

**Draft Minutes from the
East Town Business Partnership Board of Directors Meeting
Thursday, January 3, 2019
Kraus-Anderson, 501 South 8th Street, 1st Floor KA University Training Center
Elliot Park Neighborhood of Minneapolis**

Present: Carina Aleckson, Marc Berg, Elizabeth Campbell, John Campobasso, Chris Fleck, Daniel Gumnit, Cyndy Harrison, Tom Hayes, Phil Huebner, Paul Mason, Brian Maupin, Paul Mellblom, Beth Shogren, Kelly Stenzel, Carletta Sweet

Staff: Dan Collison, Christie Rock Hantge

Absent: Siyad Abdullahi, Marita Albinson, Vanessa Haight, Tom Jollie, Varun Kharbanda, Tim Tucker

Guests: Steve Cramer, Minneapolis Downtown Council

I. Call to Order

President Paul Mellblom called the meeting to order at 11:35 a.m., and thanked John Campobasso and Kraus-Anderson for hosting and providing lunch. Then everyone was asked to introduce themselves.

II. Consideration of Agenda

The agenda was approved as amended adding under presentations a 2018 Budget Performance Review (CS/MB).

III. Consideration of Consent Agenda

The consent agenda was approved which included the minutes from the December 6, 2018 Board meeting; Treasurer's report for December which was the F2018 Budget vs. Actual as of December 31, 2018, the Wells Fargo bank statement for the period December 1-31, 2018; Director of Downtown Partnerships for Minneapolis Downtown Council / Downtown Improvement District and Executive Director for East Town Business Partnership and 2020 Partners' report for December 3-29, 2018; and Executive Coordinator's report for the period 12/1/2018 to 12/31/2018 (JC/CA).

IV. Presentations

A. Minneapolis Downtown Council/Downtown Improvement District. President and CEO Steve Cramer stated he's heading into his sixth year with the MDC (<https://www.prnewswire.com/news-releases/steve-cramer-announced-as-next-president-and-ceo-of-the-minneapolis-downtown-council-and-downtown-improvement-district-227919471.html>) during a very dynamic period for downtown. A lot of the growth he has witnessed has been in the ETBP's neck of the woods and he thanked the organization collectively for stewarding and shepherding it.

MDC's annual budget – approximately \$3.8 million for MDC and \$7 million for DID – was approved at their December meeting. Also at that meeting were presentations by three potential tower developers: Ryan Companies' 41-story Eleven project in the 1100 block of West River Parkway (<https://www.ryancompanies.com/news/new-dramatic-images-world-class-condominium-project-minneapolis-unveiled>); United Properties' 37-story Gateway project at Hennepin and Washington Avenues (<https://www.bizjournals.com/twincities/news/2019/01/10/united-properties-wins-appeals-in-effort-to-build.html>); and Alatus's 40-story Alia project at 200 Central Avenue SE (<https://alatusllc.com/200-central/>). For those conversant with the ups and downs of the real estate market, if all three skyline shaping projects stay on track, he can't imagine any market of our size or many markets of any size that will have projects of this scale and magnitude happening at the same time on top of what's already in the ground that will continue the dynamic growth of downtown Minneapolis.

Cramer sees their role as helping to push that growth along and by applying the core values of leadership, collaboration, advocacy and innovation, the core programs and services to operate, celebrate and shape downtown are implemented under two 501(c)(6) organizational structures:

1. The historic member-supported MDC that is focused on creating an extraordinary downtown for all who live, work, play and explore Minneapolis, the goals for which are implemented through its plan for growth, i.e., *Intersections: The Downtown 2025 Plan* (<https://mplsdowntown.com/2025plan/>).

Major events of note celebrating downtown include Holidazzle 2018 in Loring Park which ended on December 23rd (<https://www.holidazzle.com/>); Wells Fargo Mpls WinterSkate in Loring Park which will continue through early March (<https://mplsdowntown.com/winterskate/>); and other events throughout the year in coordination and collaboration with other organizations such as Meet Minneapolis and Hennepin Theater Trust.

Policy advocacy occurs at City Hall; affordable housing was a big agenda item for last year and will continue through 2019.

2. The fee-for-service DID (<https://www.mplsdid.com/>) that is focused on making downtown a vibrant and attractive place, the goals for which are implemented through its services to make downtown cleaner, greener, safer and more active.

Operations occur, primarily for Nicollet (<http://www.onnicollet.com/>), under the DID's Ambassador Program; and Tactical Urbanism tries to shape the environment to make downtown as successful as it can be.

