

**ANCHORAGE COMMUNITY DEVELOPMENT AUTHORITY
BOARD OF DIRECTOR'S REGULAR SESSION
April 03, 2006**

Present

Bill Smith
Louise Lazur
Jeff Sinz
Jan Sieberts
Mary Jane Michael

Present

Jana Hayenga
Dana Pruhs
Ted Carlson
Debby Sedwick
Dan Coffey

Excused

Ken Stout

Staff/Guests

Kevin Kinney
Wendy Mikowski
Healia Palmer
Krin Kemppainen

Call to Order

Mr. Smith called the meeting to order at 5:03 pm. He welcomed the new Board members; Ted Carlson, Jan Sieberts and Debby Sedwick.

Review of Agenda

There were no changes to the agenda.

Chief Operating Director's Report

- Mr. Kinney distributed his report. He stated one of the attachments has the resolution from the ADP concerning the weekend markets and there is an action item in tonight's packet dealing with the weekend market.
- The other item he distributed was a copy of the initial draft of the transportation portion of the CBD Comprehensive plan for anyone who is interested in reviewing it. Mr. Coffey asked if this was the one from Kittelson & Associates. Mr. Kinney stated yes, they just did the transportation portion of the CBD, there will be a draft that we'll review, and then they will come back to Anchorage in the middle of May with a draft plan that will be for public use.
- He has been in discussions with Employee Relations Department at the MOA about the possibility of them providing HR services on a contract basis, and they are interested in giving a proposal to the Board for review.

Minutes

There were no minutes to review.

Public Comment

No public comment was scheduled.

New Business

A. Block 70 Approval –

- Mr. Kinney stated last fall we negotiated a deal to acquire the south half of Block 70. When it came to the point where we we're going to transfer the title, the State chose to re-negotiate the deal a little bit. Bottom line for this organization at this point is; the State wants title to the south half of Block 70 before they transfer Block 80 for the convention center. This Resolution authorizes whatever transfer is necessary for Civic Ventures, as long as we get fair market value for this property.
- Mr. Coffey asked if the transaction for Block 70 and Block 28 between ACDA and Diamond was complete. Mr. Kinney stated yes. Mr. Coffey stated, so now the state is saying in order

to get the convention center site we have to give them Block 70 and they will give us the appraised value for Block 70. Mr. Kinney stated this is almost a 3-way transaction; Civic Ventures will get Block 80, Anchorage Parking will get the fair market value of Block 70, and the state will get Block 70. Mr. Coffey asked what Resolution 06-04 will accomplish. Mr. Kinney stated it will authorize him to sign the documents to transfer the property as long as we get fair market value.

- Mr. Coffey asked who will be paying us the fair market value. Mr. Sinz stated Civic Ventures will be the source of the funding, an earlier idea was ACDA would own the block and Civic Ventures was going to purchase from ACDA for an amount that equaled \$2.226 million; and the rights to utilize that lot in perpetuity to provide parking spaces to the state. The state now says they don't want parking space in perpetuity on a contractual basis they just want the land, and exchange of land for land. Civic Ventures now proposes to pay ACDA the same amount to acquire the land and then Civic Ventures can acquire Block 80 through a partial land swap with the state. Civic Ventures will still pay ACDA for the parking spaces being used in the JC Penny garage, which Civic Ventures needs to deliver for the acquisition of Block 80. The 2 pieces are still the same; the perpetual use of Block 70 has now changed from the title transfer for the block, but the JC Penney piece is still the same as previously envisioned.
- Mr. Coffey asked if this is now sufficiently wrapped so we have an agreement with the State and Block 80 will come to us. Mr. Sinz stated we are currently finalizing the agreement, so we currently don't have an inked agreement. Mr. Coffey asked why we are doing what we are doing before this agreement is in place. Mr. Sinz stated in order to enter into an agreement with the State; we need to have the authorization to offer a swap of Block 70.
- Mr. Carlson asked if the assembly needs to make the final approval of this Resolution if we pass it. Mr. Kinney stated no, the only circumstance we need is if it is in excess of \$6 million, this includes acquiring or disposing. Mr. Carlson asked why we are doing a resolution versus a motion. Mr. Kinney stated the Board made the decision that anytime we are dealing with property rights we will use a resolution. Mr. Coffey recommended all new Board members be provided a copy of the enabling ordinance which sets up our requirements; the assembly tried to give this Board a lot of independent authority.
- A discussion was held on the wording of the Resolution.
- Ms. Lazur moved to accept Resolution 06-04 as corrected; Mr. Sinz seconded. The motion carried.
- Ms. Sedwick recommended maps be provided for new Board members since a lot of the projects we are discussing are new to them, this would make it easier for them to follow along.

