DOWNTOWN DEVELOPMENT AUTHORITY  
February 10, 2016  

MINUTES  

Present:  Ray Bauer  
Raymond Bell  
Greg Collins  
Johann Ingold  
Michelle LaJoie  
Scott Parker  
Carl Stutzner  
Les Townsend  
Oliver Turner  

Kristy Wyngaarden  
Josh Billington  
Jason McLeod  
Tony Haller  

Absent:  William Karr.  

1. CALL TO ORDER.  

2. ROLL CALL.  Attendance was taken as noted.  

3. CONSENT AGENDA.  

A. Approval of Minutes: January 13th, 2016 Regular Meeting.  

Moved by Raymond Bell, supported by Les Townsend, to approve the minutes of the January 13, 2016 DDA regular meeting. The motion carried unanimously.  

4. SPECIAL ORDERS OF BUSINESS.  

A. Parking Fund User Fees Schedule for 2016/17. Recommendation: Review proposed changes to user fees related to surface parking permit rates and parking structure hourly/permit rates.  

Background: Parking staff is recommending that the DDA board suggest adopting rate changes for surface parking permits of $200/yr. (up from $190), a rate of $60/quarter (up from $50) and of $20/mo. (no change).  

After reviewing the original parking structure budget documents from 2007, I am recommending increases in hourly rates for parking structure users. The current rate is 50 cents per hour, capping at $9/day. Budget suggestions in
the attached parking structure user fee documents recommend that by 2016, hourly rates would be at $1.75/day. I suggest a compromise of $1.50/hour, capping at $12/day.

The original parking structure budget also suggests that by 2016, monthly permit rates should be at $42.50/mo. This would equal $510/yr. We currently charge $300/yr. and $80/quarter. I believe it would be difficult to raise these rates because of the financial challenges experienced by our permit purchasers at Avery Square, the Rowe Building, and Park Place City Center. However, I am open to discussion on this item.

Director Knepper stated that he has been working on the 2016-2017 DDA fiscal year budget that will go into effect on July 1, 2016. He is recommending small increases in surface parking permits as stated in the background. An increase would benefit maintenance of parking lots in the DDA District.

*Moved by Greg Collins, supported by Oliver Turner, to adopt rate increases for surface parking permits of $200/hr. (up from $190), a rate of $60/quarter (up from $50) and $20/mo. (no change). The motion passed unanimously.*

Discussion continued regarding an increase in parking structure rates and Director Knepper’s suggestion of an increase of $1.50/hour, capping at $12/day. It was agreed that such a significant raise in hourly/daily rates would likely result in less parking structure tenants.

The parking structure is currently at 75-80% occupancy, with War Memorial renting 100 spaces (plus an additional 50-60 spaces on busy days) for patients and employees. Typically, the hospital pays approximately $1,000-$2,000 per month for their use for patients and employees.

After discussion, it was determined that Director Knepper meet with War Memorial Hospital regarding a possible increase in hourly/daily rates and the parking structure revenue projections being substantially below what was expected. The results of the meeting with the hospital will be discussed at the next DDA Board meeting.

The DDA Board agreed that a long-term strategy plan regarding the parking structure and downtown parking lots would be beneficial to the DDA District.

*Moved by Scott Parker, supported by Les Townsend, that Director Knepper meeting with War Memorial Hospital to discuss an increase in hourly/daily parking structure usage and provide a report at the next DDA Board meeting. The motion passed unanimously.*
5. UNFINISHED BUSINESS.

A. PlacePlans Mini-Grant Request for Qualifications (RFQ).

**Background:** I am meeting with Steve Cannello on Tuesday, Feb. 9 to review the RFQ document and create memorandums of understanding with the various property owners. This will allow us to publicize the documents and actually recruit developers for the sites. I have spoken with the property owners to let them know where we are with the project.

Director Knepper met with City Attorney Steve Cannello to discuss the RFQ and memos of understanding. As a result of this, the DDA will be requesting the City Commission to authorize the release of the Request for Qualifications packet and supporting renderings for the three sites set forth in the Moloney’s Alley PlacePlans mini-grant. The three property owners are on-board regarding the memorandum of understanding/option agreement.

