

**Downtown Development Authority
Special Meeting Minutes**

5:30 PM, September 27th 2022

REGULAR MEETING AGENDA

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

MEMBERS PRESENT: Mayor Rob DeSana, Bryan Kozinski, Anne Majlinger, Scott Jordan, Patt Slack

MEMBERS EXCUSED:, Rick DeSana, John Jarjosa, Leo Stevenson, Norm Walker

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

PUBLIC COMMENT: Christ Doulos, Owner, Vault Restaurant. Mr. Doulos inquired with the DDA Board as to what the purpose of the Downtown festivals are, asking if they are intended for the benefit of the businesses or the benefit of the promoters who host the events.

Chairwoman Slack answered stating that the promotions strategy is relatively new, citing that events have been a part of Downtown Wyandotte for a long time. She stated that the business association's main emphasis was for events, and that the City and DDA have continued in this effort, understanding that it contributes to a positive image and positive word-of-mouth marketing. She acknowledged that large promoters will host large events and bring large volumes of people into Downtown Wyandotte, and that hosting events in Downtown Wyandotte is open to all businesses and promoters, and no single entity. She highlighted an arrangement between the City and WOW 360 Event Productions that was initiated when the Wyandotte Business Association went out of business, which allowed for the community events to continue under new management. She asked Director Gruber for his insight into the overall events budget, to which he responded that the DDA's annual Marketing and Promotions budget for Downtown Events and WOW 360 Event Productions is \$30,000 across 14 events, the largest being the New Years Eve Ball Drop. The average event sponsorship is \$2,500 per event. He noted that the actual cost of hosting, promoting and implementing these events is far greater than the DDA's annual contribution. Chairwoman Slack reiterated the City and DDA's shared vision of being the City of Festivals that brings large events and large volumes of visitors into town.

Mr. Doulos then questioned whether the street closures are totally necessary, citing a loss of \$20,000 over three days of the Swiggin' Pig Festival, and \$10,000 over Friday and Saturday during the Fire and Flannel Festival. He cited his neighbor's losing business, including the bakery and barbershop, noting that the road closures impact all businesses, not just his. He noted that New Years Eve has been his busiest and most successful day and that he is concerned over the planned road closures for the NYE Event, which he believes will negatively impact his

business. He concluded by stating he is not concerned with the events so much as he is concerned with the road closures which severely impact their businesses. Mr. Doulos acknowledged that he has not been an active restaurant for long, and then cited loud music and stages are also disruptive to his business and prohibit the operation of his outdoor cafes.

Chairwoman Slack suggested the Special Events Office and DDA Director work with businesses to identify and implement solutions to issues caused by road closures.

Peter Rose, Owner, Chelsea and Willow Tree. Mr. Rose suggested that there is a disconnect between the City Council and the DDA regarding business advocacy and events. Mr. Rose asked Director Gruber how many businesses are located within the DDA Boundaries, to which he responded is over 150. He concluded by stating he is troubled by the fact that businesses are being negatively affected by the downtown events. He concluded by saying that the community should be supportive of small and local businesses. Chairwoman Slack noted that the events are also for citizens, families and children to enjoy entertainment downtown. Mr. Rose responded by saying that there are several businesses and people in town who feel the same way he does. Ms. Majlinger concurred and stated that there are more than several. Mr. Rose stated that these issues are not being dealt with assertively, and that most events have to do with alcohol, and that there are better ways to host events. He stated that the DDA should identify how each business individually feels about every single event and festival makes them feel, and to see if it is positive or negative. He continued to clarify that he does not want to sound negative on all the wonderful things happening, citing WOW 360 Event Productions purchase and redevelopment of the long vacant 142 Maple Street building., but that he is concerned about how their operation may affect their neighboring businesses if they aim to close roads on a monthly basis.

Mayor DeSana acknowledged that there are challenges with road closures, but that the City has always been asked to host more events to help draw more people to town, and that the businesses should be active in drawing more people to the community also. Mr. Rose cited the Business Association's events, stating that they were door-to-door events when all businesses participated. Mayor DeSana then questioned what happened to the Business Association. A. Majlinger responded that the Business Association folded when events transitioned from one day events to weekend events. Mr. Rose added that the Business Association imploded due to mismanagement. He stated the City should be marketing the Downtown, just like Love Wyandotte has been advertising Downtown Wyandotte on a monthly basis.

Mayor DeSana asked Director Gruber how much time in advance are the events planned before they are approved by City Council. Director Gruber stated that there is an annual event hosting agreement that outlines what events will occur, when and where, and that they are approved by City Council on an annual basis, with tentative road closures, at the beginning of each year. Changes and amendments to events and road closures occur throughout the year on an on-going basis in response to various factors, including complaints and concerns from the community and from businesses. Director Gruber cited several events including Swiggin' Pig and NYE Event.

