

**Draft Minutes from the
East Town Business Partnership Board of Directors Meeting
Thursday, December 7, 2017
MSR Design, 710 South 2nd Street, Suite 800
Downtown East Neighborhood of Minneapolis**

Present: Carina Aleckson, Marc Berg, Tim Briggs, Elizabeth Campbell, John Campobasso, Chris Fleck, Jeff Hahn, Brooke Hajinian, Tom Hayes, Phil Huebner, Varun Kharbanda, Brian Maupin, Paul Mellblom, Carletta Sweet, Bert Winkel

Staff: Dan Collison, Christie Rock Hantge

Absent: Siyad Abdullahi, Jackie Barrett, Daniel Gumnit, Lynn Regnier, Kelly Stenzel, Tim Tucker

Guests: Peter Brown, Peter Hendee Brown
Greg Goeke, Mark Ruff, City of Minneapolis
Alan Hillesland, Matt Kruntorad, MSR Design

I. Call to Order and Introductions

President Paul Mellblom called the meeting to order at 11:34 a.m., and asked everyone to introduce themselves.

II. Consideration of Agenda

The agenda was approved as amended removing the presentation by Michael Vekich, Chair of the Minnesota Sports Facilities Authority, and adding consideration of a social media intern job description under action items (CS/CA).

III. Consideration of Consent Agenda

The consent agenda was approved as submitted which included minutes from the November 2, 2017 Board meeting; Treasurer's report which included the F2017 Budget vs. Actual as of November 30, 2017, and the Wells Fargo Bank Statement for November 1-30, 2017; Director of Downtown Partnerships for Minneapolis Downtown Council / Downtown Improvement District and Executive Director for East Town Business Partnership/2020 Partners' report for October 29-November 25, 2017; and Executive Coordinator's report for 11-01-17 to 11-30-17 (CA/MB).

IV. Presentation: New City of Minneapolis Consolidated Office Building

A. Public Engagement. Peter Brown of Peter Hendee Brown (<http://www.peterhendeebrown.com/>) advised he is an architect and development consultant hired by the City to help out on stakeholder and public engagement on this project. After issuing an RFP this past summer to design a new City office building in downtown Minneapolis, the City went through a rigorous selection process that led to the hiring of MSR Design (<https://msrdesign.com/>) in partnership with Henning Larsen Architects (<https://henninglarsen.com/>). This design team worked on the building's programming through the fall, and within the past month they began working on the schematic design which will take the next 4 to 6 months to arrive at the final design. Public engagement to obtain feedback will run parallel to this design phase which is a part of a much larger stakeholder engagement process involving City department heads, staff, and businesses that will experience the building.

Public engagement will consist of three public meetings, the first being on Monday, December 11th, 5:00 p.m. at the Mill City Museum. The second will occur in mid-February where they will share what was heard at the first meeting and how that information enhanced the design. The third will occur in March where they will share where the design is headed. Thereafter, there will be approximately 6 months of technical design, followed by detail design and construction.

B. Project Background. Mark Ruff, CFO and Director of the Finance and Property Services Department at the City of Minneapolis (<http://www.ci.minneapolis.mn.us/news/employees/WCMSP-177469>), advised he's been with the City for less than 2 years, done a fair amount of real estate consulting, and worked with Christie [Rock Hantge] on a number of projects around Minnesota and Colorado. Then, using a slide presentation, he provided a brief background on this project.

Since 1999, the City has been exploring ways to consolidate its services and departments into a new building that would complement City Hall, and reduce their overall real estate footprint and costs associated with the maintenance and renovation of their 6 owned [City Hall with Hennepin County, Public Service Center, City of Lakes, Community Services Building, MPD First Precinct, Fire Station #1] and 3 leased [Crown Roller Mill, Flour Exchange, Towle Building] properties in downtown Minneapolis.

In 2014, the City Council's Executive Committee, comprised of Council Members Jacob Frey, Lisa Goodman, John Quincy, and John Stiles from the Mayor's office, hired Jones Lang LaSalle to help strategically analyze 13 viable real estate options, after which they settled on the 1.5-acre, 1,300-stall Government Center Ramp at 415 South 5th Street due to its proximity to City Hall. After evaluating other options in pursuit of a true government center square, they then entered into discussions with InterPark Opus who owns the adjacent 1-acre site on 4th Avenue South between 5th and 6th Streets in order to swap parcels. InterPark was agreeable and the City entered into a \$6.5 million purchase agreement with a closing date set for next week. The City is cognizant of taking away parking stalls out of the downtown system, but at least there are 325 stalls that will be retained and they are evaluating nonpublic parking needs under their new building.

