

**Sault Ste. Marie
DOWNTOWN DEVELOPMENT AUTHORITY
March 9, 2016**

MINUTES

Present: Raymond Bell
William Karr
Michelle LaJoie
Scott Parker
Carl Stutzner
Les Townsend
Oliver Turner

Josh Billington
Kristy Wyngaarden

Absent: Ray Bauer
Greg Collins
Johann Ingold

1. **CALL TO ORDER.**
2. **ROLL CALL.** Attendance was taken as noted.
3. **CONSENT AGENDA.**

A. **Approval of Minutes: February 10th, 2016 Regular Meeting.**

Moved by Raymond Bell, supported by Oliver Turner to approve the minutes of the February 10, 2016 regular meeting. The motion passed unanimously.

B. **Approval of Minutes: February 11th, 2016 Goalsetting Session.**

Moved by Michelle LaJoie, support by Les Townsend, to approve the minutes of the February 11, 2016 Goalsetting Session. The motion passed unanimously.

C. **Reappoint Ray Bell to a Term Expiring in 2019.** Recommendation: Raymond Bell's first term on the DDA Board has expired. He has expressed willingness to serve a second term of four years.

Moved by William Karr, supported by Scott Parker, to approve Raymond Bell's second term of four years on the DDA Board. The motion passed unanimously.

D. **Acceptance of Michigan Mainstreet Steering Committee Roster.**

Recommendation: Accept the following roster to serve as the Michigan Mainstreet Steering Committee, assigned with the task of seeing downtown through the process of submitting a Select Level Community application in December 2016. Proposed roster:

*Michelle LaJoie, Chair
Aaron Payment, Sault Tribe
Abby Baker, Moloney's Alley
Ben Duff, Cornerpieces Autism Charity
David Jahn, War Memorial Hospital
Debbie Jones, Chippewa County Community Foundation
Kathy Twardy, Harmony Health Foods
Les Townsend, Island Books & Crafts
Linda Hoath, Sault Ste. Marie Convention & Visitor's Bureau
Marta Diaz, Lake Superior State University
Oliver Turner, City of Sault Ste. Marie
Ray Bell, Das Gift Haus
Tony Haller, Sault Area Chamber of Commerce*

Moved by William Karr, supported by Raymond Bell, to accept the roster stated above to serve as the Michigan Mainstreet Steering Committee, assigned with the task of seeing downtown Sault Ste. Marie through the process of submitting a Select Level Community application in December 2016. The motion passed unanimously.

4. SPECIAL ORDERS OF BUSINESS.

A. Adoption of 2016 Goals list.

Recommendation: Review and discuss recommended goals from the February 11th goalsetting session.

Recommended 2016 Goals:

Members of The Downtown Development Authority Board met on Thursday, February 11th, 2016 and participated in a goal-setting session. After reviewing goals from 2014 and 2015 as listed in the minutes below, the following goals were identified for 2016:

Approximately 6-8 DDA Board members attended the goalsetting session. The group brainstormed future goals for the DDA in the coming years.

- 1) **Oaka Street.** *Oaka Street has been listed as a top priority by the Downtown Development Authority for the past three years. 2016 goals should include repairing the street and Deadman parking lot on the north end of the block, as well as removing guard rails. The*

suggestion was made to consider a phased approach with the money we have in reserve for various portions of the project.

Director Knepper indicated that the DDA will again be applying for a Michigan Transportation Alternatives Grant for funding of the Oaka Street project.

- 2) **Privatize Snow Clearing.** *The City Street Department plows parking lots downtown and are many times stretched in many different places. Major highways and roads take priority, and in heavy snowfall years, parking lots fill up quickly. The recommendation is to go out for bid to evaluate whether contracting out at least some of the parking lots downtown would be more affordable and efficient.*

The harsh winters of 2013/14 and 2014/15 made it tough for the City Street Department to keep up with plowing downtown parking lots, along with their routine plowing duties. Director Knepper is looking into going out for bids for combined sidewalk and parking lot plowing.

- 3) **Sign on Corner of Ashmun/Easterday.** *The recommendation was made to focus on a high-quality sign installation for the northeast corner of Ashmun and Easterday in front of SuperValu, and to move away from the arch concept.*

The concept of a quality sign on the corner of Ashmun and Easterday is to focus on welcoming travelers to historic Sault Ste. Marie.

- 4) **Create Sponsorship Program for Pocket Parks & Gardens.** *Create a sponsorship program so that businesses can “adopt-a-park” for a certain dollar amount. Signage would be installed to promote the sponsoring business or organization. Investigate contracting with a landscaping firm with the city instead of hiring temporary summer staff.*

The DDA would like to generate extra funding with monetary or labor sponsorships.

- 5) **Explore Micro-Lending.** *Investigate launching a revolving loan fund or other lending program.*
- 6) **Relocation Assistance for Businesses and Business Succession.** *Encourage relocation of downtown businesses to strengthen clusters of retail along main streets.*

The DDA could provide a retail assistant package for those businesses who wish to move downtown, whether purchasing or renting a property.

