

**DOWNTOWN DEVELOPMENT AUTHORITY  
REGULAR MEETING MINUTES  
November 17, 2008**

**DIRECTORS PRESENT:** Jennifer Shoub, Chris Shook, Ann Rohrbaugh,  
Dan Van Sweden, Bobby Hopewell, Jim Escamilla,  
John Schmitt, Derek Wissner, Lisa Prasher, Erma Gordon

**DIRECTORS ABSENT:** Kenneth Miller

**STAFF PRESENT:** Ken Nacci, Steve Deisler, Deb Houseman  
Vicky Kettner, Nicole Wilson, Rob Peterson,  
Jillian Green

**OTHER:** Leslie Hoffmann, Sonja VanderVeen, Jerome Kisscorni,  
Alex Nixon, Pat Lennon, Michael O' Connor

Director Shoub called the meeting to order at 3:02 p.m.

**II. ADOPTION OF AGENDA**

Director Shoub cited one addition under V) Action Items, *H) Parking Easement Agreement*.

**DIRECTOR VAN SWEDEN MOVED  
TO ADOPT THE AGENDA AS AMENDED.  
SUPPORTED BY DIRECTOR ESCAMILLA.  
MOTION CARRIED.**

**III. MINUTES — October 20, 2008**

**DIRECTOR SCHMITT MOVED TO  
APPROVE THE MINUTES OF 10/20/08  
AS PRESENTED. SUPPORTED BY  
DIRECTOR GORDON. MOTION CARRIED.**

**IV. FINANCE REPORT—September 30, 2008**

**DIRECTOR ROHRBAUGH MOVED TO  
APPROVE THE FINANCE REPORT OF  
9/30/08 AS PRESENTED. SUPPORTED  
BY DIRECTOR WISSNER. MOTION CARRIED.**

**V. ACTION ITEMS**

**A. Open Public Hearing on 2009 Budgets**

Director Shoub opened the public hearing, clarifying that there would be opportunity for public feedback prior to any action being taken.

**1. Review and Discussion**

K. Nacci explained that pending approval of the draft budgets; they would be forwarded to the City Commission for approval prior to coming back to the Board for final approval in either December or January.

**a. DDA Two-Mill**

K. Nacci reviewed the budget, citing anticipated shortfalls beginning in 2009 related to the tax abatements via a renaissance zone granted on Pfizer property being occupied by MPI employees.

### **b. Parking**

K. Nacci highlighted the projected 2009 budget and rate adjustments, reporting that a sub-committee had reviewed the proposed budget prior to full committee approval. In light of the existing economic climate, the committee opted to delay a proposed January rate increase. The plan is to revisit the item in June and determine if it is appropriate to implement an increase, conditional upon the state of the economy.

### **c. Tax Increment Financing**

K. Nacci detailed the draft budget, citing a deficit related to the tax abatements related to the renaissance zone granted on the former Pfizer property now occupied by MPI Research. The shortfall will not commence until 2010 and the service levels for 2009 should be consistent with 2008.

### **1. Capital Improvement Program**

K. Nacci clarified that items listed in the matrix would not necessarily be implemented; however, in order for a project to come to fruition,, it needed to be identified in the document. S. Deisler then reviewed the matrix for attendees, noting a new addition was implementation of some of the priorities identified throughout the Comprehensive Plan update.

### **2. Public Comments**

There were no public comments.

### **3. Board Comments**

Director Van Sweden asked about the agreement with the Radisson related to the sale of the parking ramp, asking about the term of the agreement. K. Nacci clarified that the agreement was a 10-year term, which was approximately 6 years into the agreement.

Director Gordon asked about the proposed parking lot on Eleanor St. and the number of spaces projected. S. Deisler explained the lot would contain approximately 20 spaces and was an effort to make up for the spaces the City sold to residents near the festival site in an effort to maximize parking and support the festival site. Director Gordon also expressed her appreciation to K. Nacci for reviewing the budget in advance of the Board meeting, which answered many of her questions.