B. Museum Lease –

- Mr. Kinney stated the Museum will be tearing down their annex building; where the new museum will be located, and all their offices located in that building need to be relocated. At this point Simon's property has availability in the 5th Ave garage, which will become our space in about 14 months; the Museum would like to relocate there for the next 5 years.
- Ms. Lazur asked what was available along the 5th Ave side of the garage. Mr. Kinney stated the space used by the DCS learning center which is about 2700 sq feet. Ms. Hayenga asked if there has been any discussion with ADP about their space for future lease. Mr. Kinney

stated yes they have discussed other alternative space that may be available to them in 2 years.

- Mr. Carlson asked if they will be moving back into the Museum once the museum is complete. Mr. Kinney stated yes. He asked if the anticipated completion date was December 2009. Mr. Kinney stated yes, that is their current timeline. He asked what would happen if the completion is prior December 2009. Mr. Kinney stated they will move out as soon as they can.
- Mr. Carlson moved to approve management's request for the Museum lease; Ms. Lazur seconded. The motion carried.

C. Anchorage Downtown Partnership Proposal –

- Mr. Kinney stated last year was the first year of summer in the City and we provided \$50,000 of the funding. This paid for entertainment, shuttle bus, a presence at the Market, promoting everything up on the street and the tour bus loading zones on 4th Ave. ADP provided their proposal for our review and has asked ACDA to pay for the whole thing. He recommends the Board determine the amount we will grant and suggest to the ADP to look for other sources for funding; if they do not find any other source they can come back to us later and ask again. He went on to say if he was to come up with an amount it would be \$40,000-\$45,000. The funds come from the weekend market that is earmarked to downtown promotion so it is not coming out of any operation funds.
- Mr. Coffey asked if we get \$57,000 out of the weekend market to cover this request. Mr. Kinney stated with the money we currently have and what we anticipate receiving this summer we will have in excess of \$85,000 for downtown promotion. Mr. Coffey asked why we wouldn't provide for the whole request. Mr. Kinney stated because there are other things we participate in one we will be discussing later, and we spent \$5,000 on the ice rink.
- Mr. Pruhs asked if we have a list of what we already allocated and what was spent in previous years. Mr. Kinney stated right now we haven't allocated anything out of the \$85,000. Mr. Pruhs asked if some type of spread sheet could be provided which shows previous year(s) amounts and contributions along with what has been historically allocated so they can get a better grasp on management request for funds. Mr. Kinney stated he is not set on any number so if we want we can fund the whole proposal, but if we do, it limits us on any future request. Mr. Pruhs stated he feels they should put in some of their own money; he would like to see the whole deal; what we have, what we committed, what is still to be committed, especially with new members. Mr. Kinney stated that will be no problem. Last year we spent money on the flowers, fish, ice rink, and the summer promotion.
- Mr. Pruhs asked if it might be an advantage if we had a budget for this money instead of every other meeting someone comes in with a request. This way we know what is budgeted and how much is left over for miscellaneous requests coming in. Mr. Kinney stated if we want to we can come out and say those are the 4 things we will fund. A summary of what is typically allocated out of this fund.
- Mr. Coffey asked if this fund was the gross receipts from the weekend market. Mr. Kinney stated yes. Mr. Coffey stated we are committed to spend the majority of those funds in downtown promotion and if the Board does what Mr. Pruhs stated then the funds would be broken out as 40% here, 20% here, and 10% there and there; then we would be done. Mr. Kinney stated yes.

