVED TO ADOPT THE AGENDA AS AMENDED.
SUPPORTED BY DIRECTOR ROHRBAUGH. MOTION CARRIED.**

III. MINUTES – June 15, 2015

DIRECTOR FLETCHER MOVED TO APPROVE THE MINUTES OF 6/15/15 AS AMENDED. SUPPORTED BY DIRECTOR ROHRBAUGH. MOTION CARRIED.

IV. FINANCIAL REPORTS – 2 Mill & TIF June 2015; TPM May 2015

D. Houseman reviewed the 2 Mill and TIF financial reports for June and the May financial report for Transportation, Parking, and Mobility.

DIRECTOR TAYLOR MOVED TO APPROVE THE FINANCIAL STATEMENTS AS PRESENTED. DIRECTOR FLETCHER SUPPORTED. MOTION CARRIED.

V. ACTION ITEMS

A. Approval of the 6th Amendment of the Parking Sublease for Ramp 3

S. Deisler shared that the City has issued a refinancing plan on the Ramp 3 project. He distributed the payment schedule and explained that there is a significant savings with the refinancing. He explained that the DDA needs to approve the refinancing program and to give authority to sign a new sublease. The City will take to the sublease to the building authority and City Commission for their approval. The refinancing saves approximately \$50-70,000 annually in debt payments.

DIRECTOR FLETCHER MOVED TO AUTHORIZE THE DDA EXECUTIVE

DIRECTOR STEVE DEISLER OR A DDA OFFICER TO SIGN THE SIXTH AMENDMENT OT THE PARKING SUBLEASE FOR RAMP 3. SUPPORTED BY DIRECTOR ROHRBAUGH.

Director Taylor asked if the loan will be fixed financing. S. Deisler and M. O'Connor replied that they are not certain but believe the rates are fixed. Director Wissner asked if there will be other bonds that will be refinanced at the same time. S. Deisler replied that he does not have an answer to whether there will be more loans refinanced, but the City does look at debt refinancing periodically.

MOTION CARRIED.

B. Project Review Committee – Sign Grant (Epic Center)

M. Gernaat shared that the Epic Center applied for a sign grant. The grant will cover \$750 of their costs if approved. The application had already been approved by City and Project Review Committee.

DIRECTOR FLETCHER MOVED TO APPROVE THE SIGN GRANT APPLICATION FOR EPIC CENTER. SUPPORTED BY DIRECTOR BROWN. MOTION CARRIED.

C. PlazaCorp Depot Agreement

S. Deisler shared that PlazaCorp has purchased the Depot Building on East Michigan Avenue and is looking to renovate it. The total estimated project cost is \$2 million for the renovations. K. Nacci shared that the Depot building has been acquired by PlazaCorp. He reviewed the renovations that need to be made on the building and explained that PlazaCorp is looking for assistance to make the project financially viable. He shared that the site improvements are estimated to be approximately \$90,000, and \$40,000 is identified on public right of way. Director Fletcher asked if the building is outside historic district. K. Nacci replied that it is not in historic district. Director Fletcher asked if there will be a screening process for the tenants who lease spaces in the building. K. Nacci replied that PlazaCorp will look for qualified tenants that have successful track records. Director Escamilla asked what the schedule for the project is. K. Nacci explained that they still need to go through more work with Brownfield and CRP and would like to demonstrate that there is local support as well, but PlazaCorp is hoping to start construction in the fall. Director Brown asked if projections show TIF approval from the DDA as critical to being able to complete the project. K. Nacci replied that because of the amount of investment needed for the project every amount can help. S. Deisler shared that the recommendation from staff is to assist with the amount needed to cover street improvements totaling in \$44,000. He added that based on the City's projections of TIF, we are estimating that the project will bring in \$58,000 in TIF dollars annually. S. Deisler recommended assigning 50 percent of that \$58,000 to go towards that contribution over a 10 year period. S. Deisler shared that PlazaCorp is asking for conditional approval once the final agreement is finished to show support from the DDA Board now. Director Brown asked about the current review for trailway and how that will impact the streetscape project. K. Nacci responded that PlazaCorp supports the trail and will cooperate to make the trail happen downtown.

