

City of Birmingham
Principal Shopping District Proceeding
Thursday, August 6, 2015 8 a.m.
The Community House
Birmingham, MI 48009

Minutes of the meeting of the Principal Shopping District Board held Thursday, August 6, 2015, at 8:05 a.m. in The Community House.

1. CALL TO ORDER AND ROLL CALL OF BOARD

PRESENT: Astrein, Daskas, Hockman, Quintal, Roberts, Sobelton, Solomon, Valentine

ABSENT: A.-Woods, Benkert, Fehan, Syzdek

ALSO PRESENT: Julie Fielder, Mark Gerber, David Hohendorf

ADMINISTRATION: John Heiney, Lori Rondello

2. RECOGNITION OF VISITORS

Hockman welcomed everyone in the audience. (Valentine arrived 8:38 a.m.)

3. APPROVAL OF MINUTES

MOTION: Motion by Quintal seconded by Sobelton to approve the minutes dated June 4, 2015.

VOTE: Yeas, 7 Nays, 0 Absent, 5

4. BOARD MEMBER COMMENTS

Daskas reported that Karen Daskas was one of 50 individuals in the country invited by The Alliance for Main Street Fairness to Washington, D.C. This organization is a coalition dedicated to ensuring sales tax laws treat all businesses equally. Daskas said that she met with Senators and Congressmen in an effort to level the playing field with respect to sales taxes between the internet and brick and mortar businesses.

5. REPORTS

a. FINANCE REPORT

Gerber reported that while this is year end, Finance is still in process of inputting invoices, hoping to close accounts payable for the year next week. Gerber explained that the report may change slightly because of this. Gerber explained that the end cash balance was only off by 2%, mostly due to overestimates of special assessments and personnel costs from an intern that the PSD kept on and retroactive salary adjustments.

Hockman commented that special event revenues continue to grow.

Gerber continued that there were slightly higher expenditures than anticipated for the year, explaining that DPS did more work in the downtown and other unforeseen circumstances. Gerber stated that although expenditures reached 2 1/2 % above budget, this is still well within acceptable limits.

Gerber stated that the special assessment rate of collection remained strong at 95-97%.

Astrein asked about the Balmoral building assessment. Gerber responded that the timing matters as far as when the assessment could be made effective. Hockman asked when it was projected to be approved. Heiney responded that if approved before October, it would be included in the current fiscal year. However, after October, it would roll over to following year.

Sobelton asked if All Seasons was considered commercial property on the main level. Heiney responded that the main floor is considered commercial and therefore taxable. Heiney continued that the PSD does not collect on any residential properties, which includes hotel rooms. Roberts asked if The Townsend Hotel pays for their first floor square footage. Heiney explained that The Townsend was assessed as all offices, restaurants, common areas are. Quintal asked about whether the Palladium was assessed

while under construction. Heiney responded that because the shell of the building remains during construction, it is still subject to the special assessment. Heiney continued that since the Palladium building is adding a floor, this will generate an additional 30,000 square feet to their special assessment.

b. EXECUTIVE DIRECTOR’S REPORT-HEINEY

Heiney stated nothing new to report. See notes below in Executive Board Report.

c. COMMITTEE REPORTS:

SPECIAL EVENTS-ASTREIN

Astrein stated the Farmers Market has been going strong since opening day and enjoyed a very successful Strawberry Sunday on June 28. Rondello added that the event included a Birmingham Chef Clash competition with chefs from three restaurants (The Bird and The Bread, Fleming’s and Tallulah). Everyone enjoyed the interaction and this will become an annual feature at the market. Heiney added that the farmers market committee has encouraged restaurants to participate at the market and how a monthly demonstration has been discussed.

Astrein stated that Day On The Town seemed very successful this year. Heiney added that merchants are being surveyed with early results showing an equal amount of merchants reporting their sales increased in 2015 and merchants reporting their sales decreased in 2015. All responders thus far, however, stated that they would participate again next year. Heiney also reported that lululemon organized the Health & Fitness demonstrations that were on-going during the event with their own staff and resources.

Astrein stated that the last Movie Night of this year will be Friday, August 7, Wreck It Ralph in Booth Park. Astrein stated that this event has garnered maximum sponsorships.