- Ms. Sedwick asked if last year we gave the ADP \$50,000 were we satisfied with the results and are they expecting the same amount this year. She knows generally what the ADP does but not the specifics she wanted to know if the ADP goes to other businesses to ask for funds or do they only come to us. Mr. Kinney stated the Board did provide feedback to the ADP last summer, and there were a few things that didn't work well along with what worked (i.e. bus loading zones on 4th Ave).
- Ms. Lazur asked if they are looking for \$57,000 for the summer, what will they be asking for in the winter, why don't they just ask us for what they want of 2006 because the money might be gone before winter. Mr. Pruhs asked what do they do for winter. Ms. Lazur stated the ice rink, which they want to buy some equipment so people could skate from October through April. Mr. Kinney stated he can talk to them about doing an annual request, but the problem right now is the Market will be starting in 6 weeks.
- Ms. Lazur questioned the \$10,000 in supplies in the proposal, especially the tables and canopies. Mr. Pruhs wanted to know if they already had that and Ms. Lazur suggested they look into borrowing these items. Mr. Kinney stated he will discuss that with them and actually some of the items they are looking at we may have on hand and they can borrow from us; this could also be a reason for not funding the whole request.
- Mr. Carlson stated he presumed the prices for the tables and canopies were rental. He asked for clarification on the \$85,000 with what is on hand and what is anticipated. Mr. Kinney stated we currently have \$20,000 remaining from last year unallocated and anticipate \$60,000 to \$70,000 this year which will come to us in July and September. Mr. Carlson asked who will hire the temporary employees for this proposal. Mr. Kinney stated the ADP would hire and pay for them.
- Ms. Hayenga stated she would like more information on the supplies, whether they are rental or being purchased and adding to their stock. Mr. Kinney stated it is his assumption the supplies are being purchased so they can have them on hand to use for other events or promotions. Mr. Pruhs asked if ADP gave us a copy of a budget last year. Mr. Kinney stated yes but it wasn't as detailed as this one. Mr. Pruhs asked if there were changes from last year. Mr. Kinney stated the biggest is the personnel costs.
- Mr. Coffey asked if anything could be done about the amount needing to be spent on permits and if there is anything we could do to streamline the process.
- Ms. Sedwick moved to provide \$50,000 for the summer in the City program with the stipulation management discusses with ADP all question previously raised. She would like a representative from the ADP to come before the Board for any future funding requests so they can answer any questions the Board may have. Also, if ADP needs more funds they can come back to the Board with a request; Ms. Lazur seconded.
- Mr. Pruhs asked if it would be better to give them less to get them started and have them come to the next work session to give us an update and make us feel a little more comforted; like the \$40,000 Mr. Kinney suggested earlier, and if they want more, come back with the request. His only concern is he can't see the "big picture". Mr. Kinney stated usually the way this is paid out is ADP provides 3 invoices throughout the summer and we pay out in thirds, with the first one coming in right away. We can require ADP come to update us before \$20,000 is handed out. Mr. Pruhs stated he doesn't disagree with what they are trying to do but it would be comforting if they came and went over their plans with us at the next work session. He just doesn't want us to over extend ourselves.

- Mr. Carlson stated there is a time factor because they need money right now, but if we could possibly amend the motion to give them what they need to get started and then have them come back to us and sit with us to discuss the proposal and we can ask the questions each of us have, he would feel more comfortable. Mr. Smith asked if Mr. Carlson was making an amendment to the motion. Mr. Carlson stated he would like to make the amendment that we provide the funds they need to start up and come back to us before June for the rest of funds they want, this puts the burden back on ADP to come to us with the information we want.
- Ms. Sedwick is opposed to the amendment to her motion because; they are 6 weeks away, her assumption is ACDA has already had discussions with ADP and everyone feels things went well and it was successful last year. If management recommends support for this proposal at a rate less than requested, we should support it at least to the amount we did last year. She enjoyed what went on downtown last year and this year's proposal is an enhanced version for last years, and she thinks we will be creating difficulties for them if we don't fund it.
- Ms. Hayenga stated she thought it was a good program last year. She agrees with Ms. Sedwick on the \$50,000 amount and if they need the \$7,500 extra they need to come back with the request. If we fund them at a lesser rate it would be difficult for them to plan ahead and hire the employees or advertise. But, she also agrees with Mr. Pruhs on having this proposal better organized and presented along with a budget and being able to see exactly how much money we have for this kind of expenditure. She doesn't want to hinder the program.
- Ms. Lazur stated the difference between the \$50,000 and the \$57,500 is the supplies and permits. The \$50,000 will get the program up and running and they will need to find some other place for the supplies. If we do less than \$50,000 we are punishing them for something they did well last year.
- Mr. Smith called for a vote. 5 in favor and 2 against, the motion carried