Cramer believes the Downtown Partnerships program Collison heads up by serving as Executive Director for ETBP and NūLoop Partners, formerly 2020 Partners, connects those dynamic edges of downtown with all the important things happening in the core. When thinking back to the conversations held about the ways in which the MDC and ETBP could come together, he doesn't believe they could have landed on a better model. The fact it has sustained itself for 4 years is testament to the model and he's happy with the partnership and the projects (e.g., Chameleon Consortium, Think Tank) Collison is leading to help integrate the edge work with the core of downtown in a positive way.

Responding to questions, Cramer believes continuing the partnership is something the MDC values and maintaining that trajectory going forward is important. East Town will continue to grow and helping folks on this edge of downtown to see the importance of being connected to the larger downtown is worthwhile.

They are in the process of rebooting the 2025 Plan which was published in the fall of 2011. Since that time, there have been six volunteer-led committees with hundreds of people from the downtown community participating to help the 10 goals of the Plan move forward, the successes for which are celebrated each year at their annual meeting (<https://www.mplsdowntown.com/event/2019-mpls-downtown-council-annual-meeting/>). With a few years to go before the Plan sunsets, it is an opportune time to review how it is structured which is a work currently in progress.

Paul commented the ETBP's budget is about 1/20th the size of the MDC's, but it has always treated the ETBP incredibly fair and the partnership has allowed the ETBP to be as successful as it is.

- B. Green Minneapolis.** While using a slide presentation titled *Transforming downtown from gray to green*, Beth Shogren, Executive Director at Green Minneapolis (<https://www.linkedin.com/in/beth-shogren-b31a433>), acknowledged the ETBP has been their guinea pig on messaging on several occasions and today is no different. For those unfamiliar she reintroduced her organization, and for those familiar she presented their new pilot messaging.

GM is a multi-project, multi-partner conservancy modeled on park conservancies across the nation (e.g., The Central Park Conservancy) and borne out of the 2025 Plan, a major tenet of which is to create and sustain a green infrastructure. The mission is to enhance the vitality of downtown through the elements that are often forsaken and value-engineered out of big projects, but make a downtown pleasant, livable and successful. Their capabilities include fundraising, operations, and advocacy.

GM fills a critical gap in downtown, it's a link and voice between the public and private sectors to help achieve projects that otherwise would not get done. The area of focus for transforming downtown

from gray to green encompasses the whole downtown district and activates and beautifies the in between spaces. Greening connects places, people, and partners by leveraging the passion and vision of people with the strength of government, and it's good for business. Minneapolis needs to be the No. 1 lifestyle choice in order to attract and retain talent and greening supports those aspects that make it a place where prospects want to move and live here.

Beth then gave an overview of the following projects (<http://www.greenminneapolis.org/projects/>) to exemplify their work:

1. *The Commons*, which they operate and activate and have had great success. The City contribution pays for basic services only and ongoing investment from the private sector to keep it active and well tended is required.
2. *Hennepin-Lyndale Crossroads*, is an effort by neighborhood organizations working with MnDOT and the City to make this right-of-way corridor between the Walker Art Center, Basilica of Saint Mary and Hennepin Avenue United Methodist Church more pedestrian friendly. There was no entity to contribute to or take on project management for stakeholders who wanted to contribute to the renovation. Enter GM which filled the gap and in 2018 took on a new planting project and they have plans to expand it south towards Uptown to address loitering and panhandling, and to the north to the underpass by Dunwoody which is foreboding and unsafe. MnDOT is at the table, but need the private sector investment and GM is there to fill that role.
3. *Peavey Plaza* is next. The \$10 million capital funds have been raised (\$4 million from City, \$2 million from state bonding, \$2 million from Target, and remainder a combination from corporate and individual philanthropic visionaries), but still need to raise funds for operations. Talking with Minnesota Orchestra about a programming partnership.
4. *Downtown Forest with Greening Lab* is GM's aspirational vision to have all streets in downtown lined with mature trees.

Their 2019 priorities are to increase awareness of GM, develop corporate champions, and secure ongoing funding for their projects. To support their work, host an event, become a programming sponsor, attend park events, volunteer, sign up for the newsletter, share ideas, and donate.

During Q&A, Beth advised GM has a contract with the City to operate The Commons, and up to Thanksgiving have used Block by Block through a shared service model (<http://blockbyblock.com/program/minneapolis-did>) for maintenance and security; no staff is required in the winter.

Regarding whether the initial park plan which included a pavilion and restaurant (<http://www.hargreaves.com/work/the-commons/>) would be completed, Beth opined we have a beautiful park now, there are a lot of restaurants coming to the neighborhood, and there is also a funding challenge. Therefore, we should get our arms around a sustainable operating model for what exists today as she's not sure the density would support an additional one. They don't want to do a lot of fundraising for infrastructure they can't sustain. In the future, some elements of the plan, such as permanent restrooms, would be fantastic.

