

**Draft Minutes from the
East Downtown Council Board of Directors Meeting
Thursday, May 1, 2014**

First Covenant Church, 2nd Floor Lounge, 810 South 7th Street

Present: Jackie Barrett, John Campobasso, Dan Collison, Tom Hayes, Brian Maupin, Paul Mellblom, Lynn Regnier, Carletta Sweet, Bert Winkel
Guests: Al Swintek, Manager, Local Government Relations, CenterPoint Energy
Casey Tollefson, Gas Engineer, CenterPoint Energy
Staff: Christie Rock Hantge
Absent: Jeff Anderson, Tim Briggs, Varun Kharbanda, Carl Runck, James Scott, Tim Tucker

I. Call to Order and Introductions

President Dan Collison called the meeting to order at 11:35 a.m.

II. Consideration of Agenda

Approved as submitted and displayed on screen (CS/BW).

III. Election of Executive Committee

Dan advised that based upon conversations with the current EC as well as other board members, the proposed slate of officers will remain the same. Brian explained that after this term, he would like to continue to serve on the board but become more active on other committees and, as a natural transition in leadership, allow EC positions to become available to other board members.

Dan explained that he agreed to accept the role of president for one month while the EDC awaits the final determination for the process going forward related to the McKnight grant to the Minneapolis Downtown Council for EDC's executive director services. In anticipation of this transition in leadership, he and Paul have had conversations over the past year related to Paul stepping into the role of president because of the leadership he displayed during the strategic planning process and as chair on the executive director task force. Therefore, if plans proceed as anticipated, next month Paul will transition into the role of president as Dan transitions into his role as the new executive director.

The slate of officers for the 1-year term was approved as submitted, i.e.: Dan Collison as president, Carletta Sweet as vice president, and Brian Maupin as treasurer (JC/LR).

IV. Consideration of Consent Agenda

Approved as submitted which included the minutes from April 3, 2014; treasurer's report for April 2014 (Brian to distribute upon receipt of the March bank statement); 2013 MN Charitable Organization Annual Report and related \$25 filing fee and \$400 tax fee; and the staff report for the period 04-01-14 to 04-30-14 (BW/JC).

V. Guests Presentations

Board members, staff and guests were now given the opportunity to introduce themselves.

- **CenterPoint Energy 2014 Pipeline Replacement Projects.** Al Swintek explained his responsibilities at CPE; it involves working with a lot of different community organizations and associations as well as governmental entities. Also, he has been a member of the EDC for many years and considers it one of the more active and engaged groups on which he's involved.

Swintek then gave a brief history of CPE; its Minnesota origins was in 1870 as the Minneapolis Gas Light Company (Minnegasco) at 1309 West River Parkway across from American Red Cross in Downtown East (<http://www.centerpointenergy.com/about/companyoverview/companyhistory/timeline/>).

Swintek displayed a map of CPE's Minnesota Belt Line and explained that because of its aging infrastructure, changes in technology, improved coatings and corrosion protection, new inspection techniques as well as new federal requirements that dictate how and how often to inspect pipelines, they have been systematically addressing the rehabilitation of the approximately 74-mile system of 20- and 24-inch diameter steel pipes to ensure they are safe and reliable.

Although none of CP's 2014 pipeline replacement projects are within Downtown East, everything downtown is connected and there are significant projects they are doing that will impact traffic and the infrastructure of

their system (reference the May 1, 2014 document entitled “2014 Natural Gas Transmission and Distribution Pipeline Replacement Projects North Minneapolis”).

Swintek and Tollefson explained the construction schedule and its likely impact on traffic, parking and commercial delivery schedules. CPE’s construction schedule, and its budget related thereto, is driven by Public Works improvement projects. CPE will restore all property disturbed by construction (streets, sidewalks, boulevards and lawns) typically within 5 to 7 business days and Public Works will complete final street paving and curb replacement.

Lastly, Swintek shared tools to help keep everyone informed then entertained questions from the board. For information, inquiries and construction updates call the Construction Hotline at 612-321-5329 or visit <http://www.centerpointenergy.com/community/inthecommunity/constructionzone/MN/>.