B. Michigan Mainstreet Program Select Level Application. A baseline assessment meeting with the Steering Committee and the Michigan Mainstreet Program will take place on March 15th.

**Background:** I am in the process of meeting with and educating our list of Mainstreet steering committee recruits on how the program will work and what expectations are. I plan to hold the first steering committee meeting as a group in the final week of February to prepare us for the meeting with the Michigan Mainstreet staff on March 15th.

DDA Board members Michelle LaJoie, Ray Bell and Les Townsend are on the Michigan Mainstreet Steering Committee and will be attending upcoming Steering Committee meetings.

C. National Historic District Application.

**Background:** Dee Stevens will be working with me on finalizing building histories for the National Historic District application, with support from the Chippewa County Historical Society.

D. Mural Installation Crowdfunding Campaign. Recommendation: Set April 1st as the deadline for launching our crowdfunding campaign through www.patronicity.com/puremichigan.

**Background:** I have been promised quotes from Cory Kempf Masonry by February 9th. This will allow us to set a local fundraising goal more scientifically; I am now thinking that we will have to shoot for $50,000 in order to fund at least two murals downtown and the Easterday Avenue retaining
walls. I would like to conduct the fundraiser in April/May. I will begin holding regular meetings on this project.

Director Knepper indicated that there are an unlimited number of walls to consider for a mural, i.e., Pingatore Dry Cleaners' building, Northpointe Studio building, Alpha Bar building, and Subway building on Portage to name a few. Also, the City is partnering with LSSU on the proposed mural on the retaining walls on Easterday Avenue.

The MEDC and MSHDA, in partnership with MML and the Michigan-based crowdfunding platform Patronicity, are offering an expanded creative funding program in 2016. Communities and non-profits and other businesses can submit projects by applying for a Patronicity crowdfunding online donation campaign. Projects meeting fundraising goals can receive a matching grant from MEDC/MSHDA of up to $50,000. Director Knepper would like to apply for this grant to begin fundraising for murals on April 1, 2016 for 45 days.

Moved by Les Townsend, supported by Ray Bauer, for the DDA to submit the application for a Patronicity crowdfunding online donation campaign to raise money for the downtown mural project. The motion passed unanimously.

E. 2016 Property Improvement Program – Downtown Properties Only.

- 1.5% discount on commercial loans up to $50,000 through Central Savings Bank
- Exclusive paint discounts (20% and up) through Sherwin Williams and Parker ACE Hardware
- 10% off parking lot crack-sealing, seal-coating, and striping discount through Superior Sealcoating

Background: The program is ready to be publicized; I have contacted all the downtown banks and credit unions and Central Savings Bank is the only bank to offer a special rate thus far. The other banks and credit unions requested to be listed as having commercial loans available. This list would include:

FirstMerit Bank
Huntington Bank
mBank
Soo Co-op Credit Union

Director Knepper will be handing out flyers to downtown businesses.

F. Sault Tribe Administrative Building Parking Lot Reconstruction.
**Background:** Wendy Hoffman at the Sault Tribe is looking into construction costs, and I will be meeting with her regarding the idea of the Sault Tribe providing the initial investment to repave the lot in exchange for no-cost parking until their investment was recouped.

I have analyzed our parking budget and see limited “wiggle-room” aside from perhaps $15,000-$20,000 in left-over funds from parking lot plowing staying under budget if the winter remains mild.

### 6. NEW BUSINESS.

A. **Presentation from Jason McLeod Regarding His Interest in Purchasing City Property Downtown.**

**Background:** Jason McLeod owns a number of homes along Brown Street, bordering Brown Street from Easterday Avenue north to Ann Street. He is interested in enhancing the commercial properties behind his homes, starting with the vacant lot just south of Chippewa Service and Supply, across the street from Soo SuperValu. Jason is interested in securing the property and slowly working to develop it as his budget allows.

His initial plan would be to place a small gazebo on the property and to paint a mural on the neighboring wall, as well as to utilize the rear of the property for parking. His long-term plan is to build a commercial building of some sort on the property.

