

DOWNTOWN DEVELOPMENT AUTHORITY
Meeting of the DDA Board of Directors
January 17, 2023

The January meeting of the DDA Board was called to order at 8:00 am.

ROLL CALL

Present: *Mayor Brian Turnbull, DJ Boyd, Margene Buckhave, David Cole, Steven Huprich, Jim Long, Ryan McKindles, Greg Presley, Shawn Riley*

Absent: *Aaron Cozart, Mike Jaafar*

Also Present: *Lori Ward/DDA Executive Director, Jeri Johnson/DDA Marketing & Communications Director, Jessica Howlin/DDA Marketing & Administrative Assistant, Mark Wollenweber/Interim City Manager, Marilyn Price/City Council*

AUDIENCE COMMENTS

None.

APPROVAL OF AGENDA AND CONSENT AGENDA

Long said he would like to clarify statements he made during the December 20, 2022 board meeting. Long said when he inquired about the Executive Committee making a decision, he meant the decision to approve legal documents and dollar amount, etc., not the decision to hire legal counsel. Ward said that this is an accurate statement that the DDA Board will be approving legal documents and dollar amounts. Long also said in reference to the TIF discussion on the December 20, 2022 minutes, the DDA doesn't receive money until developer gets money, he wants to ensure this remains a topic on today's agenda.

Motion by Turnbull, seconded by Boyd, to approve the agenda and consent agenda. Motion carries.

STREET CLOSURE UPDATE

Ward said once the DDA retained Grissim Metz Andriese Associates (GMA), the group has met five times to review the project, one meeting included a public workshop. Approximately 80 audience members attended the workshop, and audience participation overall has been good at all of the meetings. During the most recent meeting, last Thursday, GMA walked through the design plan, phases, and budget estimates with the Economic Development and Advisory Committees. The DDA Board and City Council will hold a joint meeting on Thursday, January 19th. Ward said the meeting will be both informative and collaborative. The discussion will include project plans and next steps. Cole asked if City Council has considered reevaluating the decision to permanently close the streets. Turnbull said in the it would need to be an item on the agenda and the meeting Thursday night will be focused on the current plan with room for questions and feedback.

Long said while the design plan is neat, it will not make the town more vibrant. Long said the DDA board should consider creating a motion to City Council to consider removing the permanent term on the street closures or revisit the idea of reopening Center Street. Long said that during the Fleis & Vandenbrink (F&V) community meeting, it was apparent there are probably nine danger points in the peripheral that are a result of the street closures. The design plan does not take away these danger areas. Presley asked if the DDA should wait to get results of the F&V traffic study before making a motion. Ward said that F&V is still gathering information and the online portal for public comment closes on January 21st. F&V will then review the data and comments. Ward added that F&V has also been in the field collecting information for the study.

Turnbull said the GMA plan is outstanding for Northville. City Council looked at the recommendation provided by the DDA, discussed it and made a decision to close the streets. Mayor Turnbull added that Council has listened to many public comments on the issue but it has not been back on the agenda. Cole said the dynamic was appreciated during COVID, but speaking as a merchant, there is current economic uncertainty and he would like to see the topic brought back up for discussion. Cole said business is currently flat, customer base is up but dollars are not; and after conversations with customers, Cole wants to ensure the DDA is not pushing money after something that was a great idea but the world has now changed. Riley asked if it is the economy that's changing or the street closures. Cole said it's unclear whether it is an economic or circumstantial issue but would like to see the topic reviewed or reevaluated. Huprich said he is interested in the final traffic engineering report and cannot be 100% invested in the plan until reviewing the study. McKindles said he is also not 100% on board with the streets being closed year-round but Council tasked the DDA with moving forward on a pedestrian plan and the DDA needs to continue moving forward with the task.

Turnbull said that Council will review the decision annually. Huprich said the DDA needs more information before making decisions on the plan and was surprised Council went in a different direction from what the DDA recommended. Boyd said the design information will be helpful as the DDA designs ideas into the future. Ward said it is a natural course to have another discussion on what to do with the information from the design plan and traffic study information. Ward said the second phase will have significantly larger expenses due to the technical nature of the process. The DDA will need to determine whether it has the capacity to handle the project and if a funding source can be identified to complete the project.

McKindles asked if there is a way to separate Center and Main on the design plans. Presley said the design should be flexible to revert to a seasonal closure – the design needs to be well done so it can be used in whatever way is deemed fit. Ward said seasonal would be a different direction than what was outlined to the design firm in the RFP, so adjustments would have to be made to the plan. Boyd said the design would need to be phased and the decking from end to end is challenging. Boyd added that the DDA needs to look for funding sources including federal and state money, and grants, as well as businesses may need to financially participate. Riley said that the advisory committee discussed the design elements that can be done now, like bollards, which have been discussed even before Covid. Riley said it is also important to look at alternatives to the decking.

