



December 3, 2009

Tom Bozarth, Mayor
City of Midway
101 East Main Street
Midway, KY 40347

Dear Mayor Bozarth,

I received your letter dated November 24, 2009 regarding your submission of projects for consideration for a possible Heritage Council Grant. During our initial meeting to discuss ideas for the grant application, your ideas were presented by Diana Queen and discussed by the group along with all of the other ideas presented. The purpose of the initial meeting was to develop a list of ideas for the grant proposal, and it was made clear at the conclusion of that meeting that no idea would be considered out (or in) at that time. We also discussed the grant guidelines, in relation to the proposed projects to identify any issues with eligibility requirements. Several people in attendance at the meeting were given follow up assignments to gather additional information about the proposed projects, and to report back to those in attendance so that we could make an informed decision.

In the course of our discussions at two special meetings the past two weeks we considered all proposed projects in terms of how well the proposed project fit the grant guidelines, as well as the project feasibility, overall cost, opportunity for other funds to complete the project, timeliness/need, overall impact and the likelihood of the project being funded. As we worked our way through the analysis, the proposed projects fell into a natural priority order. We honestly and seriously considered all ideas presented, and also checked with the Heritage Council staff for feedback. The Midway Business Association had a strong presence at both meetings and their participation was critical to our decision making. I'm sorry that a representative from the City was not able to join us for our meeting on November 24.

As a result of a carefully considered process and a democratic vote, Midway Renaissance with the advice and consent of those attending from the Midway Business Association have agreed to pursue the available grant funding for a market analysis that will focus on Midway's downtown business opportunities,

but that we believe will have an impact on Midway greater than just our downtown businesses. Further, and as you are already aware, the Midway Business Association discussed this and voted in favor of the application for funds to conduct a market analysis during their December 2, 2009 meeting.

We should all keep in mind that a key factor that the Heritage Council will consider in awarding the grants is whether the proposed project is included in or related to our work plan that was submitted earlier this year. In this regard, the grant application guidelines provide as follows: *The applicant must substantiate that the project will be significant relative to the work plan submitted for Main Street/Renaissance on Main certification.* Thus, one of our first considerations was how well the proposed projects fit within our work plan. It was generally agreed by all in attendance that proposing a project not included in or contemplated by our work plan would greatly diminish our chances of receiving funding. The grant guidelines also require that projects be within the designated Main Street Program area to be considered.

There were a number of reasons why we decided on the market analysis, but there were three reasons discussed that were the most compelling. One (and these are in no particular order) is that a market analysis is in our current work plan and, as noted previously, we believe inclusion in the work plan will be a key factor considered by the Heritage Council in reviewing and ranking the grant proposals. Second, downtown business representatives believe an updated market analysis is vital in these changing economic times and has the best potential to help them understand how to survive and thrive. Third, although most of the proposed projects shared a similar theme of helping downtown we did not believe that we had sufficient information to make a more informed decision about some of the projects in the short amount of time available. We believe that a market analysis will help businesses and government make smarter and more outcome-directed decisions, and that in both the short and long term, the market analysis will provide the Business Association, Renaissance and the City of Midway with valuable guidance as we work together to help our town thrive.

Regarding the specific projects you submitted for consideration I can share with you why we did not select those projects for our proposal. These projects appear to be ineligible for consideration under the grant application guidelines as they are not in the Designated Main Street/Renaissance Area as reported by the Heritage Council (we specifically asked them and they provided us with a map). In addition, the projects do not appear in our work plan. I have attached a map of the Designated Main Street/Renaissance Area that is on file with the Kentucky Heritage Council.

One of the fortuitous by-products of our deliberations is that we identified several good ideas and worthy projects that we will continue to explore beyond this current grant opportunity. For example, one of the ideas was the development of a Midway Visitor Center located at the Thoroughbred Theater. This is something we would very much like to see happen and we hope to collaborate with the

Theater Board, the Business Association, and the City on making this idea a reality. We also believe that additional parking may be helpful and were pleased to learn that the City currently has the resources available from the municipal road aid fund to make this happen. We believe the Midway Business Association would best be suited to provide input on this particular issue and hope the City Council will pursue that possibility with them to determine what they believe would be most helpful. Of course we also believe that a market analysis will help determine if and/or how parking is an issue.

On behalf of Midway Renaissance I am asking that City Council support and approve a resolution for the market analysis proposal to be submitted to the Heritage Council. A City-approved resolution is a required part of the application. Regarding the comment in your letter that you will propose that the City, the Business Association and Midway Renaissance each provide one-third of the cost of the market analysis, we are unclear as to the reasoning for this recommendation. This is, as you state in your letter, a reimbursable grant and therefore there will be no financial hardship placed on the City as the total cost would not exceed the maximum allowable grant and is reimbursable as costs are incurred and paid for. The City would not pay for any part of the market analysis until various parts of the project are completed and we can immediately submit those payments for reimbursement. If this is still an issue for the City of Midway then we certainly would be happy to discuss this further with you and the Council and figure out a way to make this happen.

On behalf of Midway Renaissance I am requesting that a resolution supporting the grant application for a market analysis be placed on the next City Council agenda. Applications must be submitted no later than December 31, 2009.

If you or any Council member has additional questions we would be happy to discuss them.

Sincerely,

Randy S. Thomas
President

Cc: City Council Members
Grayson Vandergrift