D. Weekend Market Facilitator –

- Mr. Kinney stated, a few months ago, when we agreed to continue the weekend Market through 2006 there was a commitment on the part of the city for the Anchorage Economic & Community Development (AECD) to put together meetings of stakeholders, to discuss the future of the market. He has been pressing for these meetings, AECD has suggested we partner with them to contract with a facilitator to come in and put together the stakeholder groups and have a series of meetings to discuss potential futures for the markets. The entity proposed by AECD is Projects for Public Spaces they are the group that worked on the Delaney Park Strip plan and Cuddy Family Park. The only issue which that's come up is AECD does not have money to pay for it since we are getting money from the market.
- Mr. Coffey asked if we had already approved \$50,000 more for MIG in this process of doing the CBD plan and wasn't that intended for the purpose of either dealing with this and E St or this alone. Mr. Kinney stated no, most of that was for the transportation issue which is the Kittelson report, there was some money that the city spent having EPS do an economic evaluation of the market and that was \$10,000 or \$12,000. Mr. Coffey asked if we looked at other organizations like MIG who is involved in the CBD or others. Mr. Kinney stated at this point we are not the contractor we have been asked to fund it for the AECD. They have come to us saying they don't have the funds and they think it could be about \$20,000 or more.

- Mr. Coffey stated his problem with this request is we will be the ones who have to deal with Mr. Webb, or who ever come's next. Mr. Kinney stated only if it stays at that location. Mr. Coffey stated he understands that, but what if it does; what do we need a facilitator for, we sat in work sessions with these people, but \$30,000 for someone to identify the issues; he can give us the issues, maybe not the answers, but he knows the issues. What is a facilitator going to do, except say if we leave the market at its current location, we will continue to have a bunch of downtown business owners mad at ACDA, why don't we get someone who is planning downtown to tell us the best location and not spend \$30,000 on a facilitator.
- Ms. Hayenga stated for those people who don't have much background on the Market it originally started out as a farmers market in the parking lot and there wasn't any direct competition that brought people into town. The Farmers Market then became more of a craft market and we started introducing products that were carried downtown, then someone within the Parking Authority was hired to run the market. About 5 or so years ago it was decided too much was going on in this department, so an RFP was sent out and Mr. Webb was awarded the RFP. He has expanded the operation and done an exceptional job as a business man in increasing the market. She can represent downtown business owners, the problem that most are having with the market is Anchorage Parking is in the business to provide parking. 10 years ago we had the space but now on the weekends by 7:00 a.m. there is no place to park, the space is needed for parking, in her perspective. The other problem is we are involved in private/public enterprise. As Anchorage Parking, she doesn't understand why we need to continue, and with the end of the RFP, we have the opportunity to stop and go back into the business of providing parking downtown. If there is an opportunity for the Market to continue, and someone else wishes to start a market, they can team with Diamond Parking or even move it to South Anchorage, great more power to them, as long as it is fair market and exists like any other business. She is not in favor of spending another \$30,000 after all we spent \$25,000 last year to look at this and \$10,000 the year before, so we have spent \$35,000 to look at the impact of a market from the vendors and businesses view points. Basically the vendors love it, businesses don't, and the greater Anchorage population loves the festivities and outdoor environment.
- Ms. Lazur asked what a facilitator will do, will they make the vendors and retail merchants feel better about each other or mediate so they will still go back to the parking lot. She wants to know what the function of the facilitator. Mr. Kinney stated the key reason this company has been selected is because they expertise and specialty in public parking. The reason AECD likes this group as a facilitator is their experience with the Cuddy and Delany issues; both parks had extreme differences and this company was able to bring the all sides to a resolutions people could back.
- Ms. Hayenga asked why we should even be involved with the market. Mr. Kinney stated we created the market and need to deal with it. Yes, we have heard a lot on this issue, but what we heard is polar opposites. We have a lot of people who are adamantly in support of this and those who are adamantly opposed to it. If we try and make the decision ourselves, as we have seen before, most of the time we are accused as being biased. That is why bringing in a third party facilitator may be a good idea but he wasn't to keen on being asked to fund it.
- Ms. Hayenga stated we are at the end of the RFP and she wishes everyone well but we need the space for parking and if a market is truly going to exist because it is fair market driven it will exist. Mr. Kinney stated what Mr. Webb pays us for the lot Diamond would be more than happy to turn over a lot for that amount of money. Ms. Hayenga stated then it is fair

market, why is this our child, she questions whether it is our role. Mr. Kinney stated that is one of the reasons why we are getting the AECD involved, he feels they are the appropriate people to go out and contract for this service and tell us what needs to happen.

