



FERNDALE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
THURSDAY, JUNE 9, 2016 at 8:00 A.M.
FERNDALE DDA OFFICE/CITY COUNCIL CHAMBERS
300 E. 9 MILE
FERNDALE, MI 48220

I. CALL TO ORDER

A. Roll Call 8:05 a.m.

DDA Board Members Present: Ed Lane, Jay McMillan, Dean Bach, Jacki Smith, Jerome Raska, Michael Hennes and Chris Johnston

DDA Board Members Absent: Mindy Cupples, Mayor/Council

Staff Present: Cindy Willcock and Michelle Delacourt

Guests: Joe Gacioch (City of Ferndale), Kim Hart (Ferndale Area Chamber of Commerce), Jessica Keyser, Monique Herzig (Ferndale Area District Library), Blake Prewitt, Jim O'Donnell (Ferndale Public Schools) and Andy Meisner, Oakland County Treasurer

B. Dismissals: Mindy Cupples (vacation), Mayor/Council

C. Approval of Minutes May 2016

Motion by Director Smith, seconded by Director Raska to approve the May 2016 minutes as presented. All Ayes, motion carries.

D. Approval of Agenda

Motion by Director Raska, seconded by Director Lane to add Action Item (B) BUILD Application for 210 W. 9 Mile and approve agenda as revised. All Ayes, motion carries.

II. CONSENT AGENDA

A. Financial Report

B. 2016 National Main Street Report

C. DDA Staff/Committee Reports

Motion by Director Lane, seconded by Director McMillan to approve the Consent Agenda as presented. All Ayes, motion carries.

III. CALL TO AUDIENCE

None

IV. COMMUNITY ORGANIZATION REPORTS

A. Chamber of Commerce

Hart

The Rainbow Run had 833 runners and everyone had a lot of fun. If the event is held on a Sunday again, they may look into offering something afterwards, i.e. deals throughout the city such as brunch/lunch specials for runners, maybe a rainbow crawl. They are looking into doing a Detroit river boat tour with the Detroit Chamber. Anyone interested in being in the annual directory should contact the office. Work has begun on the gala and volunteers are needed.

B. Woodward Avenue Action Association (WA3)

WA3 is still in the restructuring process, but are busy working on their Sunflowers on Woodward project. They anticipate being able to attend the next Board meeting to provide more details on their direction and projects.

V. PRESENTATIONS

A. Oakland County Treasurer

Oakland County Treasurer Andy Meisner gave an overview of his background of public service and his ties to Ferndale and thanked the businesses, civic and municipal leaders who helped make Ferndale a wonderful place of great vision, with an unbelievably vibrant business community and noted that all the county leaders brag about Ferndale's success. He spoke about the work he and the county are doing in Pontiac. A slide show presentation gave an overview of what the County Treasurer's office does, overviewed county investments, discussed property value protection, financial literacy art contest for students, his seat on the TIF Board. Library Director Keyser asked for clarification about "dark store" legislation and Meisner explained that big box stores have pursued legislation that would assess their property like it was an empty box, which would result in tax burden being shifted to small business and individuals. Director Johnston inquired about a loop hole in timing regarding tax and other payments at the county. Meisner explained that taxes are payable to local municipalities in the year of taxation, then turned over to the County if not paid and better communication with tax payers is needed regarding the process. Chair Bach questioned the PPT having no appeal process, so if you are exempt and receive a bill, there is no place to go. He also asked for information regarding Pontiac as a medical hub and Meisner explained that there have been some major developments with St. Joe's putting in a \$150 million state of the art tower, Pontiac General being purchased, contemplation of it as a surgical center. Also discussed was the RTA ballot initiative that proposes connecting Ferndale and Pontiac by BRT, noting that property values in Cleveland increased 325% along their BRT route.

B. Ferndale Public Schools

Superintendent Prewitt noted that the school district sold the Wilson and Taft properties and both will be developed into residential – Wilson will be 30 single-family homes and Taft will be 60 townhomes.

He provided the highlights of their strategic plan achievement including the stopping of negative spending and the balanced budget. He explained that the district is requesting a millage for a Sinking Fund, which is a limited property tax, considered a "pay-as-you-go" method for funding building maintenance and infrastructure projects. He noted that no debt or interest expense is incurred with a Sinking Fund and the tax is levied each year and the revenue generated from this levy is designated to building upgrades or repair only, as they cannot be used for general fund expenditures. Ferndale is one of the only school districts without a Sinking Fund. Due to severe cuts to the state's per-pupil allocation, among other trends, doesn't leave funds to make the necessary repairs to the aging buildings. The district estimates the need for \$13 million worth of projects such as boilers, roof, electrical and HVAC repairs, etc. over the next 15 years. If these repairs need to be paid out of the general fund, it could mean cutting about 10 teachers and increasing class size to 30+. Prewitt equated the millage impact on the average homeowner as the equivalent of 2 coffees or beers a month. Director Hennes inquired as to why this issue, as well as the Zoo and Library millages, were on the August ballot and Prewitt explained that if it were any later, they can't capture those funds for that school year, and thus can't do any of the

needed emergency repairs. Director Smith noted that it is a lot of money being asked of the community at one time.