He acknowledged that the changes are meant to mitigate concerns, but may ultimately result in more concerns from all parties involved. He cited a consensus among the event promoters, businesses and community leaders that in responding to event complaints, we're taking one person's problem from one part of town and moving it to another part of town and making it someone else's problem. Director Gruber further acknowledged that these issues will occur in dense commercial districts with over 150 businesses and 85% commercial occupancy. Director Gruber also acknowledged that these events are all relatively new except for the Street Fair. He concluded by answering Mr. Doulos' original question, stating that the intention of the DDA and the City of Wyandotte in planning, hosting, supporting, sponsoring, welcoming and allowing all these events is for the primary purpose of supporting Wyandotte's businesses, residents and visitors, and not for the sole benefit of the promoter. He also acknowledging that they understand that there are conditions and an environment required to host an event and that these discussions are largely about negotiating how that environment works for both people, the promoters, and the businesses. He noted that they work on these issues on an ongoing basis and that they can do better with communication and surveying. He reiterated that the businesses and the City are first notified of these events at the beginning of each year, and that there are sometimes changes which are then communicated at that time. Chairwoman Slack concluded this portion of the meeting saying that this would all be taken into account seriously because the DDA is serious about helping and supporting the businesses.

APPROVAL OF MINUTES & AGENDA:

Minutes from August 2022 Meeting and Special Agenda for September 2022 Meeting

Motion by S. Jordan, Supported by B. Kozinski, to approve the Minutes from the August 2022 DDA meeting and the agenda for the September 2022 Special DDA meeting. All in favor, Motion carried.

MONTHLY REVENUE/EXPENDITURE REPORT:

Monthly Revenue and Expenditure Report: Period Ending August 31st, 2022.

Motion by S. Jordan, Supported by A. Majlinger, to accept and approve the Monthly Revenue and Expenditure Reports for the Period Ending August 31st, 2022. Roll Call. All in Favor. Motion carried.

INFORMATION TO RECEIVE & PLACE ON FILE: None

ONGOING PROJECTS & BUSINESS:

Downtown Capital Improvements Plan (CIP) and Infrastructure Project: Director Gruber provided a positive update on the Downtown CIP. The City Council Information Session was held at 6:00 PM, Monday, August 29th, 2022 at which he provided the City Council a detailed

overview of the scope of work, the cost estimates, the sources of funding, which was received generally well. The City Council also held a Annual Budget Hearing during which Director Gruber outlined the entire proposed DDA Budget as approved by the Board in the June Meeting, which includes considerable operational, planning and design funds associated with the Downtown CIP, which was all approved by Council. Director Gruber noted that the first major expense of these operational funds will be for the survey, which will then lead to design and engineering services. The survey RFP is scheduled for opening next Monday, October 3rd which will all be reviewed by the DDA, Engineering Department and the City Council. He noted the survey can then begin rapidly after it is approved. Director Gruber shared great news that the DDA was awarded \$1,000,000 from the MEDC's Revitalization and Placemaking Program for the Downtown Alleyway Enhancements, a major part of the DDA CIP. The DDA was also awarded a grant through the Michigan Coastal Management Program for green infrastructure planning in the amount of \$37,500 that will be matched with funds allocated into the DDA Operating Expense account for overall design services. Director Gruber noted that he is continuing his pursuit of more grant funding from foundations and other public and private sources, including Wayne County Economic Development Department who is utilizing American Rescue Plan Act Funding to support large transformative projects.

Eureka Road Viaduct – Phase 2 Planting: Director Gruber provided an update regarding the \$25,000 America in Bloom Grant awarded to the DDA to support a second phase of planting that will deliver approximately 30 new trees and several hundreds of feet of ground covers and flowering shrubs. The board discussed other related projects pertaining to the Eureka Road Viaduct bridges which are owned by the railroads, citing a major façade improvement that was recently completed by ITC. Director Gruber provided an update and overview of recent meetings, communications and site visits with Canadian National, noting that they will not perform any aesthetic improvements on any bridges or structure that they deem to be structurally sound and all-around safe condition. Director Gruber acknowledged that the City and DDA works with the resources that we have at our disposal in the areas that we can control, which is essentially landscaping and beautification. Director Gruber stated that he would continue to ask for support from the railroad companies to conduct improvements and repairs on the Viaduct bridges.

NEW PROJECTS & BUSINESS

- 1) DDA Grant Committee: Joseph R. Peterson: Downtown Grant Application: Federal Building: 3131 Biddle, LLC.:** Director Gruber provided an overview of the progress and grant application for redevelopment of the former City Hall which has been vacant since 2012-2013 which will be known as the Federal Building that is being led by 3131 Biddle, LLC. The project entails approximately \$10,000,000 of investment, two new stories of construction atop the existing building, including 36 new apartments and three commercial units (two ground floor and one roof top). The DDA Director has been supporting the developers in pursuit of grant funding and economic development

incentives from the State of Michigan. During a review of the developer's real estate proforma, the State MEDC acknowledged a gap of \$100,000 in the finances which the Developer cited was from increased cost due to the rooftop unit which will be publicly accessible and have a strong impact on the Downtown commercial scene. The developer is seeking to fill through a Joseph R. Peterson: Downtown Grant Award, the review of which was recommended to be tabled by the Grant Committee until the City Council budget hearing and public infrastructure informational sessions took place. The Grant Committee members A. Majlinger and Chairwoman Slack expressed strong support of the project, specifically citing the commercial units and rooftop activation as the primary focus of the DDA's grant. Director Gruber stated that the Joseph R. Peterson: Downtown Grant operates on a reimbursement basis and are paid once the commercial units are complete and the businesses are open for regular business.