DIRECTOR ROHRBAUGH MOVED THAT THE DDA AUTHORIZE THE EXECUTIVE COMMITTEE TO ENTER INTO AGREEMENT WITH PLAZACORP FOR PAYING HALF OF THE ANNUAL TIF CAPTURE FOR 10

YEARS FOR PUBLIC IMPROVEMENTS TO THE SPACE. DIRECTOR TAYLOR SUPPORTED.

Director Escamilla opened for public comments. T. Graham asked how much financial incentive is needed from public entities in today's private commercial market to get the return that developers are looking for. K. Nacci replied that there are many unknowns, but any amount of return is of high value. He explained that it depends on the length of use, end use, and other factors, but private firms couldn't do downtown development without nonconventional financing. J. Ferner asked about the plan to enhance 80 spaces for parking and if PlazaCorp has considered bike parking. K. Nacci replied that the parking enhancements will improve the current parking, and bike racks are part of the plan to be installed.

MOTION CARRIED.

VI. DISCUSSION ITEMS

A. ACW Interview Update

S. Deisler shared that the ACW Interviews were last Thursday. There were approximately 120 attendees. He added that answers to the public questions and presentations will be on the DKI website. He shared that the Task Force is hoping to come to a decision in the next 30-60 days on whether it will select one of the firms who presented to enter into a predevelopment agreement. The Task Force will take the decision to each of the boards for approval. S. Deisler noted that there will be more opportunity for public input during the predevelopment stage.

VIII. COMMITTEE REPORTS

A. TPM

S. Deisler shared that the former parking committee recommended changing name to Transportation, Parking, and Mobility Committee. He shared that the committee has hired a marketing team to roll out the Five Year Plan. The roll out plan will focus on sustainability, safety, education, downtown experience, and cost benefit analysis.

B. Capital improvements

S. Deisler shared DKI staff's preliminary recommendations on the downtown events and walks/runs that will be passed along to the Walk/Run task force. S. Deisler noted that important items to improve are the application process and communications.

C. Project review

S. Deisler shared that the crowdfunding proposal on Bates Alley is still being pursued. They will be meeting with final stakeholders before starting the crowdfunding campaign. S. Deisler added that they are trying to raise \$70,000 and get \$70,000 match.

Director Escamilla asked about the Arcadia Riverfront crowdfunding project. S. Deisler shared that the project fell short of the goal, but Tim Surprise still hopes to utilize the committed dollars and do a portion of the project. S. Deisler shared that DKI staff and the City had been working with Peregrine for streetscape and snowmelt plan, but Peregrine has decided to not do the full project currently.

S. Deisler thanked Chris Shook and the Jim Gilmore Jr. Foundation for putting on the golf

outing, which brings in funds for downtown.

S. Deisler reminded the board that Sidewalk Sales is July 23-25 on the Kalamazoo Mall.

S. Deisler shared that staff received survey results from business owners on their opinions of the bike trail. Businesses overall support the trail but there was some concern over where it is going and confusion on the end points of trailway.

IX. DIRECTOR COMMENTS

Director Taylor thanked Chris Shook for the golf outing with the Jim Gilmore Jr. Foundation and asked if there is anything new on the next MDOT charrette. S. Deisler replied that there is still an effort to begin engineering on stadium Michigan projects, but he has been told there is another expansive project at the Stadium and Howard intersection that is now taking priority. J. Ferner commented that he spoke with a representative at MDOT and was told that MDOT is adding double left turns and will increase the number of traffic lanes. Director Fletcher commented that he enjoys being on the DDA Board. Director Escamilla commented that he enjoys participating in all the task forces and boards he is involved in.

X. PUBLIC COMMENTS

J. Ferner requested that the DDA pass a resolution of support to change the one way roads downtown to two-way and to support asking MDOT to put funds toward the Michigan/Stadium Corridor. S. Deisler replied that the City and other entities need to speak with MDOT to get an understanding of what their plan is. Mayor Hopewell recommended asking MDOT to come to the community like they did with the MDOT Michigan Avenue/Stadium Drive Charrette to explain how they moved from this project to the Howard project. T. Graham commented that the City needs to get Western Michigan University on their side. C. Shook shared that the Jim Gilmore Jr Foundation Board has agreed to match up to \$25,000 for the Bates Alley Project.

XI. ADJOURNMENT

The meeting was adjourned at 4:06 pm.

APPROVED: _____

Eva Ennis
Recording Secretary