

Downtown Development Authority
Regular Meeting Minutes

Wednesday, March 17, 2010
Rochester Municipal Building – 400 Sixth Street
7:30 p.m.

1) Call to Order

The regular meeting of the Downtown Development Authority Board of Directors was called to order by Chairman Mike Clayman @ 7:30 p.m.

2) Roll Call

Board Members Present:	Board Members Present: Mayor Jeffrey Cuthbertson, Chairman Mike Clayman, Cathy Daldin, Paul Haig, John Pino, Ken Johnson, Marilyn Trent, Dr. Atallah, Stan Surratt, John Modetz
Board Members Absent:	Donn Dumouchelle, Mary Wilson
Council Liaison Present:	Ben Giovanelli
School Board Liaison Member Present:	Lisa Nowak
Chamber Liaison Absent:	John Gaber
Executive Director Present:	Kristi Trevarrow

3) Approval of Meeting Minutes

A. Approval of Regular Meeting Minutes – February 17, 2010

Motion By:	Mayor Cuthbertson for approval of the Regular Meeting Minutes of February 17, 2010 with the amendment of language in his motion on page 5.
Support By:	Dr. Atallah
In Favor:	All
Opposed:	None
Motion Passed	

B. Approval of Closed Session Minutes – February 17, 2010

Motion By:	Ken Johnson for approval of the Closed Session Minutes of February 17, 2010 as amended.
Support By:	Paul Haig
In Favor:	All
Opposed:	None
Motion Passed	

- 4) Audience Comments
There were no audience comments.

- 5) Façade, Sign & Lighting Grants
A. Sign Grant Request for Bebout, Potere, & Cox, 821 N. Main

Motion By:	John Modetz to approve the Sign Grant request for Bebout, Potere, & Cox, 821 N. Main in the amount of \$1,000, pending any required approvals from the Planning Commission.
Support By:	Paul Haig
In Favor:	All
Opposed:	None
Motion Passed	

- 6) Liaison Reports

A. City Council

Ben Giovanelli noted that most of the pertinent discussion by Council surrounded the PSD, which was on the agenda for later in the meeting. The Council also discussed liquor licenses, noting a business status report from the police chief that found four businesses not up to date on taxes. Ben also thanked the DDA for the joint meeting, saying he got a lot out of it and that he thought the PowerPoint presentation should be put up on the website.

B. Chamber of Commerce

The liaison was not present, hence no report.

C. School Administration

Lisa Nowak reported that the School Board has developed the survey for public feedback on the school budget using SurveyMonkey – log in to the Board’s website at www.rochester.k12.mi.us to find it, but the window for response was closing on the 19th, There will be several additional opportunities to comment on the budget process: May 10th and 17th with May 24 as the final public comment meeting. Residents can also email the Board at the website above. The Board also finalized their vision statement: Rochester Students Are College Ready, Career Ready, Life Ready.

Mayor Cuthbertson said that he had taken the survey and noticed that there was no place to write comments, just to select from pre-determined choices. Lisa responded that she would look into that for future surveys, and that was why she was listing the variety of ways to send resident input to the School Board.

7) General Business Agenda Items

A. Request for Recommendation – Thursday’s Rock In Rochester Car Show

Dennis Scott from the Lions was present to present the event. This event is designed to help highlight the North End of downtown, and would be a weekly event at the Rochester Athletic Club as a fundraiser for the Leader Dogs.

John Modetz complimented Dennis on this event, noting that the Rockin’ Rods event was always a crowd-pleaser and well done. Dr. Atallah was also happy to see a north-end oriented event, and asked if it needed to go to Council for approval. Kristi said technically not, since it was being held on private property, but it would be a courtesy to do so.

Motion By:	John Modetz to approve and recommend to City Council the Thursday’s Rock In Rochester Car Show sponsored by the Rochester Lions.
Support By:	Ken Johnson
In Favor:	All
Opposed:	None
Motion Passed	

B. Request for Approval – Greater Rochester Heritage Days Banner

Steve Sage from the Historical Commission was present on behalf of the festival and explained a little about the history of the event and the transition to a new organizing group.

