

**MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes**

**April 28, 2014
3:30 p.m.**

Members Present: Dee Woodham, Reed Prince, DeAnna Smith
Members Absent: None
Staff Present: Chris Hershey, Regina Ashmore, Chad Scroggins, Alex Dudchock
Others Present: Hollie Cost, City of Montevallo; Dr. John Stewart, University of Montevallo;
Cheryl Patton, Eclipse Coffee & Books; John Kirby, TrustMark Bank; Janice Seaman, Fox & Pheasant Bed & Breakfast Inn

The meeting was called to order by Chairman Dee Woodham at approximately 3:40 p.m.

Mr. Prince made a motion to approve the **minutes** of the March 24 MDCD meeting. Ms. Smith requested the first and second sentence on page 4 be replaced with the following: "Chairman Woodham did not think the Board had money in place to assist with the razing but can fund the asbestos study. Ms. Smith said that the University and the County would look at possibly covering the cost of the razing, if necessary." Mr. Prince amended his motion to include the approval of the minutes with the changes proposed by Ms. Smith. Chairman Woodham seconded the motion. The motion was approved by all with a three to zero vote.

Chairman Woodham stated that the presentation by Mr. Hayward Hosch had been rescheduled for Monday, May 4 at 4 pm. The Board would have a special called meeting at that time.

Chairman Woodham asked Mr. Dudchock for updated information. Mr. Dudchock stated that a video clip was provided to the Community Foundation of Greater Birmingham on the progress of grading at the track site. The CFGB was excited to have the footage. The weather has delayed most work recently. One section of storm sewer has managed to be installed and the inlet is catching water. The **Intermural Fields** are completed. The dirt behind will be moved inside the track. The contracts for the **softball fields** were let and electrical contracts were awarded. The new lighting will be code compliant thanks to the Board and its efforts. Mr. Dudchock requested that the Chairman of the Board accompany him on Friday, May 2 at 1:45 to a University of Montevallo trustee meeting. The Chairman accepted the invitation. Mr. Scroggins is here to give the Board a report on his franchise contacts. Weather permitting, the **track** will be completed then the **softball fields**. All work is expected to be completed by next year's season opener. Shelby County has been experiencing excessive rainfall events that continue to delay the progress of work. The bids will not be let until the grading is completed. The **track** will be

MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes

NCAA compliant and will be able to host such events as the Peach Belt Conference. The University is projecting 70 new track students due to the addition of the track. Mr. Dudchock left the meeting at 3:57 pm.

Mr. Prince stated that the **Stephens Park** fencing was complete. Mayor Cost looked at the numbers and noted there is \$106,000 remaining in the budget. Mr. Prince stated that we were still in design phase. Mayor Cost informed the Board that the City of Montevallo hired a Park Director, Mr. Shane Baugh. He is a resident of Montevallo. His primary job will be to manage the park and trail facilities as well as recruit events to the area. Ms. Smith suggested that the City have Mr. Baugh contact the University staff, specifically Michael Chadwick, for assistance and potential contact leads.

Chairman Woodham invited **Ms. Seaman** to address the Board. Ms. Seaman stated that she used the exact criteria to open her bed and breakfast as the **Hotel Feasibility Study** purported. The report discusses the American Village, National Cemetery, the University of Montevallo and traffic generated by each. There are summertime events as well. After four years in business, I must say, while the data looks great on paper; talking to people you get a different story. For example, the American Village had 10,000 visitors on the 4th of July alone. They host weddings there. I had no overnight stays. After discussions with the Hampton Inn in Calera, they reported only 5 or 6 rooms booked per weekend days. The Veterans Cemetery brings in adults; however, no one comes into town. A shuttle service had been discussed to transport visitors. The bed and breakfast gets zero business from the American Village or the National Cemetery. She has had one family to stay with her over 4 years repeatedly. The University of Montevallo only generates stays 2 times a year with maybe 2 or 3 families coming in for graduation and college night. Most of her cancellations are based on families seeking locations near chain restaurants and shopping facilities. The Arts Festival had 1,500 people but no one stayed in town. Again, the report looks good; however, the reality is very different. Ms. Seaman is concerned about losing Jeter Hall. The city has already suffered from the loss of green space with the development of the parking lot. The report suggests using Jeter as a conference center it doesn't say tear it down. An hotelier is not going to want to develop property they can't purchase fee simple. Site C would be a perfect location and the city wouldn't lose Jeter Hall. Aaronov is building in Alabaster. There are two others pending in Alabaster. The report shows my facility in the list of bed and breakfasts however the phone number is incorrect. People could not call me if they wanted. The Board should ask about the McGibbon House. I wouldn't have opened if I thought I was going to put them out of business. The report uses projected numbers for

MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes

Bessemer, Hoover, and Homewood. I think those are a far afield. The city's only competition is the Hampton Inn in Calera. Maybe in ten years the City would be ready for this type facility. The Blue Frog is great. The track events generated no overnight stays in Montevallo. I invested one half million dollars of my own money into the Fox and Pheasant. The truth is there is not enough traffic to keep it viable. The numbers would have to go from zero to Mach 3 overnight.

Chairman Woodham thanked Ms. Seaman for her comments and all her efforts to further the City's progress.

Dr. Stewart thanked the Board and Ms. Seaman for an opportunity to rebut. I also worry about visiting athletes and others going to the city of Alabaster to partake the chain restaurants. This project requires a certain vision this group has. The dream is to bring more people in more often. I even believe that we could get overflow stays from the University of Alabama home games staying here in Montevallo. I beg you not to put pressure on the County, the City, or this Board concerning the razing of **Jeter Hall**. It is a University of Montevallo decision. We put millions of dollars in maintenance each year. We own 82 buildings in the city making up our campus. Simply stated the place was let go. For instance, Comer Hall was a disaster. An estimated 6.5 million in 5 years could not justify repairing **Jeter Hall**. We are currently repairing Peterson Hall. There is only so much money. Assuming it was repurposed as a conference center, how is it mission critical for the University to obtain the funding. We would have to place the burden on the backs of our students by raising tuition rates. It would cost between 3 to 5 million to renovate Jeter in its current condition. I value historic properties. I own a historic home myself. The biggest asset to **Jeter** is we own the property. We wouldn't have to purchase a lot. This entire process has been a step of faith. How do you draw people to the city? If we could get a hotel, we could do a conference center. We have not even scratched the surface. Ms. Seaman you have presented a well thought out argument. I just wanted to say that I have faith in these people, with their enthusiasm; I do not see this failing.

Ms. Seaman stated that she had a commitment from the Shelby County Board of Education suggesting the BOE would restore **Jeter Hall**. The BOE is composing a commitment letter. The Montevallo High School is land locked. There is no place to expand or grow. Ms. Seaman spoke with state representative Mr. Jimmy Bice today about repurposing the building for some other use. The Board of Trustees has requests from concerned citizens. We have all seen the city grow in the past 5 years. We are on the edge of the movement. Dr. Stewart, I love your house. I would like to live there. I understand there are people that don't do bed and breakfast

MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes

inns. Dr. Stewart stated that he believed people would stay here, if there was a hotel, which is now going to Alabaster. If it fails, so be it. If we use this feasibility study, you might be able to improve your condition with weddings, perhaps.

Mr. John Kirby spoke in favor of the hotel. He pointed out the different markets for hotels compared to bed and breakfasts. Ms. Seaman stated that Ramsey Hall does more business with the \$50 nightly rate. The reality is people are leaving Montevallo to go home or elsewhere. I would be thrilled if there with a 10 percent occupancy, but we don't have that. I did not look underneath the covers of the report and don't want that to happen to others.

Dr. Stewart stated that there needs to be someone in place to draw people to events in the city, and then the greater good would be served.

Chairman Woodham stated that we would find out when the **RFP** goes out. Ms. Seaman stated that in 5 to 10 years the city would be ready for this, but currently she wants people to know the truth about the lodging business.

Ms. Smith stated that the athletic groups could not stay at Ms. Seaman's inn. The opponents want to stay someplace different. The referees want to stay in a different location than both teams. Recently, we had teams placed in hotels from here to Hoover. However, I do believe the bed and breakfast will grow as well.

Chairman Woodham asked if anyone else had any comments at this time.

Dr. Stewart stated he did not know what Montevallo would do without Eclipse. Ms. Patton stated she had tried to generate business on the day of events at the University to no avail. Ms. Smith feels there would be an increase in traffic for food with the addition of a hotel. Ms. Smith also suggested that Ms. Patton contact Michael Chadwick about the meal planning for visiting athletes.

