

**Downtown Development Authority
Regular Meeting Minutes**

5:30 PM, April 11th, 2023

Hybrid Meeting Held In-Person at City Council Chambers, 3200 Biddle Avenue and
Via the Zoom Virtual Platform

MEMBERS PRESENT: Mayor Rob DeSana, Rick DeSana, Scott Jordan, Bryan Kozinski, Patt Slack, Leo Stevenson (virtual), Ron Thomas

MEMBERS EXCUSED: John Jarjosa, Anne Majlinger

OTHERS PRESENT: Joe Gruber, DDA Director, several members of the Downtown Development Area Citizen's Advisory Council

PUBLIC COMMENT:

APPROVAL OF MINUTES & AGENDA:

Minutes from February 14th, 2023 Meeting and Agenda for April 11th, 2023 Meeting.

Motion by S. Jordan, Supported by R. DeSana, to approve the Minutes from February 14th, 2023 Meeting and Agenda for April 11th, 2023 Meeting. All in favor, Motion carried.

MONTHLY REVENUE/EXPENDITURE REPORT:

Monthly Revenue and Expenditure Report: Periods Ending February 28th, 2023 and March 31st, 2023.

Motion by S. Jordan, Supported by B. Kozinski, to accept and approve the Monthly Revenue and Expenditure Reports for the Periods Ending February 28th, 2023 and March 31st, 2023. Roll Call. All in Favor. Motion carried.

INFORMATION TO RECEIVE & PLACE ON FILE: None

ONGOING PROJECTS & BUSINESS

Downtown Infrastructure Project:

Michigan Strategic Fund Approval: Brownfield Plan No. 23: Federal Building and East Alleyway Project: Director Gruber provided an update that in March, the Michigan Strategic Fund (MSF) Board of the Michigan Economic Development Corporation (MEDC) approved Brownfield Plan No. 23 for the Federal Building Redevelopment, also known as the former City Hall at 3131 Biddle Avenue, and the Downtown East Alleyway Project. The MSF Board's approval provides the State Tax Capture for the Brownfield Tax Increment Financing Plan for the former City Hall redevelopment and three contiguous and adjacent blocks of public infrastructure and alleyways that are part of the

Downtown Infrastructure Project. This brownfield plan state tax capture will help provide long-term financing for the DDA to cover the cost of the east alleyway improvements in the approximate amount of \$1.5M over 30 years. The developer was also awarded a low-interest Community Revitalization Program (CRP) Loan from the MEDC for the real estate development project.

Wayne County Approval: ARPA Funds: Director Gruber provided another update that on the very same week in March, the Wayne County Commission approved an allocation of \$3.95M worth of American Rescue Plan Act funding as a capital injection or grant funding for the City of Wyandotte DDA for the Downtown Infrastructure Project. Director Gruber highlighted that the MEDC's Revitalization and Placemaking (RAP) Grant of \$1M awarded to the DDA in July 2022 provides a total of nearly \$5M in grants to the Downtown Infrastructure Project.

Engineering Services Contract: Director Gruber reported that the City Council concurred with the recommendation of the DDA Board, City Engineering Department and the DDA Design Committee to hire Spalding DeDecker and Associates (SDA) for design and engineering services for the Downtown Infrastructure Project and that the City is officially under contract with SDA which is estimated to cost a total of \$700,000 for the entire \$13.3M project. SDA will be meeting with Municipal Services to begin design of the underground utility work. Wyandotte's Engineering Department is conducting underground sewer cleaning and scoping to assess the existing condition for repairing or replacing the sewers. SDA has been given surveys and existing plan documents that will be incorporated into their construction plans. Director Gruber provided an update following the February DDA Meeting during which the Board passed a resolution that would approve the SDA contract based on billing terms that would be satisfactory to the DDA's Financing and Bond Revenue mechanisms. The DDA will utilize funds from its existing cash reserves and fund balance to pay for the upfront cost of professional services, design and engineering for the Downtown Infrastructure Project. Upon consulting with the City's Bond Counsel and attorneys from Miller Canfield, it was determined the DDA is then permitted at any time to reimburse itself and replenish the fund balance using future DDA Bond Revenue. The DDA may only reimburse itself for the cost of hard costs, capital expenditures, equipment, materials or technology using future DDA Bond Revenue within a defined period or time according to State Law governing municipal bonds. The DDA does not foresee any hard costs prior to the securing of DDA Revenue Bonds.

