

**Redevelopment Commission
Meeting Minutes
Tuesday, February 2, 2016
Greenville, North Carolina**

Present:

- | | | |
|---|---|---|
| <input type="checkbox"/> Angela Marshall | <input type="checkbox"/> Tracie Gardner | <input checked="" type="checkbox"/> Sharif Hatoum |
| <input checked="" type="checkbox"/> Jeremy King | <input checked="" type="checkbox"/> Patricia Dunn | at 6:16 PM |
| <input checked="" type="checkbox"/> Judy Siguaw | <input checked="" type="checkbox"/> Richard Patterson | |

Absent:

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Angela Marshall | <input checked="" type="checkbox"/> Tracie Gardner | <input type="checkbox"/> Sharif Hatoum |
| <input type="checkbox"/> Jeremy King | <input type="checkbox"/> Patricia Dunn | |
| <input type="checkbox"/> Judy Siguaw | <input type="checkbox"/> Richard Patterson | |

Staff:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Merrill Flood | <input type="checkbox"/> Christian Lockamy |
| <input type="checkbox"/> McClean Godley (City Council Liaison) | <input checked="" type="checkbox"/> Betty Moseley |
| <input checked="" type="checkbox"/> Tom Wisemiller | <input type="checkbox"/> Roger Johnson |
| <input type="checkbox"/> Casey Verburg | <input checked="" type="checkbox"/> David Holec |
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I. Welcome

II. Roll Call

III. Approval of Minutes – January 5, 2016

Mr. King stated that on page 4, in the first paragraph, second sentence, change “but” to “if.”

Motion was made by Ms. Dunn and seconded by Ms. Siguaw to amend the meeting minutes as proposed. Motion carried unanimously.

Motion was made by Ms. Dunn and seconded by Ms. Siguaw to approve the amended meeting minutes for January 5, 2016. Motion carried unanimously.

IV. Uptown Theatre Financial Report

Mr. Wisemiller gave a financial history report of the Uptown Theatre. In 2008, the theatre was purchased for \$281,000. With settlement costs, the total was \$282,078.53. In 2010, the RDC authorized an architectural feasibility study for a historic restoration of the theatre building as a multi-use community performing arts venue. This study was completed by CJMW for \$88,000. A grant from the NC Rural Center paid for \$80,000 (which was 90%) and RDC paid for \$8,000 for a 10% match. At that time, a viable venue was not found. In 2011, the RDC and City considered repairing fly loft, but did not proceed with that project. In 2013, the RDC began exploring a public-private approach work plan to have it renovated and use it as a live entertainment venue. Uptown Greenville and City staff developed two-step approach to vetting the public-private

partnership model. They conducted a community wide survey through the Center for Survey Research at ECU. The survey indicated a strong market for an Uptown performance venue. Based on that result, the City put out a Request for Interest (RFI). Of the responses received, the board went with the CommunitySmith, LLC/Lincoln Theater proposal to renovate the historic structure for use as live entertainment venue and community theater. The total for the theatre expenses is \$301,835.55.

<u>Year</u>	<u>Item</u>	<u>Cost</u>
2008	Option	\$3,600.00
2008	Acquisition	\$282,078.53
2009	Theater Study: RDC 10% match	\$8,000.00
2014	RPA Engineering work	\$2,525.00
2014	Printing (McGee)	\$130.93
2014	Advertisement	\$326.09
2015	Assessment: asbestos	\$4,175.00
2015	RPA Engineering: chimney eval.	\$1,000.00
TOTAL		\$301,835.55

Mr. King asked if any repairs were ever made to the chimney.

Mr. Wisemiller replied that there was some minor stabilization done. A few items have not been identified yet, but will be added once discovered.

Ms. Dunn asked if the total figure was what the RDC had spent.

Mr. Wisemiller replied correct. There have been other funds used, but this is a good overview of what this commission has done.

Mr. King asked if there was still a budget pool from the 2004 bonds reserved for this project.

Mr. Wisemiller replied yes.

V. Consideration of Uptown Theatre Revolving Loan Fund Sub-grant Award and Grant Agreement

Mr. Wisemiller stated that staff is requesting that the RDC formally accept a sub-grant in the amount of (up to) \$125,000 from the Eastern North Carolina Brownfields Coalition to support environmental remediation of the Uptown Theatre. The Public Works Department is receiving competitive bid proposals from contractors that are qualified to complete building stabilization and remediation work associated with this project. Previously, the RDC had approved up to \$190,000 in Center City Bond funds to support stabilization of the building. Once the PWD has selected the winning firm, via a competitive bid process, they will negotiate with that firm on a contract.

