



FARMINGTON DOWNTOWN DEVELOPMENT AUTHORITY
MINUTES

ANNUAL MEETING
Thursday, March 6, 2014
Metro Work Space, 33316 Grand River Avenue

The meeting was called to order at 8:02a.m. by President Andrade.

ROLL CALL

PRESENT: Andrade, Buck, Gallagher, Galvin, Higgins (8:17a.m.), Key, Murphy, Platzke

ABSENT: Greer

OTHERS PRESENT: Vincent Pastue, City Mgr./DDA Exec. Dir.
Annette Knowles, Asst. to City Mgr.

CONSENT AGENDA ITEMS

MOTION by Buck, SECONDED by Platzke

RESOLVED, that the board accepts and files the regular minutes of February 6, 2014, the January Invoice Distribution and the January Financial Report, as presented. MOTION CARRIED, ALL AYES.

PUBLIC COMMENT

None

ELECTION OF OFFICERS

Andrade relinquished the Chair to Knowles.

Knowles opened the floor for nominations for President. Murphy nominated Andrade and was supported by Buck. No other nominations for President were offered.

Knowles opened the floor for nominations for Vice-President. Andrade nominated Murphy and was supported by Buck. Murphy nominated Buck, who declined the nomination. No other nominations for Vice-President were offered.

Knowles opened the floor for nominations for Secretary. Key nominated Higgins and was supported by Gallagher. Buck nominated Gallagher and was supported by Andrade. No other nominations for Secretary were offered.

MOTION by Buck, SECONDED by Andrade

RESOLVED, that the board closes the nominations for 2014 officers and elects those nominated for President and Vice-President by acclamation. MOTION CARRIED, ALL AYES

A roll call vote was taken for the position of Secretary. All those for Gallagher were: Buck, Galvin, Key, Platzke, Murphy and Andrade, confirming the selection of Gallagher as Secretary.

Andrade reassumed the Chair.

Higgins entered the meeting.

FAÇADE INCENTIVE PROGRAM #12-01: PAYMENT #1 TO MANIFOLD VENTURES

Manifold Ventures was pre-qualified in 2012 to participate in the Façade Incentive Program for improvements to be constructed at the Groves Retail Center. The improvements now are substantially complete. At the time of approval, board action that was taken included language requiring a separate board resolution to authorize payment. Staff recommends a progress payment to Manifold Ventures, while the balance shall be authorized by separate resolution after final completion.

Key requested that the Design Committee have a final review of the monument sign prior to installation.

MOTION by Key, SECONDED by Murphy

RESOLVED, that the board approves payment #1 of Façade Incentive Program #12-01 for Manifold Ventures in the amount of \$120,000.00, funds to be derived from Capital Outlay, 248-000.00-970.000, for exterior improvements to the property commonly known as the Groves retail center. MOTION CARRIED, ALL AYES.

Charlie Kughn, representing Manifold Ventures, expressed gratitude to the City of Farmington and the DDA for its partnership, which enabled them to move forward with more improvements than they originally envisioned.

2013 CALENDAR YEAR EVENT REPORT

Chris Weber, Finance Director, was present to discuss the 2013 Calendar Year Event Report. For the calendar year, the events as a whole realized a negative investment of \$99,599.00. Included in that figure are the seed money that went to the Chamber for the Founders Festival and uncollected sponsorships. The losses were attributed to poor attendance due to weather conditions and less revenue from sponsorship for the Founders Festival. A discussion was held concerning sponsorships for the forthcoming year. Board members are asked to take on a greater role in generating leads, rather than relying on staff.

MOTION by Murphy, SECONDED by Gallagher

RESOLVED, that the board accept and file the 2013 Calendar Year Report. MOTION CARRIED, ALL AYES.

Galvin requested ideas to share with the Chamber for the forthcoming festival. Knowles mentioned consideration of improving exposure of downtown business storefronts during the event, along with providing accommodations during set-up of venues in parking areas. Buck asked for better downtown business engagement.

REQUEST TO PUBLISH ANNUAL REPORT

State legislation required that DDA's publish an annual report on the status of its tax increment financing revenue in a newspaper of general circulation. The report for the fiscal year ending June 30, 2013 was prepared in accordance with statutory requirements.

MOTION by Galvin, SECONDED by Key

RESOLVED, that the board approves the publication of the FY2012-2013 annual report. MOTION CARRIED, ALL AYES.