After the City Council endorsed the new office building concept in 2016, it hired Perkins+Will to predesign, program, and collect input from staff across departments about the long-term needs for a new consolidated public office building (<http://www.ci.minneapolis.mn.us/news/employees/WCMSP-195245>).

The uses within City Hall will not change dramatically, i.e., the City Council, Police and Fire Chiefs will remain and some departments, such as police investigations, may move into the new office building while others that are offsite, such as human resources, may move into City Hall. Hennepin County will continue to occupy over 40% of the building that is jointly owned by the City and managed by the Municipal Building Commission (<http://municipalbuildingcommission.org/about-us>).

Redevelopment opportunities will arise once the City of Lakes Building at 309 2nd Avenue South and the Public Service Center at 250 South 4th Street are vacated and sold. The MPD's First Precinct is not moving nor, for the time being, Fire Station #1 due to its rapid response time, but redevelopment of that block may occur in the next couple years.

When Ruff joined the City, he was shocked by the condition of some of the work spaces and how confusing City Hall and the Public Service Center are for visitors. As they move through the public engagement process there will be a focus on the building where most visitors will go on a regular basis for business, services and meetings to ensure it is accessible and convenient in wayfinding.

An important part of this discussion is how the City will pay for it. They don't have estimates of cost yet and are working through the size of the building, i.e., 250,000-300,000 square feet, the MPD crime lab will potentially go into this facility, and just yesterday in the paper Hennepin County is talking about a potential merger of its crime lab with the MPD (<http://www.startribune.com/hennepin-board-considers-merging-county-minneapolis-crime-labs/462187443/>), so some decisions will have to be made relatively quickly. Over the next 3 to 4 years, there is a fair amount of expiring debt that they anticipate replacing with the new office building's debt service payments and, as a consequence, do not anticipate any major tax increases to fund it. They are excited about the decisions being made by the City Council over the last 10 months; it's been not just an Executive Committee but a City Council endorsement.

For more information, visit <http://www.minneapolismn.gov/cped/officebuilding>.

- C. **Design Team and Project Information.** Using a slide presentation, Matt Krontorad, Principal at MSR Design (<https://msrdesign.com/people/matt-krontorad/>) advised they hold the contract for this

project in partnership with Henning Larsen and relayed the broader design team that ranged from safety to landscaping to mechanical. Displaying a MSR office group photo from when they visited Iceland last year to see one of HL's projects, he explained at the time they were assembling their proposal for the City's project just before the photo was taken. Then he commented MSR has a lot of similarities and synergies with HL in terms of approach to design, environment and people.

To demonstrate this point, Kruntorad displayed images of a range of MSR's local projects, e.g.: Hennepin County Library in Maple Grove; Mill City Museum in Minneapolis; Aimia U.S. Headquarters in Minneapolis; 3M Corporate Headquarters in Saint Paul; Minnesota Children's Museum in St. Paul. Then he displayed images of a range of HL's projects, e.g.: Harpa Concert Hall in Reykjavik, Iceland; IT University in Copenhagen, Denmark; Viborg Town Hall in Viborg, Sweden. These are all examples of places designed for where people need and want to be, hang out, stay longer, revisit, and receive a lot of daylight.

The strategic concept for this project has the following core principles: pride in place; excellence in public service; flexibility and adaptability; budget; safety and well being; City as one; and identity. These principles were built upon the Perkins+Will predesign study; they added budget and identity to the conversation. All of the decisions being discussed at this point are filtered through these core principles.

The purpose for this project is to strategically collocate City employees in order to offer the highest quality of service for the public, reduce the overall real estate footprint, and provide effective space for the diverse needs of the employees. However, the greater purpose is to design functional, responsible, and resilient buildings capable of continuously providing the highest level of support for both the public and employees over the next 50 to 100 years based upon the following objectives:

- A multi-agency public service facility designed for 75-100 years of use.
- Improve the customer's and public's service experience.
- Designed systems to support future flexibility in space planning.
- Healthy and safe working environment.
- Shared use of common areas and amenities.

Displaying a schematic of building adjacencies, Kruntorad explained they did a program confirmation to ensure the Perkins+Will work covered all departments and public services. With the public engagement occurring on December 11th, it will be a good time to hear how the public wants to engage with staff and how the adjacencies can be developed.

They are pursuing Leadership in Energy and Environmental Design (LEED) Gold Certification for their sustainability and wellness goals, but it is tentative as LEED V4 is pretty aggressive.

The project schedule includes an aggressive 4-month period of public engagement, demolition will likely occur on the InterPark Opus in June of 2018, followed by construction through August 2020.