- Mr. Carlson stated maybe we are using the wrong term. A facilitator sounds like a person will try to negotiate between 2 people, yet this is a study. What are we trying to accomplish with a facilitator. Mr. Kinney stated this is to determine what the future of the weekend market is going to be. Mr. Carlson asked why that falls on us. Mr. Kinney stated because we receive the revenues from the weekend market so basically the city has asked us to fund this process. Mr. Sinz agreed with Mr. Carlson and asked if we could have the scope of operations defined more because it is not clear to him what is being asked, and what information will be in the outcome. Mr. Coffey agreed with Mr. Carlson and Mr. Sinz on not understanding what we are trying to accomplish, and he is against spending another \$30,000 on something that should be done in the CBD plan, and why aren't they looking at it instead of someone facilitating some sort of agreement between the downtown merchants, us and Mr. Webb. Mr. Kinney stated he doesn't feel we are wed to the location but we are at the point where we have to decide what happened in 2007 which requires some work with the stakeholders. Mr. Pruhs stated he thinks there should be a policy for this first, where we establish what we want and how it will look, or even if we want to continue to do this.
- Mr. Sinz asked Ms. Michael to explain the scope of work and what the expected deliverables are going to be. Ms. Michael stated there still is time to write the scope of work and we can incorporate what has been discussed tonight. The reason she wants to have them brought on board first, was because she doesn't want any one party to be the one held accountable for the outcome. This company has done the Delany Park Strip, which had a lot of controversy, they came in and walked it with the neighborhood, figured out the issues, and are coming up with designs which are a win; they are very collaborative organization. They are a third party independent group and have an expertise in public markets. It's a clean slate and there will be Board member participation in the process. The idea is for them to tell us if there should be a Market and if so where and what should be the qualities of it. Ideally we would come out with an RFP, if we are going to do a Market that would be what we design it to be. We just don't have the expertise. We need someone to come in and give us the information, and then let us make a decision based on a group we have worked with, and it would be done in coordination with the Downtown Plan. Literally we would be getting the resources along with businesses downtown to make a good decision.
- Mr. Coffey stated the outcome doesn't presuppose using the 3rd Ave parking lot. Ms. Michael stated absolutely not. He said, "So all that is needed from ACDA is the money?" Ms. Michael stated yes. Mr. Kinney stated the key is, for example, if it is recommended to move on to the street, then it is no longer our issue and we are out of the market business.
- Ms. Hayenga stated it will become a negotiation with the businesses, and then they will be at each other again to trying to decide what to compromise on. Ms Michael stated she doesn't know where the market should go, she doesn't know anything about markets, and it is not her expertise. That is why she thought it would be good to bring in a third party. She feels until it is decided, the focus will be on this Board and she wants to give us to tools to resolve it.
- Ms. Ward asked what the difference would be if we use it just as a parking lot and not have the market there. Mr. Kinney stated we make 3 times more on Saturday's by leasing the lot to Mr. Webb. Mr. Sinz asked if that means we make \$150,000 by leasing the lot out in the

summers. Mr. Kinney stated no, annually it would be \$65,000 plus \$70,000 for \$125,000 to \$135,000 a year.

