



ECONOMIC DEVELOPMENT CORPORATION AGENDA

CITY OF NOVI

Economic Development Corporation Meeting

Tuesday, October 9, 2018 | 8 A.M.

Mayor's Conference Room | Novi Civic Center | 45175 Ten Mile Road
(248) 347-0445

Mr. Pete Auger called the meeting to order at 8:30 a.m.

MEMBERS PRESENT: Pete Auger, Charles Boulard, Todd Kuzma, Rob Petty, Binyamin Qamruzzaman, Michael Watza (arrived 8:35 a.m.)

MEMBERS ABSENT: Fred Ciampa, Cynthia Grubbs Eleanor Rzepecki,

OTHERS PRESENT: Alan Weber, Economic Development Director
Melissa H. Place, Administrative Assistant - CM

APPROVAL OF AGENDA

Motion by Petty, seconded by Boulard; CARRIED UNANIMOUSLY: To approve the agenda as presented.

APPROVAL OF MINUTES

Motion by Kuzma, seconded by Qamruzzaman; CARRIED UNANIMOUSLY: To approve the September 17, 2017 meeting minutes as presented.

PURPOSE OF THE MEETING

1. Novi Special Update and Discussion

In 2009, the Economic Development Corporation (EDC) entered into a lease agreement with the Novi Public Library for it to display the *Novi Special* race car for five years with an automatic five year renewal or at any time the ability to terminate the contract with a 90-day written notice by one of the parties. City Administration was approached this year by Library Administration who wishes to terminate the lease agreement. The Novi Public Library wants to repurpose the area where the car is displayed to increase materials and youth programming space. While the cost to remove the car falls upon the City via the lease agreement, the Library has agreed to use funds to assist towards this purpose. The estimated cost to remove the car is \$12,000, which does not include any costs incurred for relocation. Mr. Auger shared Mr. Rob Petty's suggestion to make a conference table using the car encased under glass. (Chair Michael Watza arrived.)

Mr. Auger believes the cost to remove and relocate the car would be around \$40,000. The City would also want to remove any stickers from the car to make it authentic to the time period. There are interesting ideas to explore and asked the EDC members to share their thoughts so all ideas can be vetted. Please share any concerns as well. Chair Watza commented the car used to be in the Civic Center atrium with the ability to be moved if the space was needed. Mr. Charles Boulard asked what steps are needed to get the process started or should a motion be made? Mr. Auger said for staff to continue to research and share ideas of creativity and bring them back to the EDC.

Motion by Boulard, seconded by Watza; CARRIED UNANIMOUSLY: To direct City staff to continue to research and investigate creative ideas and solutions to house the Novi Special race car.

Discussion

Mr. Todd Kuzma agrees with the option to encase the car into a conference room table. Otherwise, he is in favor of selling. Mr. Petty said an area that could work is where the conference table is currently located in the atrium. Chair Watza said it could also be tilted at an angle close to the windows. Mr. Bin Qamruzzaman suggested it be placed outside on the Civic Center grounds. Mr. Kuzma said that could work but it would have to be enclosed and cleaned of snow during the winter months to keep the weight off and keep the display intact.

2. Discuss new funding model for Economic Development Corporation (Mr. Auger)

Mr. Auger said there is a funding mechanism where cities may use .0002 millage from an existing fund to collect dollars for an EDC, which in Novi's case, amounts to \$50,000 a year, and can be rolled over. In addition, City staff would like to request City Council fund the next fiscal year so Council knows the EDC is alive and active. Chair Watza asked what is the current finance of this committee? Mr. Alan Weber said there is about \$9,000 in the budget. Mr. Auger said the \$50,000 is to be used for travel, recruitment and training. There can be some partnership with the schools. Currently, the trades are in desperate need of people. This fund can be used to secure a company to move their headquarters to Novi as well.

Mr. Weber commented the City has lost potential companies and developments because there is not any extra boost incentive. We have a clear understanding what is happening in the markets. It is important to companies looking to move into a community that available sites are ready for development. Today a company does not want to delay a project and spend significant dollars on cleaning a site or installing utilities, as examples. Delays can be anywhere from no infrastructure to an existing structure that needs to be demolished to develop the site. The bottom line is companies want to go through the planning process and begin construction quickly. Chair Watza asked how much does the City spend on these types of items? Mr. Weber answered about \$12,000. This includes domestic trips and an occasional international trip. This fund gives us some flexibility to send a staff member to sit at the table if we get a call from Oakland County or the Detroit Regional Chamber. What are the area cities spending on these items, asked Chair Watza? Mr. Weber said Oakland County budgets \$150,000.

Mr. Auger commented relationship building is so important along with site readiness to develop. Mr. Weber confirmed the City has lost projects because of the non-site readiness. Chair Watza asked if the EDC can ask City Council for funding? Mr. Auger said staff is already in preparation

for the next fiscal year. The suggestion is to request \$20,000 in the upcoming budget year so Council knows EDC is serious.

3. Mechanisms for approval of funds for Economic Development Staff activities

Mr. Weber asked if the EDC members want a budget presented? Chair Watza suggested staff bring a laundry list of items to the committee. Mr. Kuzma commented the EDC is to keep as oversight and give direction when needed. Mr. Qamruzzaman asked if the focus is to get out of box retail or focus on other industries. Mr. Weber said the City is always looking at big box stores to reuse the space. We don't know how long Sears will hang on at the moment, and they own their space at Twelve Oaks. Our main goal is to bring in high wage industries. Mr. Kuzma agrees that corporate is the way. Mr. Auger said the City always wants to keep growth diversified or repurpose spaces. Chair Watza asked if another retailer would go into the space or is this an opportunities for a mixed use such as an office. Mr. Auger said maybe even a living space.

4. Agreement on frequency of meetings and times

Mr. Auger suggested meeting on a monthly basis. Mr. Kuzma commented on a quarterly basis unless some direction or discussion needs to be made by the EDC. Chair Watza asked if the meetings can be via conference call or Skype? Mr. Auger said these meetings are posted and are a public meeting so he is not sure that can happen. However, the EDC can decide on their rules. Mr. Weber will contact the City Attorney to see about the rules of order regarding conference calls. Mr. Qamruzzaman asked how often does the EDC go to City Council? Mr. Auger said City Council meets several times a month but the EDC would not need to go before City Council often. He believes on a quarterly basis once the EDC is really up and running. Staff can provide emails and memos to keep City Council and the EDC informed as well. Mr. Kuzma said mornings work best for his schedule.

Mr. Auger informed the EDC Mr. Weber will be leaving this month. He is well respected and globally known. He has a great offer to work for CEO's in a regional group. The good news is Mr. Weber knows Novi and can tell our story. We wish him all the best.

In addition, as part of the overall marketing package we are in beginning stages to rebrand, I AM NOVI. We want and need to keep the trajectory going in an upward direction about the community. The EDC can be instrumental to make these steps.

Motion by Petty, seconded by Boulard; CARRIED UNANIMOUSLY: To adjourn the meeting at 9:05 a.m.