
CORNERSTONE DEVELOPMENT AUTHORITY PROCEEDINGS

REGULAR MEETING: JUNE 25, 2010

The regular meeting of the Cornerstone Development Authority Board of Directors for June 25, 2010 was held at the Millennium Centre, 15600 J.L. Hudson Drive, Southfield MI 48075.

PRESENT: Bergeron, Berry, Lawrence, Najor, Ralph, Reetz, Tyus, Zweigel

EXCUSED: Caldwell, Cook, Denha, Harris, Reif

ALSO PRESENT: Al Aceves, Executive Director
Mary Daley, Assistant to the Executive Director
Roy Bell, Planning Commission
Barbara Talley, Providence Tower Condominiums
Councilwoman Linnie Taylor
Emory Hicks, resident-Providence Towers
Katherine Haymer, resident-Providence Towers
Sarah Mulally, Planning Department
Attorney Reggie Turner, Clark Hill
Kristin Hunt, Plante Moran
Sally Hodges, McKenna Associates
Jeff Spence – Assistant City Planner

ROLL CALL

Roll was taken. A quorum is present. Meeting called to order at 9:10 a.m.

HEARING OF THE PUBLIC

The Board welcomed Ms. Barbara Talley, resident at 15801 Providence Drive, Providence Tower Condominiums (PTC). Ms. Talley, on behalf of the residents of PTC, expressed some concerns about the area:

- Concern about the decay of the Ramada Inn
Chairman Ralph gave a quick history of the property in the last several years. Mayor Lawrence also shared some information about some current litigation the City was involved in pertaining to the Ramada Inn.
- Concern about Kroger and its appearance and displaced shopping carts. Ms. Talley says that she met with the new Kroger manager and he seemed eager to help the situation. She acknowledged that we can no longer return the carts to the store personally such as the previous Interim Executive Director was doing weekly. She hopes that she will see fewer carts in the medians.
- Concern about the initials carved into new sidewalks along Providence Drive

CDA Executive Director Al Aceves is pleased that residents are being vigilant about the district. He will look into possibly setting up a meeting with property owners/managers, tenants, and police. Aceves also discussed his desire to have an appraisal done of the Ramada Hotel to determine the correct assessed value. The Mayor would like the CDA to

focus on building relationships with owners. She suggests inviting someone from Code Enforcement to attend the next meeting.

APPROVAL OF AGENDA

A revised agenda was distributed at the meeting.

DDA10.27 Motion by Zweigel, supported by Lawrence, to approve the distributed agenda as written.

Motion carries.

APPROVAL OF MINUTES

DDA10.28 Motion by Lawrence, supported by Zweigel to approve the minutes from the Regular and Special CDA Board Meetings on:

01/19/10

02/09/10

03/02/10

03/18/10

04/30/10

Motion carries.

PROPOSAL FOR LEGAL SERVICES TO THE CDA

At the previous CDA Board Meeting, the Board discussed the need for the CDA to have their own legal and accounting representation. It was agreed to allow the CDA Executive Director to pursue RFP's for legal services.

The CDA put out a Request for Proposal for Legal Services. After receiving all the RFP's, the Executive Committee has recommended to accept Clark Hill's proposal for legal services. Proposal cost is \$1800/month for up to 12 hours. Additional time billed at \$210-250 per hour.

DDA10.29 Motion by Zweigel, supported by Bergeron to ratify the action of the Executive Committee and accept Clark Hill's proposal for legal services to the CDA at the cost of \$1800/month for up to 12 hours with additional time billed at \$210-250 per hour.

Discussion ensues and it is suggested that the Executive Director is the point person for communications with Clark Hill. If an email is sent, the Board Chairman should also be copied on the email. Reggie Turner is the point person for Clark Hill.

Motion carries.

TREASURER'S REPORT

Approval of the Budget Summary of the Millennium Centre and the CDA Administrative Budgets for October 2009 – April 2010

Treasurer Bret Bergeron reviewed the budget summary of the CDA and Millennium Theater prior to the Board meeting. With this approval, we will be as current as possible.

DDA10.30 Motion by Bergeron, supported by Zweigel to approve the bills of the Millennium Centre and the CDA Administrative funds for October 2009-April 2010.

Motion carries.

STATUS UPDATE – MILLENNIUM CENTRE

- a. Lease Update
Triumph Entertainment LLC. is now the legal tenant of the Millennium Centre as of June 10, 2010. The CDA has up to 60 days to move making August 10, 2010 the official end date.
- b. Inventory Update
An official appraisal of CDA inventory was ordered by the Executive Director and completed. The final appraisal estimate was \$98,000. Executive Director is working with Entertainment LLC regarding disposition of theater assets.
- c. New CDA Space – 17515 West Nine Mile Road, Suite 730
As of the publication of this agenda, the Aureus Center located at the above address has gone into foreclosure. The CDA has sent a letter to the Aureus Center management revoking the signed lease agreement. The Executive Director is now having discussions with management at the IBM building and the City of Southfield I.T. department. That building is about 70% occupied and the cost/sq. foot is similar to the previous lease.
- d. Liquor stock and license
Per Executive Director and his discussion with the Michigan Liquor Control Commission, the CDA will resell the liquor back to the Commission for a 10% restock fee.