In addition to requiring environmental remediation, the structure is currently unstable. R.P.A. Engineering recently updated its structural analysis of the building. To stabilize the building, the chimney and fly loft must be removed and a new roof must be installed to prevent further damage. The Redevelopment Commission previously committed funds toward structural stabilization of the Uptown Theatre and it is expected that approximately \$165,000 of those funds will be needed to support the stabilization items for this project.

In May of 2014, the Environmental Protection Agency (E.P.A.) Brownfields Program awarded the City of Wilson, in partnership with the City of Greenville, a \$1,000,000 grant to support a revolving loan fund for the Eastern North Carolina Brownfields Coalition. The coalition also includes Pitt, Green, and Wilson counties. The revolving loan fund provides loans to private property owners and brownfields redevelopers and sub-grants to coalition partners to support cleanup activities for sites contaminated with hazardous substances and petroleum.

Because the building remediation and stabilization must be completed concurrently, the Public Works Department combined the building remediation and stabilization items under one bid package. Between the \$125,000 from the RLF and approximately \$165,000 from Center City bond funds (via the RDC), the combined \$290,000 in funding is expected to cover the full costs of the work. The bid package was advertised on January 8, 2016, preliminary bids were received on January 20, 2016 and final bids are due in early February. Once the contract is finalized between the winning bidder and the City, the contractor would have 120 days to complete the work.

Staff is requesting that the Redevelopment Commission formally accept the \$125,000 sub-grant from RLF program so that those funds will be available to reimburse brownfields-eligible costs associated with the building remediation and stabilization and approve the attached Grant Agreement. If the RDC/City does not accept the funds, the City would have to allocate funds from another source to cover the full costs of the Uptown Theatre remediation and stabilization, or not go forward with the project. Given the current precarious condition of the building, delaying the stabilization project would put the historic structure in jeopardy. Moreover, failure to stabilize the building could pose risks to the City beyond just the loss of an historic structure.

Mr. King asked if it was the same contractor and if there were two sets of funds being used.

Mr. Wisemiller replied yes.

Ms. Dunn asked if the funds were a grant and not a loan.

Mr. Wisemiller replied that it was part of the revolving loan program however, since we are partners we are to apply for a sub-grant instead of a loan.

Ms. Dunn asked if there were two parts to the current issue; a stabilization component and environmental issues.

Mr. Wisemiller replied yes. There are two funds being used. Any work paid for by the brownfields sub-grant must be brownfields eligible expenses.

Mr. King stated that the Brownfields funds were targeted funds for specific use and will not need to be paid back since the requestor is the Redevelopment Commission. The final funds were part of the 2004 bond and were designated before 2014.

Mr. Wisemiller stated that the remediation portion of the work will need to be completed regardless. Tonight, the RDC needs to formally accept the grant. Chair will need to sign the sub-grant. The sub-grant does not require any additional funding or commitment from the City.

Mr. King asked if it was a two-step process. First to accept the grant and second hope the bids come in under \$125,000.

Mr. Wisemiller replied yes.

Motion was made by Ms. Dunn and seconded by Ms. Siguaw to formally accept the \$125,000 sub-grant from the Eastern NC Brownfields Coalition for remediation of the Uptown Theatre and approve the draft Sub-Grant Agreement. Motion carried unanimously.

VI. Consideration of Uptown Theatre Development Plan – Letter of Intent

Mr. Wisemiller stated that the City has negotiated with the Uptown Theatre Development Team. This is the team:

Developer: CommunitySmith, LLC.
Theatre operator: Lincoln Theater
Architects: Dunn and Dalton
Contractors: Rehab Builders

The Uptown Theatre development plan Letter of Intent gives the RDC a foundation to move forward with the development concept. The Developer proposes to purchase property from RDC, renovate it to create a live entertainment performance venue that will add to Uptown Greenville's cultural amenities. The Developer will spend a minimum of \$1,000,000 in private funds on the renovation within 365 days of permits or by March 31, 2018. The City/RDC will make contributions estimated to be \$300,000. The agreement asks the RDC to recommend and sponsor the Historical Landmark designation.