The Board discussed the strong need for improvements to the alleyways and parking lots around town and discussed the disruptive impact on the downtown from construction. Mayor DeSana commented that this project will be short-term pain for long-term gain, and that it will seem like a longtime that the town is under construction.

L. Stevenson asked when the DDA will go to market with the revenue bonds. Director Gruber stated that it depends on how the DDA Board wants to proceed. One option is to design the entire project, bid for the entire construction project, and then go to the bond market, which could be between Q3-Q4 or September or December of 2023 so that the

DDA could be prepared for construction in the beginning of Spring 2024. Director Gruber noted that this may not be realistic because of the scale and cost of this project that some construction companies may not choose to bid the entire job all at once. The other option would be to prioritize and focus on the high priority areas including the East Alleyways and West Alleyways to design, bid, finance and construct these areas first. L. Stevenson noted concerns over the rising interest rates and the cost of financing this project in two phases, and then also noted that the grant funding the DDA has been awarded may offset some of these financing costs. Director Gruber concurred, noting that bonding the entire project all at once was the professional recommendation and was desirable to limit the overall costs of the project, and to not return to the well more than once, whereas the grants to help alleviate concern over potentially bonding in two different phases, especially because of the closing window of opportunity and timeline required to spend those funds.

NEW PROJECTS & BUSINESS

DDA Grant Committee: Belicoso Backyard Bash: The owners of Belicoso Café are hosting their annual Back Yard Bash on 1st Street between Elm and Maple and they requested \$2,500 from the DDA's Existing Business Stimulus Grant Program which is used to incentivize events throughout Downtown Wyandotte. The total cost of the event is \$9,925 which includes the band, police officers, state and city fees, trailers, coolers, portapotties and tents. This is the first time Belicoso has requested funding support for the event which has been held every year for over ten years. The DDA Grant Committee and Promotions Committee discussed this project at length.

Chairwoman Slack expressed support for Belicoso's request and noted that the entire Existing Business Stimulus fund was created to support small business events and that the DDA has been asking businesses to host events for years. Chairwoman Slack cited a comment from Mayor DeSana that the Downtown is changing and that the City and DDA need to reevaluate the events that are hosted and the support and resources that is provided by the City to support Downtown events, and that for now, these resources are available to the business owners. L. Stevenson and S. Jordan both concurred that the funding process needs to be refined and that the DDA can support Belicoso for this year's Back Yard Bash.

Motion by P. Slack, Supported by S. Jordan to award the sponsorship and grant request in the amount of \$2,500 for Belicoso's Back Yard Bash to be held on August 18th, 2023. Roll Call, All in Favor, Motion Carries.

2023 Downtown Events Updates: Director Gruber provided a recap of the first annual Bunny Hop which was held on April 1st from 12pm – 3pm. There was very strong participation amongst the business owners and the community. The weather was not nice and the participation from families was very strong. The event provided a great experience from families in Wyandotte and Downriver.

The Annual Cinco de Mayo party will be held on May 6th and will utilize the same footprint as the St. Patrick's Day Party. Director Gruber provided a detailed overview of Restaurant Week to be held at the end of April throughout Downtown Wyandotte and the long list of promotional activity and news reporting that is going into the event. The Markets will return on the first Thursday of June that will be held at 1st and Elm Street and throughout Downtown with the businesses. Director Gruber encouraged all businesses to sign up and participate. He also encouraged all interested businesses to complete their Street Fair Applications.

NEXT REGULAR MEETING: 5:30 PM, Tuesday, May 9th 2023

Motion by S. Jordan, supported by R. Thomas to adjourn the meeting. All in Favor. Motion Carries.

ADJOURNMENT: 6:15 PM

Respectfully Submitted,

Joe Gruber, DDA Director