Presley said more data points are needed and the estimates and design need to be refined, for the DDA to move forward with a better decision. Boyd asked if there is a prior traffic study to

compare with the newest street closure traffic study. Ward said there have been several mobility and traffic studies done prior to the street closures. Ward said the board will receive the traffic study presentation at the next DDA meeting, and it will include both pedestrian and vehicular traffic. Ward said next steps include starting repairs on items that need to be done regardless of streets being closed, including fire pits, Town Square and pavement improvements. Buckhave asked when the DDA will hire an electrical contractor because electrical source to merchants is a big component of the plan. Ward said a proposal has been submitted by electrical consultant IDS for approximately \$14,000 to do an electrical study for this project.

Long said F&V referenced only two cities in Michigan that have street closures, Northville and Detroit. Detroit has many more streets to detour around the closed area. Ward said many other cities have them, but are seasonal. Buckhave said Northville does not have retail as in years past and the City needs to somehow get more retail to move back in. Buckhave added that the City has a high proportion of non-retail in first floor spaces. Riley said that big companies have said they do not come because Northville doesn't have the car count, and Northville needs to have the right sized area for business to move into.

Huprich and Boyd both expressed interest in adding the pedestrian plan as a line item on the February 28th board meeting agenda, so the board has time to ask GMA questions on the plan and review design elements before coming back to the board to discuss concerns and come up with a recommendation to move forward. Riley said the DDA board has about \$230,000 in fund balance and the board needs to consider if it is fiscally responsible to proceed with a \$2 million project. Buckhave said bollards should be a top priority. Presley asked if the board can present at the February 28th meeting with revised plans. Ward said this would need to be negotiated with GMA, as they have fulfilled their current contract requirements for this phase of the plan.

NORTHVILLE DOWNS PROJECT UPDATE

Ward said to follow up from last month's DDA Board meeting, the DDA had asked Hunter Pasteur Homes (HPH) to cover DDA fees related to the project, including legal survey, notices, legal counsel, various consultant fees and any additional fees that are related to the boundary expansion. The DDA has estimated these fees to be approximately \$25,000 - \$35,000. HPH initially declined to cover any fees, and most recently as of December 21st, HPH agreed to participate with half of the fees, up to a cap of \$12,500. The board took a motion to halt progress until a funding source was identified.

Ward spoke with HPH again and the latest response from Seth Herkowitz on January 19th indicated that HPH has agreed to pay up to \$20,000 toward fees for the boundary adjustment and legal agreement. HPH also specified that they are already agreeing to earmark \$50,000 in TIF revenues annually for the DDA to use on any expenses related to the project. Ward said that this is not effective until 2026 and the boundary expansion and legal fees will be incurred now. Ward recommends that the board not agree to pay any of the expenses, the project is valued at \$300 million and the developer has agreed to cover fees for the City but not the DDA. Buckhave asked what happens if the project is delayed. Ward said the funding would also be pushed back. Boyd said the DDA board has already made a decision on this matter.

Long said the DDA Board communication from the November 15th meeting indicated that HPH is looking to enter into an interlocal agreement to capture TIF revenue that is normally captured by the DDA. Ward said the agreement is actually with the Brownfield Redevelopment Authority (BRA), not the developer; and both the DDA and BRA will sign off on the agreement. Boyd said the tax dollars will essentially flow into the BRA, and with proper oversight, the developer will send in requests for reimbursement and the DDA/City's brownfield consultant will send payment to the developer. Long asked if the DDA will ever be reimbursed for TIF money. Ward said that the DDA will not get these revenues back. Long asked what happens to the \$2.9 million in DDA contributions if the project is delayed. Ward said the amount will not increase but the timeline will be extended. Ward added that the brownfield TIF is scheduled for 8 years and the developer can go out past this timeframe until they capture, but there is a hard stop at 15 years as well a percentage to the cap.

COMMITTEE INFORMATION AND UPDATES

- a. *Design Committee*: No report.
- b. *Marketing Committee*: Riley said the January Marketing Committee was sparsely attended but many attended the special events meeting the following week. Johnson said that the focus at the special events meeting was 2023 events. The group reviewed annual events with a consensus that the current event line up is working out overall. Johnson said the meeting was well received and the DDA and NCBA will consider hosting a quarterly group meeting to touch base with downtown merchants. Ward said the DDA will need to create rules and guidelines for events with the streets being closed permanently.
- c. *Parking Committee*: No report.
- d. *Organizational Committee*: Boyd said the committee is planning to focus on the street closure project to find potential funding sources for this project. The 2023-2024 budget is going to be discussed in the next couple of meetings.
- e. *Economic Development Committee*: No report.
- f. *Sustainability Committee*: No report.

BOARD COMMUNICATION

None.

Motion by McKindles, seconded by Long to adjourn the DDA Board meeting. **Motion carried unanimously.**

Meeting adjourned at 9:45 am.

Respectfully submitted,
Jessica Howlin, Marketing & Administrative Assistant
Northville DDA