- C. **2018 Budget Performance Review.** Treasurer Carina Aleckson reported on the F2018 Budget vs. Actual as of December 31st (<https://easttownmpls.org/wp-content/uploads/2018/12/ETBP-2018-Financials-December.pdf>). The ETBP received almost \$9,000 less in income but received \$4,000 more in memberships; although no income was budgeted for sponsorships, received \$5,300; received approximately \$2,000 less in business forum revenue, but this was offset by the consulting fee received and, consequently, did not have to draw from the operating reserves resulting in a total operating budget of \$68,000.

Dan added the increase in the Platinum level membership fee during restructuring as well as

sponsorships played a big role in the 2018 budget performance, plus the unplanned grant from the City to work on the Chameleon Consortium retail initiative. Other factors that enable the budget to be nimble include virtually no overhead as First Covenant Church has donated office space for the past 7-8 years, and the lean team approach to staffing enabling the organization to run as efficiently as possible.

V. Action Items
NONE

VI. Updates

- A. Executive Director Monthly Overview.** Dan explained the Chameleon Consortium work is front and center as they're heading toward an April 2019 pop-up, i.e., a soft opening on April 1st through the NCAA Final Four weekend and then for the remainder of April on Wednesdays or Thursdays through Saturdays, occupying interior storefronts in Gaviidae Commons or City Center 10 a.m. to 3 p.m. Then he passed around the three marketing brochures, developed by Neka Creative, targeting small diverse businesses being recruited (*from Empty to Equity*), property owners/managers (*from Unoccupied to Unbelievable*) and sponsors (*from Vacant to Vital*).

For the uninitiated, he advised the MDC commissioned the Carlson Consulting Enterprise to study how to leverage vacant downtown retail and commercial space into business opportunities for emerging, small and minority-owned businesses. One of the study's recommendations, under the 5-phase framework, was to build a management team to drive the process, ergo Chameleon Consortium, and it is moving the pop-up model forward.

Every day Dan receives applications from seasoned entrepreneurs – 99% from diverse owners, 60-70% from women owned, 30-40% from people of color – with businesses ranging in food products to T-shirts to high-end wood products. Since the ETBP has been talking for years about strategies to attract diverse small business, the positioning and timing is good to do a pop-up and the Impact Hub MSP will help to run it. The question is what will the CC do next later in the year to build the brand?

In addition to the pop-up, the CC has also responded to the City's RFP for Concessionaire/Retail Master Lessee for their new Public Service Building (<http://www.ci.minneapolis.mn.us/www/groups/public/@finance/documents/webcontent/wcmssp-214458.pdf>) with an all-star team of 9 vendors, including Sawatdee Thai Restaurant, Afro Deli, and Hot Indian Foods, all who could provide terrific service. Since CC is new and nontraditional, it is leveraging the MDC's muscle and experience.

Dan is also writing a \$200,000 Bush Foundation grant for a long-term accelerator/incubator to drive more meaningful and ongoing commerce in a dedicated space.

- B. Downtown Minneapolis Neighborhood Association.** Carletta Sweet referenced her report for January on the Board Members Only page.
- C. Elliot Park Neighborhood, Inc.** In Vanessa Haight's absence, no report was given.
- D. Minneapolis Downtown Council/Downtown Improvement District.** Dan noted this was already covered in Steve Cramer's presentation.

Then he announced First Covenant Church's East Town Apartments are underway (<https://www.bizjournals.com/twincities/news/2019/01/14/apartments-across-from-u-s-bank-stadium-break.html>).

VII. Committee Reports

- A. **Executive.** Paul advised this committee last met on November 20th and are scheduled to meet on January 25th.
- B. **Board Development.** Paul advised this committee is scheduled to meet on January 18th to review names submitted for consideration of election to the Board at the annual meeting in April.
- C. **Business Forum.** Dan advised they have a strong roster of presentations for the remaining season and he continues to drive spotlighting of members' organizations and sponsorships for the ETBP-only forums. He reminded everyone he sent an email over the holidays requesting topics for the 2019-2020 season, i.e., current and appropriate topics that are a value proposition to the larger community.
- D. **Membership, Marketing and Communication.** MMC Chair Chris Fleck referenced the Membership Report as of January 3, 2019 which can be found on the Board Members Only page at <https://easttownmpls.org/wp-content/uploads/2019/01/ETBP-Membership-Report-1-3-2019-1.pdf> and provided a summary of activities to date. Because of limited guest enrollment at the December business forum, the 3-month membership drive has been extended through February.

Fleck thanked the MMC committee members for their time and efforts in helping reach the outreach goal established to showcase business organizations through sponsorships and exhibitor tables, and then invited other Board members to bring a guest to the business forums.

VIII. Adjournment

There being no further business, the meeting adjourned at 12:43 p.m. (BS/CS).