PROPOSED FY2014-2015 BUDGET

Knowles presented the proposed budget for the fiscal year with begins July 1, 2014, which corresponds to the work plan discussed at February's meeting. An additional cost center for the ice rink will be proposed at the April board meeting as it still is under development.

Notable mentions include:

- Revenue based on tax increment financing (TIF) is projected to decline for the forthcoming year, largely because of tax appeal settlement and the partial loss of personal property revenues.
- The Principal Shopping District Special Assessment shall remain at \$216,000.
- A Cost Center exists for each event that the DDA maintains oversight. Cost centers for the Farmers Market, Founders Festival and Holly Days will be deactivated on July 1, 2014.
- An appropriation was included for debt retirement. This appropriation must come in first position when figuring the budget. In the event that the Orchards – Phase II is sold, proceeds are projected to be utilized toward debt reduction of a loan obtained through the City of Farmington.
- A broad capital outlay account will provide for funds physical projects, subject to prioritization and project readiness (such as the proposed Farmington Road Streetscape).
- Revenue collected from rent at 33200 Grand River Avenue will be applied to debt reduction for the loan with the City of Farmington.
- Contingency and Event Shortfall accounts are maintained in the case they are needed to cover unanticipated projects or negative outcomes for events.

MOTON by Higgins, SECONDED by Platzke

RESOLVED, that the board approves for submission to the council the proposed 2014-2015 budget, as presented. MOTION CARRIED, ALL AYES.

HARVEST MOON CELEBRATION – REQUEST FOR CHANGE IN DATE

To facilitate participation by craft beer brewers and to enhance a Pavilion rental revenue opportunity, the Harvest Moon planning committee has requested a change in date from September 25-26 to September 18-19. A separate rental agreement will be presented at a future date. The City Council will need to approve the date change as well.

MOTION by Higgins, SECONDED by Key

RESOLVED, that the board approves the change in date on the Harvest Moon Celebration to Thursday, September 18 and Friday, September 19, 2014. MOTION CARRIED, ALL AYES.

NOMINATION FOR ORGANIZATION COMMITTEE CHAIR

Andrade nominated Platzke to become the chair of the Organization Committee.

MOTION by Buck, SECONDED by Higgins

RESOLVED, that the board appoints Kathleen Platzke as Chairperson of the Organization Committee. MOTION CARRIED, ALL AYES.

HVAC UNIT AT 33200 GRAND RIVER AVENUE

The tenant at 33200 Grand River Avenue, Los Tres Amigos, informed us that one of the roof-top HVAC units ceased operating and needs replacement (it has subsequently been replaced). Given the age and condition of the HVAC unit at occupancy, LTA is requesting that the DDA reimburse the cost for the unit. Review of the lease indicates that the tenant should be responsible for the unit, but staff feels it is important to support this business that is in its first year of operation. A stipulation could be added to the option agreement to increase the purchase price by the amount should the tenant act on its option.

After discussion, it was agreed to work with the tenant on the unit replacement, but the approach to be proposed for repayment would be an addition to the monthly lease payment.

MOTION by Buck, SECONDED by Galvin

RESOLVED, that the board approves reimbursement in the amount of \$11,750.00 to Los Tres Amigos for replacement of the HVAC unit at 33200 Grand River Avenue, the funds from which will be derived from proceeds from rent, conditioned that the reimbursement shall be considered a loan and shall be repaid through a corresponding increase in the monthly lease payment, across the remaining lease term. MOTION CARRIED, ALL AYES.

Platzke departed the meeting at 9:36a.m.

WORK PLAN UPDATES

In essence of time, the work plan updates were omitted. Knowles included a written work plan update with the packet.

BOARD COMMENT

Galvin shared comment about the forthcoming microbrewery at the former Mentobe Café location and council's concerns about parking in the north lot.

ADJOURNMENT

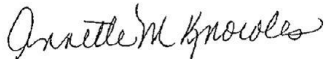
MOTION by Higgins, SECONDED by Buck

RESOLVED, that meeting be adjourned. MOTION CARRIED, ALL AYES.

The meeting was adjourned at 9:43a.m.

The next regular meeting will be on Thursday, April 3, 2014 at 8:00 a.m.

Respectively submitted,



Annette Knowles,
Executive Director