Motion By:	Mayor Cuthbertson to approve the banner for Greater Rochester Heritage Days.
Support By:	Dr. Atallah
In Favor:	All
Opposed:	None
Motion Passed	

C. Update on MDOT 2012 Construction Project

Gary Tressel from Hubbell, Roth & Clark reported on the March 2nd meeting with MDOT. Regarding the Wayfinding Program, MDOT in general approves but still has some questions/concerns, and Gary and Kristi are working with them to answer those questions. Paint Creek Bridge Enhancements – MDOT is assisting with preparation of the Enhancement Grant Application. Applications are due by April 26th for review in June. Gary asked what percentage split the DDA would look for in the grant – while an 80/20 split could be asked for, the most likely to be awarded would be closer to 50/50.

Gary also reviewed progress on the total closure vs. one lane open during the 2012 Main Street construction project. MDOT was willing to rethink its position on total closure if supporting documentation was provided.

In regards to North Main enhancements, Gary said that MDOT endorsed the potential of DDA/City involvement regarding implementing enhancements once easements were gathered.

Mike Clayman asked about the grant split cost percentages – are they awarded strictly on what you ask for? Gary answered yes. The percentages are not bargained up or down subsequent to submittal. Mike then asked about the documentation MDOT was asking for. Gary replied that they were looking for the DDA to show them how it would work – turning radii for big trucks on detours, etc.

Motion By:	Dr. Atallah to authorize HRC to go ahead on the 50/50 enhancement grant for the Paint Creek Bridge and to proceed with developing total road closure documentation.
Support By:	Ken Johnson
In Favor:	All
Opposed:	None
Motion Passed	

Ben Giovanelli thought that once they started working on Main Street they would continue north on Main Street. Gary responded that there were no plans to continue up North Main in the MDOT budget. Mayor Cuthbertson said he didn't want to approach residents on enhancements when there is no immediate plan to implement them.

D. Review of Proposal for DDA Property Marketing Brochure

Gary Tressel spoke on the creation of a brochure in regards to the Mitzelfeld parking lot that would include space planning and conceptual sketches. Dr. Atallah thought it was a little premature to sign anything just yet.

Motion By:	Dr. Atallah to table the proposal for a DDA Property Marketing Brochure.
Support By:	Stan Surratt
In Favor:	All
Opposed:	None
Motion Passed	

E. Legal Opinion on Contracted City Services Agreement

DDA counsel Tom Kabel from Butzel Long was present to discuss this item.

Jaymes Vettrano suggested that the Board choose to forward the legal opinion memo to the City Administration/City Attorney.

Mayor Cuthbertson asked to include a provision that includes a schedule of services with support and description of how the costs are derived 90 days before renewal of the agreement.

Motion By:	Mayor Cuthbertson to refer legal opinion to Administration/City Attorney to clarify and potentially change language based on DDA Attorney's recommendation, and to have the City include a schedule of services with costs.
Support By:	Cathy Daldin
In Favor:	All
Opposed:	None
Motion Passed	

Marilyn Trent asked about the costs. The response was that the first item was to finalize the framework of the agreement in order to determine what the charges would be.

Ben Giovanelli said he'd asked for a formal agreement, that it was to formalize the relationship that currently existed between City and DDA

Stan Surratt said that the DDA may have to look at outsourcing some activities depending on the costs charged by the City. It's a concept he supports. Ken Johnson suggested putting an item on the next Goals & Objectives to take over all the parking lots downtown and get the City out of the parking business. Paul Haig said they could lease the properties for \$1/year. Stan Surratt mentioned the possibility of getting Mitzelfeld-type deals on all lots.