Astrein noted the upcoming Woodward Dream Cruise and Birmingham Cruise Event on August 15. Heiney stated that new this year, Brown Street would be closed to through traffic from Peabody to the Pierce Street Parking Deck entrance. This is in response to safety issues experienced at past events. Heiney reported that University of Michigan Engineering students will have a display with their solar and project cars in our event space.

Astrein indicated that the committee has decided against a fall shopping event as there wasn’t enough participation.

MARKETING & ADVERTISING-DASKAS

Daskas stated that the Birmingham Magazine photo shoot was scheduled at the Allen House, tying fashion to Birmingham’s history. Daskas stated that the magazine will come out in Fall. Heiney explained that there will be a new ‘Profiles’ advertising section added, which will include stories and photography of merchants in the PSD. Heiney stated that not only will this section increase the size of the magazine, but increase view interest. Heiney stated that the magazine’s distribution is currently 45,000 and zip codes, such as Grosse Pointe, are being added.

Heiney gave an update on PSD Branding by explaining that the City attorneys are reviewing the new proposed brand as it is similar to Birmingham, Alabama. Heiney stated that the committee hopes to go forward with new brand in September. Sobelton requested that Birmingham, Alabama officials be contacted as a courtesy.

MAINTENANCE/CAPITAL IMPROVEMENTS-QUINTAL

Quintal stated that the committee is close to getting something on main corners in town for holidays. Hockman asked if it is too late to order for the holidays. Quintal responded that it is not, but that the display may not be as impactful as desired. Heiney explained that the large poles on the corners do not have power, but power could be obtained from buildings.

Quintal said the committee discussed the storefront watering program, He said it was started as a courtesy service to businesses in encourage beautification. However, now DPS staff is having difficulty because there are so many private planters in addition to the 180+ PSD planters to water every day. Also, some stores are asking for “custom” watering and special treatment. The committee will continue to discuss this and make a recommendation for next year’s summer season.

BUSINESS DEVELOPMENT-DASKAS

Fielder stated that three retailers and one restaurant she has been working with decided not to move forward at this time. Fielder stated that one retailer keeps moving their occupancy date farther out. Heiney stated that it is important to keep in mind where we are today versus in 2008 when we began with Fielder’s retail consultation. Heiney stated that the additional businesses brought in by the retail recruitment program have led to improved consumer satisfaction ratings, and the stores themselves have added greatly to the downtown mix.

EXECUTIVE BOARD REPORT-HOCKMAN

Hockman stated that the matters discussed by the Executive Committee have already been covered by committee reports.

6. APPROVAL OF VOUCHERS

MOTION: Motion by Astrein seconded by Sobelton to approve the vouchers, as submitted, dated August 6, 2015.

VOTE: Yeas, 8 Nays, 0 Absent, 4

7. OLD BUSINESS

There was none.

8. NEW BUSINESS

a. REQUEST TO SET PSD ASSESSMENT RATE AND PUBLIC HEARING DATES

MOTION: Motion by Astrein seconded by Sobelton to approve a request to set PSD rate and public hearing dates.

DISCUSSION: Valentine stated that this has always been on a three year cycle and that we are just looking to maintain the three year cycle. Quintal asked what revenue was expected. Heiney responded that he would put together a historical record by showing growth going back three to five years. Sobelton requested that Heiney go back to a flattened rate in 2008. Hockman agreed, stating that this would show growing programs and Fielder's work by looking at the broad scope of everything the PSD does. Valentine added that the vacancy rate should be included.

VOTE: Yeas, 8 Nays, 0 Absent, 4

9. INFORMATION

a. RETAIL ACTIVITY

b. WEBSITE REPORT

c. LETTERS

d. ANNOUNCEMENTS

e. BOARD ATTENDANCE & MONTHLY MEETING SCHEDULE

10. PUBLIC COMMENT

Quintal asked for a parking update. Valentine responded that the Parking Ad Hoc Committee met last week and that an RFP was developed for a parking consultant to help with improvements for the Pierce and North Old Woodward parking structures. Valentine continued that the committee should have a report by year end but depending on decisions made, may take longer.

11. ADJOURNMENT – 8:54 A.M.

Respectfully submitted,

L. Rondello (back-up notes on file)