**Recommendation:** While I believe Jason intends well and has the capability to develop the property, I believe the best interests of the downtown would be served by seeing a comprehensive development take place from the Easterday corner to Chippewa Service and Supply that would include constructing new buildings on the site of the Look! Insurance building, potentially the former Delmonte home, and in the vacant lot. We should recommend Jason McLeod to work with the City Commission on the purchase, and perhaps enter into an agreement with the City that would encourage him to develop the property above and beyond a gazebo and parking lot.

Jason McLeod distributed to the DDA Board his Ashmun Street – City Owned Vacant Land Development Proposal. For the past 8 years Jason has been buying and renovating houses in the Little Italy area in an effort to provide quality college housing. He now would like to clean up the Easterday and Ashmun entries to Little Italy and make them more presentable. His proposal includes before and after renderings of City owned vacant parcels, on each side of the former Delmonte home facing Ashmun Street that includes landscaping along with much-needed parking spaces, as well as a mural on the wall of Chippewa Service and Supply building. The proposal also
includes the 2015-2016 property values from the City Assessor on four vacant City parcels that Jason is interested in. Jason lives behind the vacant lots.

Director Knepper stated that the City’s vision has been to upgrade vacant lots in the DDA District and with construction on South Ashmun Street last summer some of the potential pocket park areas have not been finalized.

Director Knepper explained that the DDA Board could recommend that City Administration look more closely into working with Jason on purchase of the City lots in conjunction with his proposal. After discussion it was determined that Jason, City staff and the DDA should meet to talk more about this.

B. ADDENDUM.

- **Skateboard Park Location Discussion.** In previous discussions regarding a new skateboard park location, the City’s Fire Hall lot was the desired location. Director Knepper would like to reconsider using Moloney’s Alley where the ice rink is now located. The skateboard park equipment could be taken down in the winter months for the ice rink. The DDA will continue to look into this and further analyze a possible location for the skateboard park.

- **Exercising Option Agreements on Downtown Properties.**

7. DOWNTOWN MANAGER’S REPORT.

A. **Review of the DDA Sponsor Appreciation Dinner held on January 18TH.** Approximately 60 people attended the DDA sponsor Appreciation Dinner. Several businesses expressed their willingness to sponsor a downtown event in the future. The food was great; Molony’s Alley and The Palace provided their cooks to prepare the dinner!

B. **Review of the Winter Ice Festival that took place on January 30TH.** The first annual winter ice festival was a success. Over 100 people attended the Ice Wars at 6:00 p.m. The event was sponsored by the Chamber of Commerce, Sault Convention and Visitors Bureau, DDA, and the SBDC. Special thanks goes out to Linda Hoath for all her hard work on this event.

C. **Review of the Pub Crawl that took place on February 4TH.** Approximately 700 T-shirts were sold.

D. **Moloney’s Alley Ice Rink.** There were approximately 30 people skating during the Winter Ice Festival. The rink is being routinely maintained by the DDA and the Sault Michigan Hockey Association.
E. **State Façade Grant Program.** This program is 50% complete. Island Books and Crafts are awaiting 32 new windows, the cornice has been installed at A Cut Above the Rest, and UPEA has bids out and will be progressing on their project in April.

F. **Retailers, Bar Owners and Parking Committee Updates.**

8. **MATTERS TO BE PRESENTED BY THE BOARD.**

The Board was reminded of the Goal-Setting Session on Thursday, February 11th at 6:00 p.m. at 215 Ashmun Street.

9. **MATTERS TO BE PRESENTED BY THE PUBLIC.**

Tony Haller talked about the up-coming Chamber Meeting and Awards Banquet on Thursday, February 25th at 6:00 p.m. at Kewadin Casino. Tony indicated that the Banquet is different; it is now more of a community event with awards being given by the Chamber and the City. He also talked about the Business Online Google Workshop that is being held this evening at the SmartZone building at 7:00 p.m.

10. **ADJOURN.**

*The meeting was adjourned at approximately 9:10 a.m. upon motion of Oliver Turner and support of Les Townsend. The motion passed unanimously.*

Respectfully submitted,

Carl Stutzner
Downtown Development Association Board Chair

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