

CITY OF PLYMOUTH DOWNTOWN DEVELOPMENT AUTHORITY SAXTON'S RFP COMMITTEE MEETING MINUTES PLYMOUTH CITY HALL



Tuesday, June 27, 2017, 4:30 p.m.

CITY OF PLYMOUTH DOWNTOWN DEVELOPMENT AUTHORITY Saxton's RFP Subcommittee

Tuesday, June 27, 2017 Special Meeting Minutes

Meeting called to order at 4:30 p.m. by DDA Vice Chairperson Jason Smith.

1. ROLL CALL

MEMBERS PRESENT:

Dan Dwyer, Mayor Jason Smith, DDA Vice Chairperson Colleen Polin, Historic District Commission Jim Mulhern, Planning Commission Mike Devine, Zoning Board of Appeals

2. Citizen Comments: NONE

3. Sub-committee comments: NONE

4. Saxton's Development

- a. Project overview-DDA Vice Chairperson Jason Smith gave recap of the process of choosing a developer up to this point.
- b. Developer references-DDA Staff Director Tony Bruscato recapped comments from Union Street and Harmonie Park references relating to previous development projects.
- c. Market analysis-City Planner Sally Elmiger reviewed and explained the recent market study of Downtown Plymouth.

5. Developer Financial Questions

City Planner Sally Elmiger explained the evaluation process from the previous subcommittee meetings.

Elmiger compiled a list of pros and cons developed by the subcommittee shown below:

The City of Plymouth's Downtown Development Authority (DDA) owns property known as the "Saxton's" property located on the south side of Ann Arbor Trail near the intersection with Deer Street. The DDA convened a sub-committee to interview development teams that will work with the City to develop this property. The sub-committee included members of the DDA, City Commission, Planning Commission, Historic District Commission, and the Zoning Board of Appeals.

The process included the following steps to find a desirable candidate:

- 1. Posted a request for a Statement of Interest, describing the goals the DDA wished to accomplish in developing the Saxton's property. Three proposals were submitted.
- 2. Developed interview questions with DDA Board and sub-committee at public meeting (November 17, 2016), which were posed to the three teams that had submitted development proposals for the property.
- 3. Conducted interviews of each team at a public meeting on January 24, 2017. The subcommittee used a ranking system based on the quality of the responses to evaluate each team.
- 4. City Planner prepared a written review of each proposal based on how it met the requirements of the Zoning Ordinance.
- 5. Sub-committee met to discuss the reviews and interview responses (February 8, 2017). They decided to continue the process with two of the top-ranking development teams. They also determined that additional information was necessary.
- 6. Developed questions regarding financing and posed them to the top two development teams. Financial experts were asked to evaluate the responses.
- 7. City Planner conducted a "high level" retail market analysis of the downtown.

The last step in the process was a sub-committee meeting, held as a public meeting on June 27, 2017, to discuss the retail market analysis and the results of the last round of questions. The group decided to list the "pros" and "cons" of the two development teams, given all of the information the sub-committee had collected to date. During this discussion, the development teams (who were present in the audience) were asked to clarify any remaining questions the sub-committee had. The following lists the results of the pros/cons discussion:

Harmonie Park Development Team

Pros

- Comprehensive list of financial partners*
- Development of Wilcox site (more flexible)
- Proposed increase in retail is possible
- Ability to get financing vs. private financing
- Combo townhouses/condos
- Recognized deficiencies willing to listen
- Committed to repurpose Jewell/Blaich building
- Residential density positive to support downtown
- References and working w/community
- Willing to assist with public financing consultant
- \$46M investment in downtown increases the tax base
- Well versed in large-scale projects like this

Note: The following comments reference a revised proposal submitted with the answers to the financing questions.

- Scale of project appropriate scale of bldgs. doesn't overwhelm downtown
- Scale of development along Maple St.
- Amended concept

Cons

- Development of Wilcox site
- Saxton development on this site alone may not work financially
- Ex. DDA/City financial commitments**
- Deeding property to developer**
- Address property along Deer St. (at southeast corner of Ann Arbor Trail and Deer St.)**
- How would the project be phased?
 - Important to provide 150 public spaces

^{*}Topic mentioned by more than one sub-committee member.

^{**}Applies to both development teams.