F. Review Revised PSD Renewal Proposal

Mike Clayman presented the revised changes to the PSD proposal, based on the request of the City Council. Mayor Cuthbertson clarified the Council's position, saying that while the creation of a fifth tier tax rate was one of the suggestions, the Council had not specifically asked the DDA to create an additional tax rate. He also stated that he does not support the recommendation as it stands.

Ken Johnson proposed a vote. Mayor Cuthbertson asked that it be a roll call vote.

Motion By:	Ken Johnson to approve the Revised PSD Proposal as presented by the Executive Committee and refer to City Council.
Support By:	Paul Haig
In Favor:	Paul Haig, John Pino, Ken Johnson, Dr. Atallah, Stan Surratt, John Modetz
Opposed:	Mayor Cuthbertson, Mike Clayman, Cathy Daldin, Marilyn Trent
Motion Failed	

There was a procedural question regarding the success or failure of the vote, as while there are 13 seats on the DDA Board, one is currently vacant due to Scott Erskine's resignation last month and another member, Donn Dumouchelle, has not attended in months. So while the vote was a simple majority of Board members present, there was not the clear majority of the entire Board (7 votes required for a clear majority). Hence the motion was deemed to fail.

Cathy Daldin noted that she went along with presenting this proposal to the Board, but she wanted it on record that she supports shrinking the PSD boundaries if there's a way to do it without adding another board/administrative layer. Her personal inclination is to go back to the first proposal presented by the Executive Committee.

Mayor Cuthbertson stated that, if the concern is that there be another board, to consider that in the Promotions Committee there currently exists, in effect, an administering body for the PSD that operates that fund for the DDA. He would be willing to support the original proposal also.

Ken Johnson disagreed with the idea of a second PSD Board and said he felt this current proposal was fair.

Stan Surratt also spoke in favor of the current proposal on the table, noting that the DDA was paying a portion of Nik Banda's salary specifically in order to serve the DDA, and that would include the portions of the DDA area that felt or appeared underserved.

Mike Clayman said that he doesn't see any major benefit to the W. University businesses in participating in the PSD.

Mayor Cuthbertson noted that the PSD is a special tax and at the Council's discretion. Nik's salary is paid out of the TIF, not the PSD and should not confuse the issue. Based on recent foreclosures and closings, it's obvious that the PSD has not benefitted that area on W. University.

Marilyn Trent asked several questions regarding the equitable nature of the changes to the tax structure, and said she didn't understand what exactly was being voted for or against.

Dr. Atallah asked why the Executive Committee members who voted in committee to present this proposal to the Board did not vote for it now. Mayor Cuthbertson said it was not appropriate to question a member's vote. Mike Clayman responded, saying he didn't mind explaining his thought process on this – he had asked additional questions since the committee meeting, gathered additional information, and that he keeps coming back to the original proposal, which changes the boundaries of the PSD. Cathy Daldin also responded, saying she was really torn about this issue, and also preferred the original proposal, but did not want to create a second board to accommodate it.

Kristi noted that City Council was expecting a response from the Board on this issue at their next Council meeting.

Mayor Cuthbertson then proposed a motion that would reflect the action of the Board by noting that a clear majority had not been achieved.

Motion By:	Mayor Cuthbertson to send the Revised PSD Renewal Proposal to City Council with the notation that a plurality, but not a majority of the DDA Board supported sending the current PSD Proposal to Council.
Support By:	John Pino
In Favor:	Mayor Cuthbertson, Mike Clayman, Cathy Daldin, Paul Haig, John Pino, Marilyn Trent
Opposed:	Ken Johnson, Dr. Atallah, Stan Surratt, John Modetz
Motion Failed	

Stan Surratt then proposed a motion to reconsider Ken Johnson’s original motion.