Thereafter, the project team entertained questions from the Board ranging from whether there will be a secure bike center designed to offer membership to the general public – they are programming for bikes specifically from staff standpoint and building it into the security – to how to engage the business community in multimodal conversations and drive people toward other transit options as a remedy to the loss in parking during the construction phase of several adjacent projects and huge sports entertainment on both sides of town – there is plenty of capacity to absorb these needs but people need to learn where they are.

V. Action Items

- A. Fiscal Year 2018 Budget.** As a follow on to the November 2nd Board meeting, Dan reminded everyone there was a significant jump between the FY 2016 Budget and the FY 2017 Budget reflecting the growth in the organization and staff's contracts. Not much is changing between the FY 2017

Budget which was \$68,090, and the proposed FY 2018 Budget of \$68,223 which includes a nominal increase of 5% in the Executive Director's contract from \$25,000 to \$26,250, and nominal increase of 3% in the Executive Coordinator's contract from \$21,600 to \$22,248. Expenses have been minimized but Dan still recognizes there is a cash reserve that will need to be drawn from in the amount of \$11,000. After watching this model for the past 12 to 18 months, he feels we may need to make adjustments to capture that revenue, unless we have a new model that would expand programs and services.

Thereafter the proposed FY 2018 Budget was approved as submitted (CS/BW).

- B. Social Media Intern.** Membership, Marketing and Communication Chair Chris Fleck explained he suggested to the MMC Committee that we could be lifting the East Town brand presence through social media marketing and had asked Tom Hayes to develop a job application (<https://easttownmpls.org/wp-content/uploads/2017/12/East-Town-Business-Partnership-social-media-job-description.pdf>) for a North Central University student who would be prescreened, interviewed and mentored by Tom. Chris speculated that a budget consideration would probably be under \$500 for the timeframe indicated.

Discussion ensued during which Christie clarified this role is already a part of her job description and described how she goes about it, but it would be helpful having someone who is more conscious of what the ETBP's members are posting. Tom advised this is a learning opportunity and responsibility of the intern to get up to speed on who we are, what we do, and what they need to react to on social media, and as part of the basic structure, the intern will monitor and share the good things about all of the member organizations.

After further discussion, Paul explained staff will work out what this intern will do and the structure and process under which they will operate so that it complements what the ETBP is already doing and achieves the goal of building our brand and visibility.

Thereafter hiring a social media intern was approved (BM/JC).

VI. Updates

- A. Executive Director Monthly Review.** Dan explained the 2018 ETBP-MDC/DID Shared Work Agreement (<https://easttownmpls.org/wp-content/uploads/2017/11/MDC-EDC-2018-Shared-Staff-Objectives.pdf>) merges the goals for the 2017-2018 season as set forth at the annual meeting in April 2017, the 2018-2022 strategic framework developed this past July, the 2018 work objectives of the MDC/DID, and the work objectives of the 2-year McKnight Foundation grant. In each of his monthly reports, he'll highlight in **bold red** the area worked on for that month. The East Town Development Group is shifting to bimonthly meetings due to the expanded workflow across all areas. The 2020 Partners has a similar contract with the MDC/DID and all of Dan's work in both growth areas are synchronized and issues and topics cross pollinate thereby adding value to the ETBP.
- B. Downtown Minneapolis Neighborhood Association.** Carletta referenced her report included in the online Board package for December.
- C. Elliot Park Neighborhood, Inc.** In Lynn Regnier's absence, Dan reported he participated in the interviewing process for the new EPNI Executive Director position and reminded the Board Lynn is retiring in February. The candidate chosen was announced internally and once it is announced publicly Lynn will set up a meeting with Paul and Dan to introduce her to them. Paul reminded the Board the Bylaws allow for a representative from each of the neighborhood associations in East Town to serve pursuant to the Board's ratification of their appointment.
- D. Minneapolis Downtown Council/Downtown Improvement District.** As part of his work objectives to pursue economic prosperity for all, Dan announced on Thursday, December 14th he'll be giving a 30-minute presentation entitled *Growing Downtown Minneapolis with Everyone in Mind*

that he's been working on with Dr. Hedy Lemar Walls, Chief Social Responsibility Officer of the YMCA of the Greater Twin Cities (https://www.ymcamn.org/about/leadership/hedy_lemar_walls). The YMCA will be bringing 4,000 employees from across the Twin Cities to their new headquarters at Gaviidae Common on Nicollet Mall. Dr. Wall is inaugurating some important new work on social responsibility.

This is an official partnership of the MDC, ETBP, 2020 Partners and YMCA which is bringing incredible resources to bear, e.g., fundraising with United Way to staff it, and a team of equity specialists. They are building out an Equity Innovation Center and Community Meeting Space and the design process – facilitated discussion focused on bringing together diverse stakeholders from all sectors to develop common understanding of and design solutions to challenges related to diversity, equity and inclusion – will be from March through December. An invitation to participate will be sent to the respective boards of this partnership.