- ***Kraus-Anderson’s New Corporate Headquarters.*** John Campobasso explained that similarly to CenterPoint Energy, KA’s origins in downtown Minneapolis stretch back over 100 years. The Engelsma family, who have owned and managed KA for more than 70 years, had been wrestling over the last couple years about consolidating its Bloomington and Circle Pines offices under one roof. After evaluating the pros and cons of moving to one of its other properties, they decided to make the investment at their downtown location and remain a part of the east downtown community where a lot of change is occurring.

KA is proposing a 4-story, 80,000 square foot office building with 50 underground employee parking spaces to be erected on the surface public parking lot to the southeast of its existing headquarters at 525 South 8th Street. This building would accommodate about 250 employees or double the current number of employees located in downtown. Michael Korsch, Director of Real Estate Development and grandson of Lloyd Engelsma, is leading the project.

The existing headquarters will be razed when the new building opens, which is anticipated to be by the end of 2015, and the remainder of the block will be redeveloped into whatever the market dictates (see Master Site Plan rendering by Pope Architects submitted in the board package). John noted that KA is different from other developers who develop and sell; they develop a property, keep it in their portfolio and manage it. As a consequence, they will retain ownership and remain the developer of the remainder of the site depending upon the use because they don’t have a lot of housing development in their portfolio. Of particular note, however, are two restored and repurposed properties originally constructed by KA decades ago, i.e.: 430 Oak Grove Apartments (formerly Northwestern National Life Insurance Company), and LaSalle Apartments at 36 South 9th Street (formerly the Minneapolis YMCA). If housing is what the market dictates should be built on the remainder of the site, then KA will seek opportunities and partnerships with developers who have more experience in housing.

Lynn advised that after KA presented this project to EPNI’s BLUH Committee on April 17th, a motion was approved supporting the design concept as presented. EPNI also wrote a letter to help KA with its financing. Furthermore, Lynn advised that Council Member Lisa Goodman is also in support of the project. After a brief discussion, a motion passed to send a letter supporting the design concept (LR/BM). Lynn will forward EPNI’s letter to Dan for reference.

VI. Action Items

- ***Annual Conflict of Interest Document.*** Board members were asked to sign and submit their annual Conflict of Interest document if they had not done so in advance of the instant meeting.
- ***Website Design Update Project by Vivid Image.*** Christie advised that aesthetic changes and improvements to the website were needed and was discussed in the business forum planning committee meetings as a means to providing higher visibility benefits to members in the higher paying categories. As a consequence, she obtained Quote Number 8134 from Vivid Image that was included in the board package. However, since the quote is dated, she recommended approving up to \$2,500, the amount included in the FY2014 budget and approved by the board at its December 5, 2013 board meeting. Thereafter, a motion assigning Christie discretionary negotiating power to update the existing EDC website design with Vivid Image at a cost not to exceed the budgeted amount of \$2,500 was approved (DC/JC).

VII. Updates

- **MAP Board Leadership Development Update.** Dan advised that he met with Judy Sharken Simon from MAP the prior day regarding ongoing board leadership development. He informed her that members are getting really engaged, showing up at the business forums, that a few would like to serve on the board as well as on committees and, as a consequence, the question whether to have more board members is bubbling up. Simon recommended that the board composition remain the same particularly this year during the restructuring period and to invite members who are interested to serve on committees.

Since MAP is researching nonprofit collaborative merger models and potential processes that the EDC and MDC can consider, Simon conferred with Renae Oswald-Anderson, Director of ReDesign Services at MAP, who concurred that its best to have a contract for services arrangement, i.e., that the MDC contract with EDC for Dan's executive director services. As a result, conversations around strategic alliance and merger can be unfettered by an employer and employee relationship, and it gives the EDC leverage to write exit clauses into the contract. Also, it would give an independent executive director more opportunity for involvement as a peer versus as an employee reporting to Cramer. The technical timeline Cramer is operating under is if the grant comes through Dan begins his contract on July 1st. MAP will also make recommendations for the contract between the EDC and the executive director's services.

MAP also recommended that instead of having a nominating committee, EDC have a board development committee with the idea of meeting at least a couple times a year to determine what will help the board grow. John noted that with Dan's departure from the board, we would need to address filling his seat.