Union St. Development Team

Pros

- Appreciate honesty and questions posed to City with finance responses
 - Keep these questions in mind
- Able to find funding (vs. financing) to accomplish project
- Proposal lays out clear steps/responsibilities
 - Recognizes hurdles
- Willing to share profits of townhomes w/City
- Like suggestion to phase development *
- Donate parking deck design/engineering Costs \$450k
- Provides revenue estimate for parking structure
- Residential design positive
- Like scale of concept; Maple St. scale appropriate

Cons

- Thoughtful but not as detailed as Harmonie Park response
- 12-year tax abatement *
- Must have Saxton's prop. Paid off**
- Bonding of parking deck**
- Requires purchase of at least 2 additional Parcels **
- Possibly increasing height/density*
- Eliminates Saxton's building (mid-century modern) completely
- Can this development proposal happen without owning all the parcels?
- Public benefit for Planned Unit Development approval

6. Discussion

DDA Vice Chairperson Jason Smith said that the design concept will surely change and

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^{**}Applies to both development teams.

that the committee's discussion should focus on choosing a good partner. Smith said that the committee has three options on how to proceed. Another interview of the developers, digest information and have another meeting to choose a developer, or choose the developer at this meeting based on all of the information gathered thus far.

Gus Pappas, Union Street Development, said that the city is in a win-win situation. Pappas said that he hoped the committee would make its decision based off of the original RFP's requirements. Pappas said he believes it would be better for the city if his group developed the Saxton's property and the Harmonie Park group could develop the Wilcox property.

Don Capobres, Harmonie Park Development, said that he believes the public conversation about the property over the last year has been good for the city moving forward. Capobres said he has heard the concerns about developing both the Saxton's site and the Wilcox site at the same time, but he believes that preserving the historical buildings on both sites will alleviate the issue of similar looking developments.

Ellen Elliott, Penn Theatre, said that a better use of money would be to sell the property and use the money to rebuild the parking deck that is currently in place.

Tim Tingsted, Fairground Park Association, said that Harmonie Park has been reactive to our wishes, but initially missed the mark. Tingsted said the Harmonie Park group hasn't updated the Wilcox site even though they have had the opportunity for 17 years. Tingsted also said the Union Street group has respected the neighborhood and addressed the concerns from the citizens from the start.

Resident Debbie Newbecker said that a development in that area would be an eyesore for the neighborhood and ruin the family lifestyle.

Plymouth Keller Williams employee Justin Duncan said that he wondered who would be the target audience for tenants at the new property since the occupancy costs will likely be very high.

Resident Bill Lincoln said that he is concerned with the traffic flow down Maple Street, especially on event days. Lincoln said that he does not want 150 or more cars spilling out down Maple after special events. Lincoln said he prefers the Union Street design as it has an exit on Ann Arbor Trail.

Resident Deena Lincoln said that the idea of 150 cars parked next to her residence is appalling.

Resident Steve Bruce said that an Ann Arbor Trail exit would be more appropriate for the site.

DDA Vice Chairperson Jason Smith said that comments on site plan details will be more appropriate and needed at future public meetings. Smith said that he believes that Harmonie Park stood out after the full evaluation. Smith said that any recommendation that this subcommittee would make today would then go before the DDA Board for approval.

Mayor Dan Dwyer said both teams are exceptional, but he would prefer the Union Street team as they were more responsive to needs from the original bid document.

Mike Devine, Zoning Board of Appeals, said that he is gravitating to Harmonie Park as he believes they are better equipped to deliver the 150 parking spots initially requested by the DDA Board.

Colleen Polin, Historic District Commission, said that both teams have been great during the process. Polin said that she believes Harmonie Park can better address the community concerns moving forward.

Jim Mulhern, Planning Commission, said that he believes that there were fewer cons with the Harmonie Park proposal.

Mayor Dan Dwyer presented DDA Chairperson Oliver Wolcott's written support for Harmonie Park.

Jim Mulhern, Planning Commission, made a motion to make a recommendation to the DDA Board for Harmonie Park as the developer for the City of Plymouth to partner with on the Saxton's property. The motion was seconded by Mike Devine, Zoning Board of Appeals.

The motion passed 4-1.

Yes No Dan Dwyer

Colleen Polin Jim Mulhern Mike Devine

Mayor Dan Dwyer made a motion to move forward with the recommendation to the DDA Board as a unanimous committee decision. The motion was seconded by Jason Smith.

MOTION PASSED UNANIMOUSLY

7. Adjournment

DDA Vice Chairperson Jason Smith made a motion to adjourn the meeting at 6:17 p.m. seconded by Mayor Dan Dwyer.

MOTION PASSED UNANIMOUSLY