Motion By:	Stan Surratt to reconsider Ken Johnson’s motion to approve the Revised PSD Proposal as presented by the Executive Committee and refer to City Council.
Support By:	Dr. Atallah
In Favor:	Paul Haig, John Pino, Ken Johnson, Marilyn Trent, Dr. Atallah, Stan Surratt, John Modetz
Opposed:	Mayor Cuthbertson, Mike Clayman, Cathy Daldin
Motion Passed	

Mayor Cuthbertson asked that a copy of the proceedings surrounding this item be submitted by the Recording Secretary, including the questions of parliamentary procedure, for the next City Council meeting. Ken Johnson noted that the submission must be clearly marked Draft and Unofficial, as it will not have been accepted by the DDA Board in the time frame. Jaymes Vettrano noted that the excerpt must be delivered to the City Manager’s office no later than 12:00 p.m. noon on Friday, March 19, 2010.

Lisa Nowak left at 9:50 p.m.
Ben Giovanelli left at 9:51 p.m.

G. Review of Draft 2010 Plan for The Big, Bright Light Show

Kristi Trevarrow presented. Mayor Cuthbertson asked for a few clarifications and said he thought it was a great plan.

Motion By:	Stan Surratt to accept the Big, Bright Light Show budget as presented with the proviso to purchase some items out of this year’s budget.
Support By:	Ken Johnson

In Favor:	All
Opposed:	None
Motion Passed	

Kristi then presented concepts for the fundraising program, such as The Big Bright Ball, and Big Bright Nights.

Motion By:	Stan Surratt to refer fundraising plan to the Organization Committee for action to establish any and all events as presented.
Support By:	Mayor Cuthbertson
In Favor:	All
Opposed:	None
Motion Passed	

H. Request for Letter of Support – Oakland County Parks Grant Request

Kristi presented the request, which was to submit a grant request to Oakland County Parks for use of the OC Parks Puppet Mobile at this year’s Sidewalk Sales.

Motion By:	Mayor Cuthbertson to approve a letter of support from the DDA Board for an Oakland County Parks Grant request by the DDA.
Support By:	Stan Surratt
In Favor:	All
Opposed:	None
Motion Passed	

8) Receipt of Regular Reports

- A. Executive Director’s Update
- B. Events & Marketing Update
- C. Business Recruitment Update
- D. February 2010 Financial Report for DDA/Promotions
- E. Organization Committee
- F. Business Development Committee
- G. Promotions Committee
- H. Site Development Committee
- I. Green City Committee of Rochester

The reports were received. Mike Clayman noted that the Rochester DDA did not get selected as a Great American Main Street City. He acknowledged the tremendous effort by all parties, and said he appreciated all the effort. Mike also said that the DDA just needed to keep on doing what the DDA does best, and directed a special thank you to Kristi and the DDA staff for all their hard work.

9) Discussion of Reports

Jeffrey Cuthbertson noted in the Business Development Report discussions with Rudy's Market Basket – a business he is familiar with and would love to have a branch of it in Rochester. He emphasized that Rochester business recruitment efforts not 'poach' business, just encourage them to expand in Rochester's direction. Nik Banda spoke, saying he had made his career by not poaching, and Kristi noted that they notify the local DDA in advance of making a visit to a town.

Ken Johnson complimented the survey summaries. Kristi said they were Stacey's work.

10) Miscellaneous

Stan Surratt noted that there had been comments in the February minutes calling on him to resign. As a citizen, he said, he has a perfect right to speak out, and that he is not resigning. Indeed, in his opinion, if anyone should resign, it would be Mayor Pro Tem Bikson.

Mayor Cuthbertson asked if Stan Surratt was alleging that Mayor Pro Tem Bikson tried to deprive Surratt of his right to free speech. Stan said that was his perception, and that he would continue to speak out.

11) Closed Session to Discuss Acquisition of Property

Motion By:	Mayor Cuthbertson to move to Closed Session without intent to return to Open Session.
Support By:	Stan Surratt
In Favor:	All
Opposed:	None
Motion Passed	

The Board meeting went into Closed Session at 10:18 p.m.

Respectfully Submitted,

Karen Koski
Recording Secretary