

**DOWNTOWN DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
May 16, 2005**

DIRECTORS PRESENT: Bob Doud, Jennifer Shoub, Dan Van Sweden,
Robert Jones, John Steele, Chris Shook,
Kenneth Miller, Moses Walker, Jeff Nicholson,
Stacy Skartsiaris, Ann Rohrbaugh

DIRECTORS ABSENT:

STAFF PRESENT: Kenneth Nacci, Steve Deisler, Vicky Kettner,
Mary Staron, Marissa Ferrari, Nicole Emerson,
Jillian Green

OTHER: Jane Parikh, Jerome Kisscorni, Michael O'Connor

Director Doud called the meeting to order at 3:00 p.m. He then welcomed A. Rohrbaugh as the newest Board member.

II. ADOPTION OF AGENDA

There being no amendments to the agenda, Director Doud moved that it be adopted as presented.

III. MINUTES – March 21, 2005

**DIRECTOR STEELE MOVED TO ACCEPT
THE MINUTES OF MARCH 21, 2005 AS
PRESENTED. SUPPORTED BY DIRECTOR
SHOUB. MOTION CARRIED.**

IV. FINANCIAL REPORT – None

V. ACTION ITEMS

A. 2004 DDA Audit Report

Director Doud welcomed K. Daniels from BDO Seidman and turned the floor over to her to review with the Board. K. Daniels detailed the report and opened the floor to questions.

**DIRECTOR MILLER MOVED TO ACCEPT
2004 DDA AUDIT REPORT AS PRESENTED.
SUPPORTED BY DIRECTOR JONES.
MOTION CARRIED.**

B. Arcadia Creek / Ponds Sediment Removal – Ratify Contract

S. Deisler noted that the cleaning was not done the prior year and there was \$120,000 allocated in the TIF budget to cover the expenses for two years worth of sediment clean up.

**DIRECTOR STEELE MOVED TO RATIFY
THE CONTRACT FOR SEDIMENT REMOVAL
IN THE ARCADIA CREEK AND PONDS TO
THE DAVID TAYLOR. CO IN THE AMOUNT OF
\$72,000. SUPPORTED BY DIRECTOR SHOOK.
MOTION CARRIED.**

C. Proposed 2004 TIF Budget Allocation

K. Nacci explained that there were some non-programmed dollars in the TIF budget and staff had gone to its respective committees for recommendations on how to allocate the dollars. He then turned the floor over to S. Deisler to detail a handout with suggestions from the CIP Committee. S. Deisler reviewed the handout for the Board and cited the following proposed uses for the \$110,000:

- An appraisal for Lot #5 - \$2,000
- A new maintenance trailer - \$3,000
- A new fountain for Arcadia Pond - \$15,000
- Parking Ramp Security - \$90,000
 1. Lights and staining in Ramps #2 and #4 - \$80,000
 2. Lot # 9 surface repairs - \$10,000

M. O'Connor expressed concern at using TIF dollars for the Lot #5 appraisal since it is out of the TIF district. Director Walker recommended finding another source for the appraisal. K. Nacci recommended that the appraisal be removed from the allocation and another source for funding would be researched.

Director Van Sweden expressed concern at the projected costs for ramp security stating that the daytime businesses have been supporting the parking system for years and the enhancements would primarily benefit the nighttime businesses. S. Deisler stated that the total costs for the ramps are significantly more than \$90,000, but this allotment would allow us to move forward to the next phase. Director Shoub commented that the issue is broader than a day/night issue and when people don't feel safe coming downtown, they stop coming down during the day too. C. Shook concurred affirming he thought it would help increase traffic for all merchants. Director Van Sweden clarified that he didn't intend to make it a day/night issue but that merchants receive parking complaints from customers and it was a bit difficult to justify the amount for the maintenance costs to the ramps.

**DIRECTOR STEELE MOVED TO APPROVE
THE PROPOSED ALLOCATION OF \$110,000
AS RECOMMENDED BY THE CIP COMMITTEE
AND DISCUSSED BY THE BOARD DISCUSSED.
SUPPORTED BY DIRECTOR SHOOK.
MOTION CARRIED.**

NINE YAYS, ONE NAY.

DIRECTOR SKARTSIARIS ABSTAINED.

D. Downtown Design Review Committee Roster

S. Deisler noted the roster was for informational purposes and that the City Commission would be reviewing the roster as well. Director Doud asked for an endorsement from the Board.

**DIRECTOR VAN SWEDEN MOVED TO ENDORSE
THE SLATE OF MEMBERS FOR THE 2005
DOWNTOWN DESIGN REVIEW COMMITTEE.
SUPPORTED BY DIRECTOR NICHOLSON.
MOTION CARRIED.**

V. DISCUSSION ITEMS

A. 2005 Construction / Event Schedule

K. Nacci referenced a spreadsheet compiled by N. Emerson and explained that staff would continue efforts to keep downtown constituents updated on construction activity; including a partnership with the Gazette. He noted that a mural was being painted by the youth participants of the Big Brothers / Big Sisters program and would be hung in the next few weeks.

Director Doud commended N. Emerson on the information she compiled noting it was very helpful.