Director Wissner asked about the Building Rehabilitation Program budget, asking if there are plans to increase the funding. K. Nacci explained in light of the budget shortfalls related to Pfizer property demolition (2006) and the MPI Renaissance zone (2008) an increase was unlikely. He noted he anticipated the levels to remain at approximately \$175,000.

Director Shoub shared her appreciation for staff and their diligence during the annual budget preparation.

Director Hopewell echoed the sentiments to the staff. He also shared that the City is anticipating budget challenges beginning in 2010, which many other communities have already experienced. He assured that the

City would work to communicate any potential adjustments in programming or staffing related to budget constraints.

**B. Close Public Hearing**

Director Shoub closed the public hearing.

**C. Resolution 08-03—Two Mill Tax Levy**

**DIRECTOR VAN SWEDEN MOVED TO APPROVE  
THE TWO-MIL TAX LEVY AS DISCUSSED.  
SUPPORTED BY DIRECTOR PRASHER.  
MOTION CARRIED.**

**ROLL CALL VOTE. 10-0.**

**D. Resolution 08-04 —To Approve Submission of 2009 Budgets to City Commission**

**DIRECTOR SHOOK MOVED TO APPROVE  
THE SUBMISSION OF THE DRAFT 2009 BUDGETS  
TO THE CITY COMMISSION AS DISCUSSED.  
SUPPORTED BY DIRECTOR GORDON.  
MOTION CARRIED.**

**ROLL CALL VOTE. 10-0.**

**E. 2008 TIF Summary Report—Public Notice**

**DIRECTOR HOPEWELL MOVED  
TO APPROVE THE PUBLICATION OF  
THE SUMMARY REPORT AS DISCUSSED.  
SUPPORTED BY DIRECTOR SHOOK.  
MOTION CARRIED.**

**F. Business Recruitment Incentive Program Grant Requests**

1. Tom Huff—117 W. South St.  
Loved Consignment Shop

R. Peterson briefed attendees on a request from T. Huff for the former Urban Salon location. The proposed tenant will be selling children, teen and womens' clothing. Staff is anticipating a business plan since the business is a start-up. The proposed private investment is approximately \$10,000 with plans for two employees. The Business Recruitment Retention Committee has reviewed and approved the request for the maximum amount of \$2,750 contingent upon staff receipt of the business plan.

**DIRECTOR SHOOK MOVED TO APPROVE THE GRANT REQUEST FOR \$2,750 CONTINGENT UPON RECEIPT OF THE BUSINESS PLAN FROM THE TENANT AS DISCUSSED. SUPPORTED BY DIRECTOR VAN SWEDEN. MOTION CARRIED.**

2. John Donaldson—309 N. Burdick  
Ameriprise Financial Services

R. Peterson shared plans for an office occupying 475 sq. ft. for a 3-year term, total investment of \$76,500. Based on the program criteria, the applicant is eligible for a grant of \$765.

**DIRECTOR ROHRBAUGH MOVED TO APPROVE THE GRANT REQUEST FOR \$765 AS DISCUSSED. SUPPORTED BY DIRECTOR WISSNER. MOTION CARRIED.**

3. Mac Waldorf—350 E. Michigan Ave.  
Tolera Therapeutics

R. Peterson updated attendees on the request the proposed life sciences tenant currently located at the Southwest Michigan Innovation Center. The total space is approximately 24,009 sq. ft. with a 5-year term and roughly 5 employees. Based on the program criteria, the applicant is eligible for the maximum of \$5,000.

