

MINUTES
Downtown Development Authority
Board Meeting
Friday, July 18, 1999
Reed Building, 350 Main Street

PRESENT: Chris Launer, Mark Hermundstad, Teresa Kareus, Bruce Bengé, Becky Brehmer, Pat Gormley, Kathleen Killian, Barbara Creasman, Jean Morgan, Steve Reimer, Kevin Reimer.

ABSENT: Mary Crumbaker, Gene Kinsey, Bill Petty, and Bruce Hill

CALL TO ORDER: The meeting was called to order by Mark Hermundstad at 7:35a.m.

APPROVAL OF MINUTES: On a motion by Bruce Bengé and a second by Chris Launer, the minutes were approved for June 18th.

FINANCIAL REPORT: The \$2 million has shown up in fund 203. Issuance expenses were less due to the private placement as compared to a full public bond process. Operating expenses, which are in fund 103, have \$65,534 available to date. TIF fund currently has \$1,970,628 available.

ELECTION OF OFFICERS: Teresa Kareus made a motion for Becky Brehmer to be the new Chair and for Bruce Bengé to take position of Vice Chair. Chris seconded the motion, motion carried.

BOARD MEMBER CANDIDATES: Every year two terms expire. This year it's Bruce Hill, and Bill Petty. Bruce has elected to continue on the board, but Bill will retire from the board. He is still on the Avalon Board. Bruce has sent his letter to the city clerk.

We have seven applicants for the position. Dennis King, Don Treets, Ted Koeman, Doug Simons, Jean Killgore, Mark Williams, and Fred Aldrich. The letters of application were reviewed. Diversity of board members being important was discussed. The board currently has two active attorneys; also, we have good representation for banks. Doug Simons is a major property/business owner in the Downtown area. Is there a concern because he is asking for a variance for his property on 7th and Pitkin? The variance has been approved, so this should no longer be a concern. Chris Launer made a motion to recommend Doug Simons as a new board member and Bruce Hill to continue for an additional term. Mark Hermundstad seconded, motion carried.

DIRECTOR'S REPORT: Burger King expansion. The plan is to replace the existing Building on First Street

Next board meeting, August 20th will be our next regular board meeting and the meeting regularly scheduled for August 6th will be canceled due to the unavailability of many board members.

Open House. We plan to schedule an open house, as an evening social from 4-7 p.m. after school starts.

HOTEL PROJECT: Kevin and Steve Reimer attended to present an update to the board. They handed out footprints of the planned hotel for the 200 block of Main Street. They have decided on a 4 story 69-room building set to leave room to the west for expansion. An indoor pool is located on the south side of the building. Façade plans include a westernized individual storefront look. This is an upgrade from the typical suburban model. This façade has not been finalized. Soil testing and surveying is complete. Alley vacation is in progress. There has to be an agreement with adjacent property owners concerning ingress and egress to finalize this. Start date is planned for October or November this year, with an opening date late spring of 2000. Parking is a concern for people who currently park in that area. The Reimer's plan to fence off the area during construction due to liability issues. There is ample parking for this project, but there will not be for phase II if it is developed as currently being planned. There is nothing concrete on Phase II but the Reimers have had initial discussions with potential hotels and office users.

DIRECTORS' REPORT: Parking analysis interviews will take place on Wednesday the 21st. Interviewing 3 consultants starting at 1:00 at 1-hour intervals. The bids for the responds range from \$166,000 to \$29,500. When the hotel begins building we need something in progress. The board discussed possible areas to develop into parking.

The 3 we are interviewing are \$29,500 to \$44,000. If we select anyone over \$30,000 we will have to make an additional funding commitment because \$30,000 is the total committed by DDA/City.

The Reimers' would like to use office space here until they can move into the hotel. General consensus is no, with comments like, "perception of favoritism" and "a non-profit organization would be better" and "too cozy with developers". However if they could pay, it might look better. It was suggested that they might make a donation in lieu of payment. Barbara can explore that possibility and report back.

Art On The Corner fountain dedication is Saturday the 17th at 7:00 p.m. Please attend to say thank you.

ADJOURN: The meeting was adjourned at 8:55