Liquor license will go into escrow.
- e. Theater Employees
Per CDA Executive Director Al Aceves, he notified all theater employees by letter that their employment with the CDA is terminated as of June 25, 2010. He gave them a \$20 Target gift card.

NEW BUSINESS

EXECUTIVE COMMITTEE REPORT OF JUNE 1, 2010

- a. The Executive Committee met on June 1, 2010 and conducted a working meeting. The Executive Committee made several recommendations to the CDA Board and is presenting these recommendations for ratification by the Board.

Executive Director describes the CDA's RFP for financial services that recently went out. The Executive Committee reviewed the proposals and selected Plante Moran to provide financial services to the CDA.

Kristen Hunt of Plante Moran is introduced as the main contact for Plante Moran. She currently does work with the City of Southfield as well.

- DDA10.31 Motion by Zweigel, supported by Bergeron to ratify the actions of the Executive Committee and accept Plante Moran's proposal for financial services to the CDA. Proposal is for \$6000 per year.

Motion carries.

- b and c. Wireless Antenna Resources – CDA Executive Director explains that because of the new office move, new wireless resources are necessary to support the network connection to the City. I.T. department has been working with the CDA to price out labor, parts, and the antenna itself. The Executive Committee has made the following recommendation.

- DDA10.32 Motion by Bergeron, supported by Zweigel to accept proposals for the acquisition of a new wireless antenna, not to exceed \$4000 and labor and parts not to exceed \$5000.

Motion carries.

- d. Part of the CDA office move will require a professional moving firm.

- DDA10.33 Motion by Bergeron, supported by Zweigel to allow the executive director to enter into an agreement with a professional moving firm for the relocation of CDA assets. The firm will be determined as soon as a location is finalized, not to exceed \$5000.

Motion carries.

- e. 20830 Rutland Drive – The CDA put out an RFP for the purchase of the CDA owned property at 20830 Rutland Drive. The Executive Committee reviewed the one proposal received.

- DDA10.34 Motion by Bergeron, supported by Zweigel to ratify the recommendation of the Executive Committee and accept the proposal by Restoration Rehab LLC. for the acquisition of property located at 20830 Rutland Drive. Proposal in the amount of \$125,000.

Roll Call Vote

Ayes: Bergeron, Najor, Reetz

Nays: Ralph

Abstain: Berry, Tyus, Zweigel

Motion carries.

- f. The CDA has an outstanding loan to the city in the amount of \$330,508 which was originally for the rehabilitation of the Millennium Theater.
- DDA10.35 Motion by Bergeron, supported by Zweigel to ratify the recommendation of the Executive Committee and repay the outstanding loan to the City of Southfield in the amount of \$330,508.
- Motion carries.
- g. The Executive Committee and Executive Director discussed having a credit card for the use of CDA expenses as allowed.
- DDA10.36 Motion by Bergeron, supported by Zweigel to ratify the recommendation of the Executive Committee and allow the CDA to acquire a credit card according to the corresponding policy. The Executive Director shall be the only individual authorized to use the card.
- Motion carries.
- h. Professional Planning Services
- DDA10.37 Motion by Bergeron, supported by Zweigel to ratify the recommendation of the Executive Committee to renew planning proposal from McKenna Associates for 1 year. Proposal accepted is in the amount of \$1700 per month for 16.5 hours of work.
- Motion carries.
- i. Professional Planning Services – Additional Sidewalks – Design and Construction
- DDA10.38 Motion by Bergeron, supported by Zweigel to ratify the recommendation of the Executive Committee to accept McKenna's proposal for completion of sidewalks along North Park Drive and the North Service Drive/Rutland Drive, South of Oakland Community College. Approximate cost for design and construction is approximately \$155,000.
- Motion carries.
- j,k,l. Furniture for new offices – Discussion ensues about the particular pieces of furniture the CDA will need for the new location. Detailed quotes rather than estimates will be needed.
- DDA10.39 Motion by Lawrence, supported by Reetz to ratify the recommendation of the Executive Committee to accept the furniture proposal for the following offices not to exceed \$5000 each:
- Executive Director's office
 - Assistant to the Executive Director's office and reception office and waiting area

- CDA Board Room

OTHER BUSINESS

- a. Report was given by CDA Chairman and CDA Executive Director pertaining to their attendance at the Mackinac Policy Conference held at Mackinac Island, MI. They made many new contacts and networked extensively.
- b. Update given by CDA Executive Director on Farmers Market. Mr. Aceves states that Providence Hospital has requested the CDA to move the market. The market will be moving in July to the parking lot at Northland Mall. Mr. Aceves and Michelle Price of Mort Crim are ordering tents, port johns, etc.

HEARING OF THE PUBLIC

Roy Bell, of the Planning Commission, requests an update on the “Kalabat Property.” Board member states that the property is still for sale. CDA will try to get some more details and will report back to the Board.

No other comments from the public.


ADJOURNMENT

DDA10.40 Motion by Reetz, supported by Bergeron to adjourn the regular meeting.

Meeting was adjourned at 10:25 a.m.

Motion carries.

Respectfully submitted,


Muriel M. Zweigel, Board Secretary