- **DMNA Update.** Carletta reiterated the presentations to be given at the DMNA board meeting that evening: CenterPoint Energy's 2014 Pipeline Replacement Projects by which Al Swintek (the same as presented in the instant meeting); the Riverfront Vitality Project update by Kathleen Boe, Executive Director for the Minneapolis Riverfront Partnership; The Parklot Project by Tom Hoch of the Hennepin Theatre Trust; and Ryan Companies Downtown East Project update by Bob Lind from the city's Business Finance Department.
- **EPNI Update.** Lynn encouraged everyone to attend their annual meeting on Monday, May 12th at the Elliot Park Recreation Center beginning with a picnic and social period at 5:30 p.m. followed by board elections, elected officials, and Dr. Jon Pryor presenting on HCMC's downtown plans beginning at 6:00 p.m.

Due to the Ryan Companies Downtown East Project update joint neighborhood meeting on Thursday, May 15th at Open Book, the regularly scheduled BLUH meeting that evening is cancelled and a tentative meeting is scheduled for May 29th at 6 p.m. More details to follow.

- **MDC Update.** In connection to the 2025 Plan goal to "forge connections to the University of Minnesota," Dan mentioned the land bridge scale model he viewed at the IDS Center's Crystal Court. This visionary plan to establish a physical link between downtown and Cedar Riverside/U of M was developed by students at the School of Architecture together with the Metropolitan Design Center, a research outfit within the College of Design.

Dan also mentioned that Gold Medal Park was awarded Best Park at the 4th Annual Minneapolis DID Downtown Greening & Public Ream Awards on April 24th then distributed their annual report. Paul noted that GMP costs \$1 million annually in upkeep and is sprinklered which is why it is beautiful and that we should not expect any other park in the city to be so pristine.

John, who sits on DID's Operations and Services Budget Committee, advised that they hired a group to review their assessment practices established 5 years ago and this group confirmed that although there are some challenges related to the percentages assessed for certain groups, the DID's methodology is sound. Since the DID merged with the MDC, the group also recommended conducting a strategic planning session and exploring different governance models. In the meantime, they are working on their budget for next year.

In connection to the 2025 Plan goal to "end street homelessness", Dan mentioned they launched a public education campaign called Give Real Change (<http://giverealchange.org/>) to help understand how to address panhandling, and are working with Penumbra Theatre to perform storytelling and presentations.

Efforts continue towards realizing the \$50 million Nicollet Mall redesign project and to have it completed by

2016 when the new Vikings stadium is opened (<http://www.nicolletmallproject.com/>).

Collaboration continues with the Hennepin County Sheriff's Office, Minneapolis Police Department and stakeholders to architect 24/7 how people behave. John noted that through the redesign of the Nicollet Mall process they hope to be able to discourage panhandling and encourage positive activity to the area. They are also considering unarmed, uniformed community service officers partnered with one law enforcement officer for more eyes on the street.

VIII. Committee Reports

- **Strategy Committee.** Dan advised that the SC continued to work on the board profile grid by fleshing out the demographic category to align with industry standards and removing redundant categories.

With the view toward developing consensus and having the appropriate board composition and leadership in place by the June board meeting, Dan then reviewed the 5-year strategic framework; the proposed 8 goals — the original 7 plus “Adopt a new Executive Director model” — all of which reflects the goals contained within the McKnight grant proposal; related tactics; and proposed working committees (Tom Briggs has already agreed to lead the new one, i.e., Membership, Marketing and Communications). Some of the tactics will be leverage points contingent upon what the MDC is doing. Due to time and monetary constraints, the SC has asked Dan to propose a hierarchy of the goals, flesh out the outcomes/measures of success, and determine benefits/value to the membership.

Related to committee structure, Bert and John commented that typically a board member serves as the chair on a committee and is comprised of other board members and designated volunteers and that staff provides input and support but is not a voting member of the committee. Paul made the distinction between the first committee on the chart and the remaining three. He believes that the Strategy Committee is governance and should be led by a board member, whereas the other three committees are organizational and supportive of operations and, consequently, would not require leadership by a board member. Thereafter, the board was encouraged to give further thought to the topic in advance of the June 5, 2014 board meeting.

- **Business Forum Development Committee.** Reference Dan's EDC Board Meeting 5-1-14 package for the remainder of the season.
- **Membership Committee.** No update.

IX. Adjournment

The meeting adjourned at 1:00 p.m. (BW/JB).