The four areas of concentration in Dan's work are: (1) workforce development; (2) small business strategies; (3) executive leadership development; and (4) research and diversity think tank. He'll go into greater detail at a later Board meeting.

VII. Committee Reports

A. **Executive.** Paul explained last month when the FY 2018 Budget was discussed, a gap between revenue and expenditures was identified. Although this gap could be filled by drawing from reserves, raising funds was considered a better alternative and it would align with the strategic goal to become financially independent. Toward that goal, the EC (comprised of Carina, Carletta, Chris, Dan, Daniel and Paul) came up with a list of potential strategies to help fill the gap, four of which rose to the top on which they are seeking feedback, i.e.:

1. Donor cultivation (a direct appeal to select business members to donate more)
2. Add an option to give an additional amount in addition to your sponsor level
3. Create a Presenting Sponsor for ETBP Business Forums
4. Adjust up some/all membership levels (maybe add some new benefits).

During last month's Board discussion, Lynn raised her concern over making membership or participation on the Board financially burdensome for smaller organizations.

Discussion ensued during which Dan advised draws from reserves were proposed for the last couple years, but we exceeded in growth and platinum membership until this year in which his contract was adjusted more honestly to his work. It was also noted we've been getting the McKnight Foundation grant for the last couple years and a new 2-year grant was recently awarded through September 2019, but we can't anticipate that happening ad infinitum.

John noted we can't have presenting sponsors at the joint forums with the MDC, but there may be five or so where we could; we just need to determine who would be willing to step up. Elizabeth explained the Association of Women Contractors posts their events for the year and then sends out a request for sponsorship menu from which to select and, as a consequence, they're able to forecast revenue based upon these commitments; for reference she'll share their menu. Christie advised the challenge for the MDC is they chase sponsorships on a monthly basis, but as in the case of AWC, the Economic Development Association of Minnesota switched their model to having the request for sponsorship go with the membership notification. Revenue from presenting sponsors would go toward the cost for having the business forums, not toward the cost to attend which is a separate revenue stream.

Phil expressed preference for 2, 3 and 4 and noted there seems to be too many membership levels and that we need to cut the menu down. Unless the Board wants to structurally change how we've operated, Paul noted we will always need a low membership level so that it isn't financially burdensome on the smaller organizations.

Brian suggested having members purchase banners and light pole signs to raise revenue and help spread the East Town brand. Dan explained we have an unusual dynamic when it comes to banners and light poles because, unlike other neighborhoods, the proprietary rights of them, especially on the Commons, are for 100 years. Since the MDC manages light poles, there are technical agreements regulated by the City and paid for by the private partners who have poured tens of millions of dollars into the pedestrian bridge, LRT station and the Commons. Nevertheless, there have been conversations about brand identity and it being shared between neighborhoods is a unique challenge; we haven't gotten to a point where they will buy into. As a digital presence, map and marketing piece, it is very effective, but as a built environment wayfinding solution it gets technical and complicated. Related to that, Paul suggested static cling signage to put in windows as you often see in business districts.

Phil added another method of raising revenue would be to allow members to buy tables and advertise their services at the business forums. Elizabeth disclosed for the decade she's been at Ryan, the trade associations use to have a table of 10 and now the trend is a table of 4 for the same price, i.e., whoever buys a sponsorship for a table of 8 has 4 seats and the remaining seats are available for others, but if the association wants to buy all 8 seats they pay an additional amount. Carina warned, as a fairly small organization, we need to be more strategic about the menu to avoid inundating the membership with too many options.

Paul noted we will revisit this conversation next month and that if one or more of these ideas make sense, the next step is to figure out how it works/they work. Then the EC will bring forth a proposal for Board approval.

B. *Board Development.* Paul advised no meeting has been scheduled.

C. *Business Forum.* No report was given.

D. *Membership, Marketing and Communication.* Due to the time constraint, Fleck referenced the [Membership Report as of December 7, 2017](#). Dan announced that yesterday Community Housing Development Corporation renewed at the platinum level.

Chris then announced:

- Next MMC Meeting: Tuesday, December 19th, 10:15-11:15 a.m., Day Block Brewing Company, 1105 Washington Avenue South, in advance of the business forum. The agenda will include the membership drive and student intern for social media marketing.
- Help spread the East Town brand by: (1) printing, signing and returning license agreement; (2) receiving logos; and (3) using ETBP logo on your company web and printed documents. Chris displayed images of how NCU used it on their marketing materials for the Super Bowl 52 event.

VIII. Adjournment

There being no further business, the meeting adjourned at 1:03 p.m. (MB/TB).