- Ms. Sedwick stated the way Ms. Michael explained it, the request now makes more sense and she appreciates learning a bit about the history behind the market. Ms. Michael stated we will be the first city they have come into where the market is a controversial issue and it will be nice to hear their recommendation and make a decision. Ms. Sedwick asked if by doing this are we assuming there will be a new contract for Mr. Webb or his successor. Ms. Michael stated no there is no assumption. Ms. Sedwick asked what the point of doing this is. Ms. Michael stated because we may want to put it out in an RFP for a non-profit or private sector or it may go to another site altogether.
- Mr. Kinney stated he wanted to respond to one thing to make sure he is giving good information. Yes, there are parking issues downtown. On a typical Saturday if you look at the CBD there is no parking issue. There are local area issues for example, 4th Ave on Saturday is very bad, but if we did not have the market in Lot 12 there would be 500-600 parking spaces. At the 5th Ave garage on a typical Saturday there are 400-500 spaces available. Ms. Hayenga stated part of the problem is a lot of the vendors will come in early and park as close as they can to the market which is 4th and 5th, and all the side streets, since it is free parking. That is what really causes the bottleneck and so we can't move people around down there.
- Mr. Coffey stated if this is approved, we should approve it, subject to seeing the scope of work so we know what is being asked, and don't get caught up expecting something which isn't being looked at, since it will be an independent look. Over all there have been numerous ideas discussed, which may be beneficial to downtown, but he wants to know the scope of work being asked before approval.
- Mr. Sieberts stated maybe we should charge for parking on Saturdays. Mr. Kinney stated we have had some discussion about this, and he has spoken with a lot traffic people and Kittelson. Our experience when we had a free zone downtown was when we put meters back in, we increased the turnover because not as many employees were parking all day long or as long. He feels the eventual solution will be to have the meters operate on Saturday, so you can not just park in one space all day long. The difficulty with that is, for some it feels like you are punishing them for coming downtown, which is not the case since we aren't doing it to generate revenue; we just want to create a turnover.
- Mr. Kinney stated an email can be sent out to the Board, detailing the scope of work to be completed for this request, and if there are issues with the scope, the requests/changes can be submitted before we contract out. Mr. Carlson asked where the \$30,000 figure came from. Mr. Kinney stated it is not to exceed, but it we estimate it to actually be around \$20,000 but there is a chance it can be higher. Mr. Carlson asked if AECD was going to be doing this, and if we are only funding the request. Ms. Michael stated AECD will be doing this in partnership because the municipality has been involved. Mr. Carlson asked does that mean AECD will be funding part of this. Ms. Michael stated she wasn't really planning to but if they had to they would. Mr. Carlson stated then it is not a partnership. Mr. Kinney stated the partnership is AECD staff managing the contract, and ACDA will not have to dedicate staff to this, but he will be attending the meetings so he is aware of what is happening.
- Mr. Carlson moved to appropriate \$20,000 for a consultant; Ms. Sedwick seconded.

- Mr. Carlson asked if the money to fund this can come from the remaining \$15,000 kitty for downtown promotion. Mr. Kinney stated yes, because at this point it is a downtown issue, and we can take the remaining \$5,000 out of the general operating budget.
- Mr. Pruhs asked who came up with the \$20,000 figure. Mr. Kinney stated Mr. Jeff Dillon from Parks & Rec he is the one who has worked most directly with them. Mr. Pruhs asked if Mr. Kinney was confident with that figure after the entire original request was for \$30,000. Mr. Kinney stated Mr. Dillon stated it could be \$20,000 or a little higher, so Mr. Kinney jumped the request that high just to cover in case.
- Mr. Coffey asked to make a friendly amendment that would include; subject to the scope of work as described by Ms. Mary Jane Michael. Mr. Carlson stated yes. Ms. Michael stated she will send it out by email. The motion carried.

E. Parks & Recreation Flower Program –

- Mr. Kinney stated that annually we have purchased \$7,500 worth of flower baskets for downtown, and management requests the same amount this year. Ms. Lazur moved to purchase the 100 baskets; Mr. Sieberts seconded. The motion carried.

F. JC Penny Lease –

- Mr. Kinney stated this is a simple lease for the space located underneath the ramp. A downtown hot dog vendor would like the rent the space to store her carts in the nights.
- Mr. Carlson stated he thought he read somewhere that renovations were going to be started over there shortly, and it dealt with the ramp. How this will affect the customer, if this is happening. Mr. Kinney stated it will not affect this space at all.
- Ms. Lazur moved to approve the lease with Eugenia Duitrago; Mr. Sieberts seconded. The motion carried.

G. Appointment to Vacant Position of Government Hill Selection Committee –

- Mr. Smith explained Mr. Zoske was on this committee and he needed to be replaced. Mr. Kinney stated he has discussed this with Ms. Michael and she seems like the logical choice to replace Mr. Zoske, simply because she has a lot of history with Government Hill, knowledge of the site, and since the selection process is already started it will take a while, to get another member up-to-speed on this project. Mr. Sinz moved to accept management's request; Ms. Hayenga seconded.
- Mr. Coffey stated he wants to speak against this request, not because of what Mr. Kinney stated but the assembly constituted this Board to get people other than administration involved in disposition of land and developments. Ms. Michael is absolutely qualified, it's not anything about that, but what the assembly wants to hear is; what are the people from outside of government think about these various things and he thinks we need have that type of representation on this project.
- Mr. Carlson asked what the Government Hill selection committee was. Mr. Kinney stated the city owns about 16 acres and we are looking at proposals which show residential development in that area. The selection committee is reviewing the 2 proposals we have, to determine which one we think is more appropriate for Government Hill. Mr. Carlson asked how the Government Hill selection committee was formed. Mr. Kinney stated we put it together. Ms. Michael stated the administration puts it together and we have 2 reps for Government Hill, a local developer, someone from the planning department, 2 reps from

ACDA; Mr. Smith and Mr. Zoske. Mr. Kinney stated we need a replacement for Mr. Zoske. The committee has had several meetings already and that's one of the reasons why he would like to have Ms. Michael join this committee since she knows what is going on in this project.