Chairman Woodham turned the floor over to Mr. Scroggins for an update on his attendance at the hotel conference in Atlanta. Mr. Scroggins attended the **Hotel Conference** on March 26th along with 1200 hotel related professionals. He met face to face with several different chains. The Smith T Report is the constant in consideration of potential sites. Baseball doesn't register. The remainder of the report is generally considered fluff. The occupancy rates are up. The

MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes

theme throughout the conference appeared to be “the time is now’. As a whole the hoteliers are looking for a special project. A gentleman from Chattanooga was receptive. The urban core restrictions will control the development and ensure the project is cohesive to the surrounding community. Mr. Scroggins gathered that university hotels typically do very well. Ms. Patton was concerned that a developer would not build unless the land could be purchased fee simple. Mr. Scroggins stated that they would build on a leased lot. Chairman Woodham asked why they did not look at new changes. Ms. Scroggins stated they typically use historical data, however, the changes in the area does pique the interest of the developer. Currently, the CEU market is a huge opportunity. Chairman Woodham asked what the expectation of language for the **Jeter Building**. Mr. Scroggins stated the proximity itself was optimal. Ms. Seaman asked whether the signage requirements of any hotel had been discussed or considered. Mr. Scroggins stated that most use electronic search engines such as Travelocity. Chairman Woodham stated that the **RFP** should be sent out and the market will tell the story.

Chairman Woodham advised the Board that the **Alabama Coach Company Building** prospective restaurateur financing fell through. Mr. Hershey has sent out notices and made phone calls with no commitments to date. Chairman Woodham stated the Board was discussing a contractual agreement with Shannon Waltchick, currently featured in the Birmingham Business Journal, about listing the **Coach Building** for six months exclusively. Ms. Patton stated the Board should consider other use such as a catering kitchen and art museum combination. Other things could fit in the space. Dr. Stewart stated that other uses are being considered along with what type of facility would fit in and not take away from the existing aesthetics. Ms. Patton stated that the space has problems that need to be addressed such as plumbing and the kitchen is terrible. Chairman Woodham stated that the Board is willing to be creative and open to different ideas. There are ADA compliance issues that should be addressed, the windows need replacing, and the doors need repairs among others. The Board has had discussions with a real estate broker about listing the site. Ms. Patton stated that she personally had attempted to recruit an existing restaurant to the site that has a great menu and a great chef. Ms. Seaman asked if the Board knew the difference between a business broker and a real estate broker and how the payments would be scheduled.

Chairman Woodham handed out information prepared by Ms. Hayes along with an agreement between the City and the MDCD. Ms. Smith stated she saw no problems with the document. Chairman Woodham asked Mayor Cost to provide the document to Mr. Lehman and Ms. Weldon and obtain their agreement. Mayor Cost did not expect to have the grant funds

MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes

processing through the city accounting system. Ms. Smith stated that since the City was awarded the **ALDOT grant** all accounting for the project should be handled by the City. The University staff is willing to offer any necessary accounting assistance to Ms. Weldon concerning the project. The Board is prepared to transfer the entire amount of the project \$550,000. Mayor Cost asked how the invoices would be processed for payment. Chairman Woodham stated the invoices would be reviewed and approved by the Board prior to being forwarded to Ms. Weldon for payment.

Ms. Smith stated that Ms. Hayes was looking at **accounting software**. She is in the process of balancing the Boards accounts. Currently, Ms. Hayes is confident that she can convert accounts over at the end of the year so the software purchase is not a high priority.

Chairman Woodham stated the City paid for the **Mahler property** allowing the Board to debit \$8,500 back into contingency funding.

Chairman Woodham discussed moving the regularly scheduled meeting in May from the fourth Monday since that date is Memorial Day holiday. Chairman Woodham made a motion to hold the May meeting on **Monday, June 2, 2014 at 4:00 pm** at the Parnell Memorial Library. Ms. Smith seconded the motion. The motion was approved by all with a three to zero vote.

Mr. Prince made a motion to **adjourn** the meeting. Ms. Smith seconded the motion. The motion was approved by all with a three to zero vote. The meeting was **adjourned** by Chairman Woodham at 5:02 p.m.