Mr. King asked if the recommendation and sponsorship would be in the form of a resolution.

Mr. Wisemiller replied yes.

Mr. King stated that the parking lot on Washington Street would be in need of improvements for ingress/egress for touring acts. He asked if there were any additional stipulations.

Mr. Wisemiller replied that this is the full stipulation per the letter. However there will be additional stipulations in the agreement for both parties. The purchase price is \$20,000. There are use restrictions; it must be a live performance theatre for at least ten years; no sexually-oriented businesses; consistent with applicable laws and regulations; and restrictive covenant disallowing them to show first release films.

Ms. Dunn asked if the \$20,000 asking price was due after the developer had invested the \$1 million.

Mr. Wisemiller replied no, there will be an upset bid process first. If someone did upset the bid, then they will need to offer the same experience and development.

Mr. Holec stated that the letter of intent commits the City to hold the property for one year while the developer goes through the due diligence of the process. Once through the process, then you will get a firm contract commitment. This sets the standards that the negotiations are set upon. So, first you will have a contract, then an upset bid process, which is required and allowed by law. Then the negotiations will be the \$20,000 with a commitment to do all the things that are stated in the agreement, which will include the \$1 million investment, the restricted use, etc. They will not actually use the money for improvements until after possession of the property.

Mr. King asked if it was a minimum of \$1 million not a maximum. Also, will the \$20,000 be paid to the RDC.

Mr. Wisemiller replied yes to both; it will be program income.

Ms. Dunn asked what would happen if some of the restrictions were violated.

Mr. Holec replied that the restrictions would be in the deed. If not adhered to, then the City or RDC could enforce the provisions. We can require compliance or the property reverts back to the RDC.

Mr. King stated that the restrictions are for the use and not the ownership. They will be in full effect 100 years into the future unless negotiated.

Mr. Wisemiller stated the property transaction timeline:

Task 1: Approval of Letter of Intent

Task 2: Developer and City/RDC jointly work on permit applications

Task 3: Upset bid sales process

Task 4: If developer's bid is successful, City completes agreed upon infrastructure and site improvements

Task 5: Closing

Ms. Dunn asked if, once conveyed, would the property be subject to property tax.

Mr. Wisemiller replied yes.

Mr. King stated that with the caveat that once a historic landmark taxes will be at half rate. The Letter of Intent is an agreement to make a more formalized agreement and process.

Ms. Dunn asked if the new zoning allowed for 30% of the entertainment to not be live entertainment.

Mr. Flood replied that the new ordinance adopted by City Council allows up to 30% of the total number of events, on an annualized basis to not be live performance. They can have a special use permit, approved by the Board of Adjustment, reviewed annually.

Ms. Dunn asked if they allow a non-profit to have an event and they use pre-recorded music, is that counted towards the 30%.

Mr. Flood replied yes.

Mr. Holt Wilkerson, partner with CommunitySmith spoke in favor of the theatre project. He expressed appreciation for the support of the City and RDC.

Motion was made by Mr. Patterson and seconded by Ms. Siguaw to approve the draft Letter of Intent between the RDC and CommunitySmith, LLC, subject to approval by City Council. Motion carried unanimously.

VII. Public Comment Period

Ms. Bianca Shoneman, CEO of Uptown Greenville, stated that she was speaking on behalf of the Board of Directors in support for GO Science. She supports extending the lease for GO Science.

Mr. Brad Huffard, owner of Dickinson Avenue Public House, stated his business was a neighbor to GO Science. He supports extending the lease for GO Science. He is on the GO Science board. His professional role is the Associate Director for Retention and Expansion for Pitt County Development Commission.

Mr. Christopher Duffrin, Associate Professor at ECU, stated that he is representing GO Science as a parent involved with the programs. Students get more than just what is presented in school. He supports extending the lease for GO Science.

Mr. Max Biggleman, 11 year old student, spoke in favor of GO Science. He likes GO Science because of all the science stuff they teach.

VIII. GO Science Progress Report

Mr. Wisemiller stated that in October of last year, GO Science requested a lease extension. The commission granted a six month extension with the condition that at three months a progress report would be given.