C. Ferndale Area District Library

Director Jessica Keyser gave an overview of the State of the Library in 2016 that touched on what services they provide, their relationship with the schools, their status as a downtown anchor and addressing the community wants of more hours, programs, books, movies, e-books, downloadable books, etc. She noted that their net revenue is down 35% since 2009 due to declining tax revenue and the fixed repayment schedule for bonds. Cost cutting measures have included bidding out insurance and janitorial, working with collections, laying off 1.5 staff members, cutting ours from 56 to 45 and trying to mitigating the loss of funds through fundraising. In 2015 they became a district library, which falls under different state law and this millage replaces the current 1.88 mils with 3.5 mils. Average homeowner cost for this will be \$210/year or \$17.50 per month.

Director Hennes asked if the schools and library coordinate their millage increase requests and it was explained that there is a lot of overlap and they want to be transparent with taxpayers instead of coming one at a time and both the Library and School Boards wanted to be on the ballot together. Further discussion was had regarding how the library arrived at their figures. Keyser noted that because the library is in the TIF district, the DDA does stand to capture about \$20,000 per year.

VI. ACTION ITEMS

A. By-Laws Revisions

Bylaw revisions resulting from discussions during the strategic plan process have been proposed. Any revisions will also have to be adopted by City Council after Board adoption. Director Smith questioned that with the bylaws being a long standing document, does it make sense in naming our current strategic plan points within the document or do we want to just refer to them as “items named in strategic plan” rather than list the actual items. After discussion, it was decided to make this recommended change on the second page, item (d) to read: “Following the strategic plan and focusing on its projects”

Motion by Director Hennes, seconded by Director Smith to adopt the Ferndale DDA Bylaws amended on June 9, 2016 and recommend that City Council approve the revisions as modified. All Ayes, motion carries.

B. BUILD Application: 210 W. 9 Mile

The Design Committee considered the BUILD application for this property on Tuesday. The applicant is working with the Appearance Review Committee and still needs their approval. Design reviewed and recommended approval of some of the items, based in large part that their recommendation was relaying on the fact that the budget amount for the new fiscal year is \$20,000 for BUILD and their desire was to give up to a \$5,000 maximum, or 25% of the budgeted amount for the program for the year to allow for additional applicants. The recommended approved items of the application, based on the maximum 20% reimbursement under the guidelines, totaled \$4,820. Director Raska, also a Design Committee member, noted that there was also discussion about the need to have some structure in how and why grants are award, rather than it being so subjective.

Motion by Director Smith, seconded by Director Lane to approve the BUILD application in the amount of \$4,820 for 201 W. 9 Mile Road, pending approval of the Appearance Review Committee. All Ayes, motion carries.

A review of the BUILD application, criteria and guidelines was referred back to the Design Committee.

VII. REGULAR AGENDA & BUSINESS INFO ITEMS

A. Parking Update

Asst. City Manager Joe Gacioch noted that Council passed the Letter of Intent (LOI) for Carl Walker to be the primary consultant for parking and they are working on due diligence, surveys of the sites recommended by the Parking Committee with results expected to be in next week. They also received all bids for the geo-technical component of soil borings, etc. and a selection will be made by the end of the week. After the information is received and the evaluation of each location is made, Carl Walker should have a ranking of the viability of each location by the end of the month and the City expects a recommendation after the 4th of July weekend. The focus of a project remains on mixed use and it will be a requirement for a ponded project, along with adding capacity on the east side. Supportive transit options such as a shuttle, and other parking mitigation is being looked into.

B. Schiffer Park/Ferndalehaus Update

ED Hicks noted that the DDA and City are working with the Ferndalehaus developers regarding what Schiffer Park will look like in relationship to their development. The Design Committee has also discussing what should be done, noting that it is a tiny space but wanting to create more greenspace downtown, something a little more natural.

C. Events Update

Operations Manager Cindy Willcock explained that Art of the Cocktail ticket sales were about on-par with last year. This year there are 8 bartenders participating. Volunteers and appetizers are still needed, as well as a few more silent auction items. Get Reel Outdoor Movies still needs more sponsors – currently Ferndale Collision has signed on again as a sponsor, and Painting With A Twist as well, but additional sponsors as well as advertisers are needed. Posters are being completed by Pitch Black and will be distributed and sponsor packets have gone out to all businesses.

D. DDA Personnel

At the last Executive Board meeting there was discussion about transition away from Pitch Black, as it will be more cost effective to do graphic design, etc. on more of an ala cart basis. They will continue working on Art of the Cocktail and Get Reel and an annual marketing plan. They have not really been doing any of the social media posting. There is also an opportunity to partner with the City on some of the services PB was providing.

The DDA currently has a summer intern, Trenton Carson, for the next 10 weeks and he will be working 10-12 hours per week, focusing on photography – updating business photos, events and stock for future use. Trenton has experience with Adobe products, photography and graphic design. Over the next

couple months determination will be made about how to craft another position within the DDA and hopefully by fall this will be completed.

VIII. CALL TO COMMITTEE CHAIRS, BOARD MEMBERS & STAFF

Director Smith noted that Meijishi Martial Arts' Sensei Jaye Spiro has been asked to speak at the United State of Women summit in Washington DC. Director Johnston mentioned that he has been using Trello and canva.com, which is awesome for doing graphics, Facebook posts, etc. Director Lane said that a Board member had gotten their photo taken and reminded everyone else to come by his studio to get theirs. Director Jacokes said that Detroit Improv Festival is August 10-14. OM Willcock provided an update on new businesses in the downtown. Chair Bach mentioned that Sports Clips owner Mike Williams indicated he wants to become more involved and he also thanked the DDA staff for the smooth move into the new office.

IX. ADJOURNMENT

Motion by Director Lane, seconded by Director Raska to adjourn meeting. All Ayes, meeting adjourned at 10:34 a.m.