- 7) **Apply to Main Street by December 2016.** *Implement steering committee and complete/submit application.*

Acceptance of the Michigan Mainstreet Steering Committee roster was passed under the Consent Agenda. The Steering Committee will be working diligently to complete and submit the application for Select Level Community by December 2016.

- 8) **Full Control of Parking Fund and Consideration of Parking Employee Duties.** *Fully integrate the parking fund into the DDA budget in order to diversify income streams and allow for more freedom; consider reorganization of roles and responsibilities of parking staff.*

- 9) **Improve “Curb Appeal” Downtown.** *Continue improving aesthetic qualities of downtown including: flowers, cleanliness, public art including corner installations, crosswalk art, sitting areas for elderly to walk, repainting buildings, and murals, depending on the artwork.*

- 10) **Launch Property Improvement Program and Expand DDA Grant Programs to Improve Properties.** *Incentivize property owners to renovate and expand downtown.*

Currently there is \$2,500 in the Façade Grant fund and \$1,200 left in the Sign Grant Fund.

- 11) **Winter Music Entertainment.** *Bring in a Popular Music Act in Conjunction with 2017 Ice Festival.*

- 12) **Increase Media Exposure for Canada and Locals.** *Target locals and nearby Canadians with “shop downtown” messaging.*

- 13) **Fill Vacancies.** *Identify and focus on most critical vacancies. Identify and target specific businesses or industries, and engage the Board to assist in actively searching for target businesses to recruit. Identify and work closely with active commercial real estate agents.*

Store Ideas that were discussed included:

Children's clothing store
Teen's clothing store
Clothing
Something similar to Grandpa Shorter's in Petoskey
A Wine Store
Shoe store

Moved by Michelle LaJoie, supported by Raymond Bell, to partner with the Sault Ste. Marie EDC on Recommended 2016 Goals No. 5 and 6, to accomplish the DDA and EDC's common goals. The motion passed unanimously.

- B. Review of Draft Budget for FY 2016/17 and 2017/18. Recommendation: Review draft budget and schedule vote for final budget approval at the April 13th, 2016 regular board meeting.**

Background: Director Knepper is *continuing to work on the budget for FY 2016/17 and for 2017/18, based on the fiscal year of July 1 through June 30. There may be changes required to the DDA budget for FY 2017/18 if approved as a Select Level Mainstreet community. The DDA is projected to take another major loss in tax value this tax year; however the DDA is not requesting a decrease in expenses, with the hope that the City Commission will continue to fund the gap between the DDA's operating budget and the parking garage debt service.*

Director Knepper went through the (spreadsheet) 2015/16 actual revenues, along with the 2016/17 and 2018/19 revenue estimates in the DDA General Fund, TIF 1 Fund, TIF II Fund, Surface Parking Fund and Parking Structure Fund.

The DDA Budget Worksheet for fiscal year 2016-17 and 2017-18 was presented to the DDA Board. Director Knepper went through each DDA fund that included prior year actual (6-30-15), current year beginning budget (6-30-16), current year amended budget (6-30-16), current year projected (6-30-16), final total estimate (6-30-16), department requested (6-30-17), and department requested (6-30-18).

Moved by William Karr, supported by Raymond Bell, to schedule vote for final budget approval at the April 13, 2016 regular DDA Board meeting. The motion passed unanimously.

- C. Michigan Mainstreet Budget Preparation. Recommendation: Establish a budget committee to meet and prepare the five-year budget required for the Michigan Mainstreet application.**

Director Knepper indicated that it is mandatory that the DDA provide a five-year budget plan to Michigan Mainstreet when applying for the Select Level. With the help of a budget/finance committee, Director Knepper would like to develop an Excel spreadsheet covering the DDA and Michigan Mainstreet budgets over a period of five years. Greg Collins, Michelle LaJoie and Oliver Turner have agreed to sit on the finance committee.

Moved by Scott Parker, Supported by William Karr, to establish a budget committee to meet and prepare the five-year budget required for the Michigan Mainstreet application. The motion carried unanimously.

5. UNFINISHED BUSINESS.

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

Background: *Director Knepper will be presenting the PlacePlans to the City Commission and requesting they approve them for publication this month. He is continuing to work with Home Renewal Systems, a developer that expressed interest in the Templeton Lot, one of the targeted properties in the PlacePlan.*

The City Commission approved the PlacePlans Mini-Grant Request for Qualifications at the Monday, March 7, 2016 City Commission meeting.

B. Michigan Mainstreet Program Select Level Application.

Background: *The Steering Committee met on March 1st and plans to meet again on March 15th with Brittney Hoszkiw from the State Mainstreet office. After speaking to Brittney, Director Knepper recommends that the entire DDA Board attend this meeting with the Steering Committee.*

Michigan Mainstreet staff, the steering committee, and the DDA Board is meeting at 2:00-3:30 p.m. at the 2nd floor conference room at Avery Square and a meeting will follow at 3:45 p.m. at City Hall to include the Mayor and City Staff.