VI. ACTION ITEMS

Committee Updates / Action

A. Building Revitalization Program

1. Theodore E. Skartsiaris Trust – 238 W. Michigan Ave.
\$3,000 (Design)

M. Ferrari noted that the Project Review Committee had approved the Design grant of \$3,000 for the planned interior and exterior renovations to the building.

**DIRECTOR MILLER MOVED TO APPROVE
THE DESIGN GRANT FOR \$3,000 FOR 238 W.
MICHIGAN AVE. SUPPORTED BY DIRECTOR
VAN SWEDEN. MOTION CARRIED.**

DIRECTOR SKARTSIARIS ABSTAINED.

B. Business Recruitment Incentive Program

1. Southwest Commercial Realty – 209 S. Kalamazoo Mall
Grant Request: \$6,000

S. Deisler explained that La Fourche Realty has bought 2,000 square feet in the Milliner Center from Emilio and Maria Dacoba, which was converted into a new condominium unit. Digital Highway is the new tenant that will occupy the space. They have signed a five-year lease and will be creating six new jobs. The estimated investment is \$300,000 for the build-out and they hope to move in by July or August.

**DIRECTOR STEELE MOVED TO APPROVE
THE BRIP GRANT OF \$6,000 FOR 209 S.
KALAMAZOO MALL. SUPPORTED BY
DIRECTOR SHOOK. MOTION CARRIED.**

2. Hinman Co. / State Theater – 414 S. Burdick St.
Grant Request: \$3,199

S. Deisler noted that the request is for a space of 1,939 square feet to be used by a medical / consulting business with approximately five employees. The tenant is Case Management of Michigan who has signed a three-year lease. The projected investment is \$24,000.

**DIRECTOR WALKER MOVED TO APPROVE
THE BRIP GRANT OF \$3,199 FOR 414 S.
BURDICK ST. SUPPORTED BY DIRECTOR
SHOOK. MOTION CARRIED.**

3. Peregrine Realty – 117 E. South St.
Grant Request: \$1,567

S. Deisler stated that he was still waiting on some documentation and recommended tabling the request until the following month's meeting.

4. Treystar – 259 E. Michigan Ave.
Grant Request: \$1,620

S. Deisler explained that the tenant was an attorney with two additional employees. The total space is approximately 900 square feet and a three-year lease has been signed. The projected investment is \$4,000.

**DIRECTOR NICHOLSON MOVED TO APPROVE
THE BRIP GRANT OF \$1,620 FOR 259 E. MICHIGAN
AVE. SUPPORTED BY DIRECTOR MILLER.
MOTION CARRIED.**

5. GAT Partnership – 258 E. Michigan Ave.
Grant Request: \$5,475

S. Deisler explained the request was for a new franchise called Vintner Cellars. The tenant would occupy approximately 1,800 square feet and create three new jobs. The total projected investment is \$40,000 and the tenant has signed a five-year lease.

Director Van Sweden asked if there was a clause in place for landlords / building owners that come back frequently for grant requests. S. Deisler answered that there were no restrictions in place, but the program was being reviewed in terms of how to assist start up businesses and a policy of phasing the payout is being utilized in some situations. K. Nacci clarified that the funds do not go to the start up business, but to the landlord. The delayed payout decreases the likelihood of paying out all of the funds if the tenant defaults on their lease within the first year. S. Deisler noted that the Business Recruitment / Retention Committee will be reviewing information regarding status of the new tenants and how many have defaulted on their leases. He stated he would be happy to share the information with the Board.

**DIRECTOR VAN SWEDEN MOVED TO APPROVE
THE BRIP GRANT OF \$5,475 FOR 258 E. MICHIGAN
AVE. SUPPORTED BY DIRECTOR WALKER.
MOTION CARRIED.**

DIRECTOR SKARTSIARIS ABSTAINED.

VII. DIRECTOR COMMENTS

Director Shook inquired about the status of information on residential units downtown. K. Nacci answered that staff had just received some draft information from a residential feasibility study, but had not had a chance to thoroughly review. Staff would be reporting out when the information had been reviewed.

Director Jones noted that the City is going through some changes in the staff and thanked the D's for their support.

Director Rohrbaugh expressed her appreciation at being invited to join the Board.

Director Skartsiaris thanked the Board for their support on the rehabilitation of her building.

Director Van Sweden expressed frustration with the Public Safety substation location stating that there needs to be stronger communication going forward.

Director Miller stated that what transpired in the last several weeks at City Hall was a travesty.

Director Doud took a moment to reflect on the challenges facing the community with the departure of City Manager, Pat DiGiovanni. He commended Mr. DiGiovanni and his staff for their support in the revitalization of Downtown Kalamazoo. He asked that the staff draft a letter of appreciation to Mr. DiGiovanni and that the Board sign it. He affirmed that momentum cannot be lost and the D's need to step up efforts and maintain the partnership with the City.

**DIRECTOR DOUD MOVED TO HAVE
THE BOARD SIGN A LETTER OF
APPRECIATION TO P. DIGIOVANNI.
SUPPORTED BY DIRECTOR SHOUB.
MOTION CARRIED.**

VIII. PUBLIC COMMENTS

There were none.

IX. ADJOURNMENT

The meeting was adjourned.

APPROVED: _____