Mr. Austin Bunch, Chairman of the Board of GO Science, gave a brief overview of his professional history. He introduced the board members who were present. He also gave an update on the progress of GO Science and the plans for near term, short term, and long term programming. The center is in the silent capital funding raising phase. The lack of a lease hampers the fund raising efforts. One gift is pending the results of the RDC decision in regards to the lease. Negotiations are in progress for the Challenger Learning Center.

Mr. Rob Peterson, former Chair of GO Science Board, stated that during 2015, the board had difficulty getting the building finished due to construction issues. The project was started in June of 2014 however the construction took longer than expected. CA Lewis was the contractor. One of the first issues was that there was no internet, which is a critical piece. Century Link was the nearest provider, but was not able to help. Suddenlink was willing to help, but it took an additional four months before they could get it set up.

During this time frame, the board was actively searching for an Education Director. Ms. Christi Walters was hired for that position. She was tasked with presenting ideas to the board and getting supplies.

Another challenge was the funding from the State. The board was notified that funding would not be possible for two years. A substantial amount of effort was giving to raising those funds to help keep the project going.

The Challenger Learning Center informed the board that they were no longer outfitting the particular model that we had in storage. Members of the board had to go to CLC's office in Washington to negotiate for retrofitting.

Mr. Peterson spoke in favor of renewing the lease for GO Science.

Mr. Johnny Lewis, Vice-President & General Manager of WNCT, stated that a representative from Washington was coming on February 13th to GO Science in regards to the Challenger Learning Center. The representative will help determine if the challenger can be made smaller or retrofitted.

Mr. King asked if part of that was to see if it would fit in the bay area.

Mr. Lewis replied yes, the bay area on the right.

Mr. King asked if it is correct that GO Science spent \$278,000 to acquire the materials and now Challenger is saying that either the space is too small or it is outdated.

Mr. Lewis replied yes, that is some of the problem. They have a new, better, updated system that they want GO Science to look at. However, we are trying to use the existing system with the space we have.

Mr. King stated that it is a fair constraint simply develops the existing science center and that is going to be the GO Science Center. This is not a variable.

Mr. Lewis replied that they will need to evaluate what they have first. It will be a huge step forward if they come in and say that they can make it fit in the area that we have. Phase two will be to consider what they have or don't have.

Mr. King asked if they would still provide STEM since the Challenger is a large part of the budget.

Mr. Lewis replied yes.

Mr. Roger Connor, Executive Director of GO Science, gave an overview of the STEM program.

Hands-On, Minds-On

We provide interactive, on-site and off-site, hands-on learning programs designed specifically to increase both student interest in STEM (affective) and curriculum-aligned knowledge (content).

These high-quality programs delivered by experienced instructors help track more students into the STEM pipeline by increasing interest in STEM careers and empowering students via increased achievement capacity through content knowledge.

Workshops for the Workforce

Workforce aligned programs provide a pathway to employment for students, while meeting the strategic long-term capacity needs of regional employers.

These workshops include engineering, biology, innovation, and computer science programs that align with indicated job skills in advanced machining and manufacturing, life sciences, aerospace, and computer science.

By partnering with regional and statewide industry and economic development agencies, we offer real-world connections to local opportunities and resources.

STEM Education Consulting

Leveraging our diverse regional network of educational consultants, we provide schools, educational programs, camps, churches, after-school initiatives, and other clubs with strategic STEM program consulting.

This includes the development, implementation, and evaluation of STEM programs or interventions across K-16. Our consulting services provide on-demand support for those struggling to develop implement or evaluate a STEM program.

Teacher Professional Development

Leveraging our higher education, community colleges, and industry connections we offer onsite and off-site professional development for educators.

These programs are robust and intensive with a focus on increasing teacher's knowledge, capacity, and practice both in STEM content areas as well as in proven pedagogical methodologies.

This enables us to provide substantive support to educators who find themselves teaching subjects in which they have no major or certification.

Increasing Diversity and Equity in STEM

Across all of our programs and practice areas we have targeted initiatives to promote the inclusion of underrepresented minorities and women by providing matching, onboarding, and ongoing support and mentoring.

We leverage our existing strategic partnerships, such as those with the Intergenerational Center, Boy Scouts, The Little Willie Center, the Boys and Girls Club, the STEM Girls

Program, The National Girls Collaborative, and the Girl Scouts to track underrepresented students into our programs.