C. National Historic District Application.

Background: *Dee Stevens is under contract with the Historical Society to provide research for the district application, and Lindsaymae Gilson, a LSSU history student, is assisting me in preparing the application.*

The history of every downtown building has to be written as required in the National Historic District Application.

D. Crosswalk Art.

Background: *Director Knepper is continuing to work on planning a spring painting event. However, it will need to wait until after Portage Avenue is paved.*

The DDA received a \$4,000 grant from the Building a Healthier Community Program/Walking Coalition for creating crosswalk art in the DDA District. The spring painting event may have to be postponed until after Portage Avenue is paved.

E. Mural Installation Crowdfunding Campaign.

Background: *Director Knepper is working with artists Jeanne Tubman and Katie Eberts on various art pieces to install on the following wall locations based on property owner approval:*

<i>-Pingatore Cleaners</i>	<i>-Subway</i>
<i>-Island Books & Crafts</i>	<i>-Midwest Wealth Strategies</i>
<i>-Northpointe Images</i>	<i>-Alpha Bar</i>

Director Knepper is also working with LSSU and the City to install a mural along the Easterday Hill retaining walls.

Fundraising for this project will begin in April. Director Knepper will be working on applying for a MEDC/MSHDA/MML/PatronCity grant for an online donation campaign.

F. 2016 Property Improvement Program.

Background: *Director Knepper will be publicizing the property improvement program this month, featuring information about discounts with Sherwin Williams, ACE, Central Savings Bank, and Superior Sealcoating.*

G. Event Rebranding.

Background: *Director Knepper will bring a list of suggested changes to our event names to our April 2016 meeting.*

H. Tribe Lot Repaving.

Background: *Director Knepper will be bringing up the concept to the Parking Committee on March 24 to see what their recommendation might be.*

An update will be provided at the April DDA Board meeting.

- I. **DDA Rules & Regulations Update.** *Recommendation: Review rules and regulations as prepared by Director Knepper, as well as generic committee by-laws as prepared by City Attorney Steve Cannello.*

Director Knepper received the by-laws prepared by City Attorney Steve Cannello and will e-mail drafts of the City Attorney's generic rules of procedure (3 pgs.) and the long version of rules and regulations (12 pgs.) that Justin prepared. Further discussion will occur at the April DDA Board meeting.

- J. **Up-Date on Jason McLeod's Purchase of City-Owned Property on South Ashmun Street.**

- K. *Note: This was added to the Agenda under Unfinished Business per motion of Oliver Turner, support of William Karr. The motion passed unanimously.*

Director Knepper and City staff met with Jason McLeod on Tuesday, March 8th to discuss Jason's request to purchase property on South Ashmun Street. At this meeting it was suggested that the City lease the property to Jason, with the City retaining control should there be future development in that area. The proposed lease would allow for short-term parking at back of property, and allow Jason to maintain the property. The DDA will present Jason with a draft of the lease agreement and bring it back to the DDA Board in April.

6. NEW BUSINESS.

- A. Board Term Expirations.

Background: *Prepare for board vacancy due to Will Karr's eighth year term limit.*

In April William Karr will reach his term limit on the DDA Board. Carl Stutzner's first term will be up in April and will be up for nomination for a second term at the next DDA Board meeting.

7. DOWNTOWN MANAGER'S REPORT.

- A. **State Façade Grant Program Update.**

- **Brewster & Lewinski Building.** The windows for this building are hand-made and will be installed soon.

- **A Cut Above the Rest.** Working on signage, and are waiting for the final washing of bricks.
- **U.P. Engineers & Architects.** The exterior will be painted; stripping the paint is no longer an option. Director Knepper will e-mail the DDA Board the current rendering of the restoration.

When the 2015/16 Façade Grant project is closed out on August 31, 2016, the DDA will begin the process of applying for another round of façade grants.

B. St. Patrick's Day Advertisement, Valentine's Day Advertising, other various advertisements.

A flyer for St. Patrick's Day was distributed, that lists events happening at downtown on St. Patrick's Day. The flyer will be distributed to downtown business to hand out to customers. The DDA is hoping to provide monthly flyers for local happenings.

C. Healthcare Appreciation Day Shopping Event on March 30th.

More than 20 downtown businesses will be open until 7:00 p.m. and will offer special deals; discounts on merchandise, coupon and product giveaways, and buy one/get one deals. This shopping event is to honor those in the healthcare field.

8. MATTERS PRESENTED BY THE BOARD.

9. MATTERS PRESENTED BY THE PUBLIC.

ADJOURN.

The meeting was adjourned at approximately 9:20 a.m. upon motion of William Karr and support of Michelle LaJoie. The motion passed unanimously.

Respectfully submitted,

Carl Stutzner
Downtown Development Association Board Chair