**DIRECTOR SHOOK MOVED TO APPROVE THE GRANT REQUEST FOR \$5,000 AS DISCUSSED. SUPPORTED BY DIRECTOR ESCAMILLA. MOTION CARRIED.**

**G. DDA Liquor License Request**  
**West Michigan Wine Loft, Inc.—161 E. Michigan Ave**

K. Nacci shared a request from owners of the Wine Loft, currently occupying the former Food Dance space and utilizing an existing DDA liquor license. Because of restrictions related to their current license (ratio of food sales to liquor sales and hours of operation) they would like to apply for one of the new DDA liquor licenses in the amount of \$20,000 and sell their current license to another business. The existing license would remain within the DDA district, per a state mandate. Since the business owners have already gone through the process for securing a liquor license, staff would like to expedite the process for acquiring the new license, forwarding the item to the City Commission for approval. The Business Recruitment Retention Committee has also approved the item and it is also on the current Commission agenda.

P. Lennon of Miller Canfield (representing the Wine Loft) offered to answer questions related to the transaction. Director Schmitt asked about the restriction related to the percentage of food vs. alcohol, noting he understood that 50% of the sales must be derived from food sales. P. Lennon clarified that there were as no percentage

requirements for the new licenses as previously understood and offered to forward the information to any interested Board members. S. Deisler added that he and P. Lennon had reviewed the language and couldn't find any restrictions related to food vs. alcohol sales. Director Shoub requested that prior applicants be advised of the findings related to the percentage requirements. S. Deisler confirmed it would be done.

**DIRECTOR SCHMITT MOVED TO FORWARD THE REQUEST FOR CITY COMMISSION APPROVAL AS DISCUSSED. SUPPORTED BY DIRECTOR VAN SWEDEN. MOTION CARRIED.**

**H. Kalamazoo Mall Ramp Easement**

K. Nacci shared handouts of a diagram related to the proposed item he turned to M. O'Connor, D's legal counsel, for elaboration. M. O'Connor elaborated on the proposed amendment which impacts an existing easement. C. Shook clarified that the transaction was a property swap between the DDA and Jim Gilmore Enterprises. The area affected is a sidewalk that runs between the Kalamazoo Mall Ramp and the Gilmore Enterprises building. K. Nacci explained that the Downtown Development Authority is party to the amendment as a signatory. The Board action allows the Executive Director him to sign the necessary documents.

**DIRECTOR PRASHER MOVED TO APPROVE THE EASEMENT AMENDMENT AND AUTHORIZE TH EXECUTIVE DIRECTOR TO EXECUTE NECESSARY DOCUMENTS AS DISCUSSED. SUPPORTED BY DIRECTOR ROHRBAUGH. MOTION CARRIED.**

**DIRECTOR SHOOK ABSTAINED.**

**VI. COMMITTEE UPDATES**

**A. Citizens Advisory Council Meeting Minutes**

K. Nacci clarified that the minutes included the in packets are strictly informational and require no action.

**VII. DIRECTOR COMMENTS**

Director Schmitt expressed his gratitude to rejoin the Board after his recent medical leave.

Director Hopewell reported that many Michigan Mayors were currently advocating for a Mainstreet Stimulus package in Washington D.C. He observed that the proposed auto industry bail out will no doubt affect the local economy. He also shared a handout regarding the Mainstreet Stimulus Packet proposed by the United States Conference of Mayors, noting it could also be accessed at: [www.usmayors.org](http://www.usmayors.org).

Director Gordon shared that she would be attending a forum at Michigan State University with R. Peterson that Wednesday. She noted she is also working with him on initiatives for minority and women-owned businesses.

**VIII. PUBLIC COMMENTS**

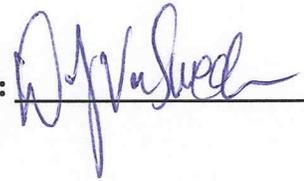
There were none.

**IX. ADJOURNMENT**

The meeting was adjourned at 4:30 p.m.

Jillian Green  
Recording Secretary

APPROVED: \_\_\_\_\_

A handwritten signature in blue ink, appearing to read "W. J. Sued", is written over a horizontal line.