- Ms. Sedwick asked how far along this project was. Ms. Michael stated the developers have been interviewed. The challenge is both proposals are so different and whichever one we select we are going to be doing a lot of negotiation with, and if we don't, we are going to have to put it back out for RFP. Ms. Sedwick asked how long the meetings have been going on and if there is a drop-dead date for completion. Ms. Mikowski stated we noticed the 2 proposer's we would award on or before May 31, 2006. We were going to award before that but because of the proposals themselves being so different and so opposite, we pushed it back.
- Ms. Michael stated because of the difference we formed a technical advisory committee and looked at the proposals because we felt the RFP review committee needs more technical assistance to make a decision. We have been working every week on helping to analyze the numbers and what not, she sat on this committee, so the reason Mr. Kinney suggest she join the selection committee, is because of being on this committee and her connection to this Board this will help provide continuity. Ms. Sedwick asked how the Government Hill community feel about someone from the private sector stepping in at this point, would it make any difference to them. Ms. Mikowski stated actually they would prefer someone from the administration, they want administration input and have asked for that at every meeting.
- Ms. Sedwick stated the process is very far along but, in the future, as a Board member, she would be opposed to something like this, just because you need to replace like with like, but if it comes back to the Board, and we are the ultimate approver, we will take the heat one way or another. If the community thinks it is fine I guess it is ok. Ms. Michael stated from the neighborhoods perspective she has worked in the community for 5 years and knows all the neighbors. She has lived, ate, and drank it, so she gets it and knows where they are coming from. She doesn't think they will have any problem with her on the committee.
- Mr. Kinney stated he thinks this one will be a little different, in that what is going to come to the Board through the selection committee, is just which developer. That will be the beginning of the process because there will be negotiation and he thinks this body will have to be brought up to speed on the key issues and give guidance to the negotiating team that will negotiate the final contract. Mr. Pruhs asked who the negotiating team is. Ms. Ward stated the Board will have the determine it. Mr. Kinney stated it hasn't been determined yet; obviously he would be involved along other members, the municipal attorney. Right now all we are doing is selecting the contractor we will negotiate with.
- Ms. Michael explained to the Board the RFP process and the confidentiality involved and how it protects the developers and treats everyone the same. Mr. Kinney expanded on the steps involved. Ms. Mikowski stated she feels the review committee wants to take their time in this process; they don't want to rush the decision and end up with a substandard development. We are also in the process of applying for federal funding in Browns Field Grants along with looking at what we want to do with all the gravel on the property.
- Mr. Smith called for the vote to call for the question. The motion carried. Mr. Smith called for a vote on the motion. The motion carried.
- Ms. Michael suggested a couple of Board members join the technical advisory committee and start trying to get up to speed on the project. This way more members of the Board may

become engaged in the projects. Mr. Sieberts stated he has been involved in this project for about 15 years, and he thinks finally this is a great opportunity for the community. He knows one of the developers well, but recommends we continue to take it slow.

- Ms. Michael moved to add 2 members from the Board to the technical advisory committee to help advise the RFP selection committee; Ms. Hayenga seconded.
- Ms. Mikowski stated she thinks maybe the development committee needs to start participating in the technical committee meetings, just so they could provide feedback to the Board. They can tell them the issues we are faced with, and what we are working on, understanding it is completely confidential. The problem is that this is a public meeting, so how do we brief everyone then. Mr. Coffey stated an executive session.
- Mr. Smith called for a vote on the motion. The motion carried.

Old Business

There is not Old Business at this time.

Department Reports

Finance –

Nothing to add

Data Processing –

Nothing to add

Marketing & Public Affairs –

Nothing to add

Customer Service/Enforcement –

Nothing to add

Operations –

Nothing to add

Employee Relations –

Nothing to add

Development Committee –

Nothing to add

Mr. Smith adjourned the meeting at 7:10 p.m.

Respectfully submitted by:

Bill Smith, Vice Chairperson