The average daily visitation is 33. Projected one year Monte Carlo average daily visitation will be 45. The winter months are not as active due to the temperatures and weather.

Ms. Christy Walters, Director of Education, stated that she is responsible for developing and teaching the programs as well as coordinating field trips and classroom instruction. She supervises all the volunteers and interns and coordinates all the exhibits.

Programming begins at age 2 up to high school. Programs are developed based on age groups. GO Science has a diverse set of programs in our current program portfolio in addition to the key service delivery architecture of the learning center.

Mr. King asked if they were reaching out to homeschools.

Ms. Walters replied that they are very popular with homeschools. About 25% of the visits are homeschool. Also, we are less expensive than other sites.

Mr. King asked if they offer programming every weekday.

Ms. Walters replied that she tries to offer at least two programs per day.

Ms. Dunn asked if there is an expectancy of increased participation once the Challenger is operational. Also, will the center be open to walk-ins?

Ms. Walters replied yes. Walk-ins are welcome. There are free materials for kids who come in and hang out.

Ms. Dunn asked if the Challenger is something that will require instruction and supervision.

Ms. Walters replied yes, that one will need to be scheduled in advance.

Ms. Siguaw asked if programs will be offered later in the day or on Saturdays.

Ms. Walters replied that they do offer programs on the weekends. They will pick up evening programs in the near future.

Ms. Dunn asked if, when they have large school groups, they partner with other organizations.

Ms. Walters replied that they do have larger groups. They normally split the group in half and send them to Sheppard Memorial Library, River Park North, or Station 1. As the center grows it won't be as necessary to split the group.

Mr. Chris Padgett, Treasurer for GO Science, gave an update on the current financial position. The average available for operations is \$102,000 with \$20,000 reserve for capital. The current strategic planning process does have a financial component to ensure good financial policies are in place. When developing the sustainable operations financial model, it was determined that GO Science would need about \$147,000 annually for facility operations.

Mr. King asked if the board expected difficulty from the legislator every year regarding funding.

Mr. Padgett replied yes always.

Ms. Dunn asked if there were plans to expand the facility.

Mr. Padgett replied yes, there are additional phases of development.

Ms. Siguaw asked if they meant birthday parties when discussing events.

Ms. Walters replied yes. They offer full service birthday parties. There are two choices, an hour and a half or two hours, based on the ages of the children. Custom programs can be done if there is an eight weeks' notice. There is a fee for the rental of the facility and costs for the supplies.

Ms. Siguaw asked if they were promoting it much.

Ms. Walters replied that they are mostly doing word of mouth, and Facebook.

Ms. Dunn asked if there were offers for donations pending a longer lease.

Mr. Padgett replied yes.

Mr. Connor stated that additional letters of support were being given to the commission members. It is a very financial efficient program. For every \$100 given, \$90 goes into programming. GO Science has a GuideStar rating of Gold. Only 2,106 nonprofits have received Gold level recognition. There have been advertising and other marketing efforts; however, a commercial has been produced for the mass media markets.

Mr. Bunch stated that they see GO Science as a flag ship of Greenville. They are proud of GO Science need a good long lease.

Mr. King stated that the commission was very hard on GO Science in October. This is the type of response that we wanted to see.

Motion was made by Mr. King and seconded by Ms. Dunn to direct staff to move forward with negotiations with GO Science Board regarding the renewal of their lease. Motion carried unanimously.

IX. Hodges Alley Progress Estimates

Mr. Wisemiller stated that a continuance is needed on the Hodges Alley Progress estimates. Public Works has been inundated with projects and has not completed the process.

Motion was made by Mr. Patterson and seconded by Ms. Dunn to table this item until next meeting. Motion carried unanimously.

X. Report from Secretary

a. Monthly Financial Report

No report was given.

XI. Comments from Commission Members

Mr. Hatoum stated that he is glad to reach agreement with GO Science.

Ms. Siguaw stated that the presentation and presence of all the board members was very impressive.

Mr. King stated that both agenda items today had excellent presentations and is pleased with the progress.

XII. Adjournment

Motion was made by Ms. Dunn and seconded by Mr. King to adjourn the RDC meeting at 6:58 PM. Motion carried unanimously.

Respectfully submitted,

Signature on file

Thomas G. Wisemiller,
The Economic Development Project Coordinator
City of Greenville Community Development Department