Motion by B. Kozinski, Supported by A. Majlinger to accept and approve the \$100,000 Joseph R. Peterson Downtown Grant Award to 3131 Biddle, LLC. upon the successful completion of the redevelopment of the former City Hall, to be known as the Federal Building, once all ground floor and rooftop commercial units are open for regular business. Roll Call. All in Favor. Motion carried.

- 2) **DDA Grant Committee: Early Reimbursement Request: Joseph R. Peterson Downtown Grant Award: W Suites & Lofts Project:** Director Gruber included a late item not previously included on the agenda. The Developers of the former post office, now known as the W Suites & Lofts, are seeking a reimbursement of the remaining \$90,000 of their \$180,000 grant, first awarded in December of 2019. Director Gruber noted that the developers have faced many challenges from COVID, supply chain issues, labor issues and design issues that led to several setbacks, and that the DDA Board has approved several extensions of this grant award in support of the developers and their substantial investment estimated at \$15,000,000 total, which may have increased in recent years. The DDA already partially reimbursed the first \$90,000 by Board vote during the regular meeting of the DDA on June 14, 2022, maintaining the same requirements of the grant agreement including submission of valid receipts totaling or exceeding the amount awarded, building and engineering approvals and legal requirements. Since that reimbursement was made, four businesses of six commercial units total have opened for regular business including Tacos & Tequila, the Oak Barrell, the Bling Thing and Agency 365, a real estate and financial group.

The remaining two businesses are for an IV/oxygen bar and another restaurant/bar. Director Gruber cited the DDA Grant Committee's recommendation, and further highlighted by Chairwoman Slack that the DDA Board should administer \$30,000 to the developers effective immediately, and the remaining \$60,000 should be administered

upon the successful completion of the final two commercial units, \$30,000 each, once they become open for regular business. She stated that both units are fully leased with signed agreements and the tenants are making rent payments. Mayor DeSana inquired about the status of the residential units, citing that the original grant agreement was for the entire development including the residential units. Director Gruber explained that the DDA Grant Committee and DDA Board looks at the total investment of the project and the total benefits for the Downtown, and that the 49 proposed residential units were a very high priority for the DDA to support, while the grant itself is for new and expanding businesses only. The DDA accounts for the total investment and impact of a project, but the grant is for commercial businesses only. Director Gruber noted that the Board saw significant progress with the entire development, including the residential tower, and was compelled to administer the partial reimbursement of \$90,000 at their request based on this total progress.

Mayor DeSana stressed that this generous grant contribution and remaining payment of the outstanding funds should be the incentive to get the entire project done. B. Kozinski suggested implementing a timeline to the grant reimbursements, which the program usually entails. Director Gruber stated that a prescribed timeline would beholden the developer's grant reimbursement to the commercial tenants' activities, who are responsible for finishing the completion of their respective commercial units, which is a complicating factor. S. Jordan echoed support for the DDA Grant Committee's recommendation. Chairwoman Slack noted that the DDA Grant Committee conducted its due diligence regarding conversations with the developers and getting a firm update on the remaining commercial businesses, leases, and progress and that the committee is withholding future payments until those new businesses open up.

Motion by B. Kozinski, Supported by S. Jordan, to administer a \$30,000 partial payment to the W Suites & Lofts and further approves a phased reimbursement for the remaining \$60,000 grant upon successful completion of the remaining two units, \$30,000 each, once they are open for regular business. All other terms and conditions of the grant are to remain the same. Roll Call. All in Favor. Motion carried.

- 3) **Markets of Downtown Wyandotte:** Director Gruber shared an update regarding the Markets of Downtown Wyandotte, which is an indoor and outdoor market space operated by the Wyandotte Special Events Office. Due to staffing changes and the former Market Manager returning to school, the DDA and Special Events Office have hired Love it Again Vintage Décor a More, a retail business located on Fort Street in Wyandotte that offers vintage goods, to serve as the master vendor and will help run the Markets of Downtown Wyandotte, attract new vendors and programs. Director Gruber highlighted

an update recently sent out to all the Downtown business owners that included an expansive list of seasonal happenings and special, festive events. He concluded by citing that the DDA is focusing more effort on small business development, micro-programming and other supportive measures for marketing and publicizing the Downtown as a whole, and that the Markets should service as the focal point of everything.

NEXT REGULAR MEETING: 5:30 PM, Tuesday November 1st, 2022 (*October meeting cancelled and November meeting rescheduled from November 8th due to the election*)

Motion by P. Slack, supported by S. Jordan, to adjourn the meeting. All in Favor. Motion Carries.

ADJOURNMENT: 6:50 PM

Respectfully Submitted,

Joe Gruber, DDA Director