

**Sault Ste. Marie
DOWNTOWN DEVELOPMENT AUTHORITY
April 13, 2016**

MINUTES

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

Jason McLeod
Tony Haller

Absent: There were no absent DDA Board members.

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

A. Approval of Minutes: March 9th, 2016 Regular Meeting.

Moved by Michelle LaJoie, supported by Les Townsend to approve the minutes of the March 9, 2016 regular meeting. The motion passed unanimously.

B. Reappoint Carl Stutzner to a Term Expiring in April 2020.
Recommendation: Reappoint Carl Stutzner to the Board.

Background: *Carl Stutzner was appointed to complete an unexpired term for John Rowe ending in 2012; he was appointed to his own full term in 2012 which expired this month. He is eligible to be reappointed to a second full term, which would expire in April 2020.*

Moved by Michelle LaJoie, supported by Raymond Bell, to reappoint Carl Stutzner to the DDA Board for a term to expire in 2020. The motion passed unanimously.

C. Accept Resignation of Will Karr, who has Served Two Full Terms, and Consider Recommending that Marla Bunker Fill the Vacant Board Seat.

Marla Bunker, Vice President of Nursing/Operations at War Memorial Hospital, has indicated that she would like to serve on the DDA Board. Director Knepper is recommending Ms. Bunker to serve on the DDA Board, as her ties with WMH and the community would be beneficial to the DDA Board.

Moved by Scott Parker, supported by Raymond Bell, that Marla Bunker be appointed to the DDA Board to fill the vacant board seat (term expiration of Will Karr). The motion carried unanimously.

4. SPECIAL ORDERS OF BUSINESS.

A. Along Ashmun Just Northwest of the Ashmun/Easterday Intersection.
Recommendation: Approve one of three options; sale of the property, lease of the property, or partnership with Jason McLeod to improve the property for neighbors and residents until such time as a future development was approved.

Background: *DDA Director Justin Knepper's preference is option three, with option two as a secondary preference.*

- *Request the City Commission to consider sale of the property to Jason McLeod in accordance with the City's land sale policy including proper notice to neighboring property owners.*
- *Request the City administration to draft a lease agreement with Jason McLeod, allowing him to construct parking and improve the lot with a fence, gazebo and landscaping, until such time as he or another developer expresses interest in further developing the land. In the case that Jason McLeod was not the developer, he would be reimbursed for certain improvements as defined in the lease.*
- *Partner with Jason McLeod, his tenants, neighbors and volunteers to improve the lot to serve the needs of area residents until such time as the lot is further developed. This partnership would include organizing a work bee to install fencing, landscaping, a gazebo and other amenities, with both the DDA and Jason McLeod cooperating to raise money to cover the costs. The City would retain ownership of the property and continue to cover costs associated with liability insurance and sidewalk snowplowing. Jason McLeod would organize volunteers to adopt the area, keeping it clean, weeded, and planted with flowers. Jason McLeod would have the option to install and lease parking spaces along the alley to serve the needs of his residential tenants. The improved lot would be held by the City until such time as Jason McLeod or another developer offers a plan to further develop the neighboring property(s), at which time the DDA would*

consider recommending to the City to offer the lot as a development incentive.

At the February 10, 2016 DDA Board meeting, Jason McLeod provided a presentation regarding his interest in purchasing City property in downtown Sault Ste. Marie. On March 8, 2016 Jason met with City staff to discuss his request to purchase property on South Ashmun Street. Jason owns 6 homes in Little Italy; he has renovated, or is working on renovating, all of his homes in an effort to provide quality rental housing for LSSU students. Jason takes great pride in the Little Italy neighborhood and would like to continue his efforts in cleaning up the neighborhood and provide a much needed parking lot on Brown Street. He would like to put a small paved parking area at the rear of the lot, and landscape the remainder of the lot with grass and flower plantings.

The DDA Board, Director Knepper, and Jason discussed the three options that were presented by the DDA.

Moved by Scott Parker, supported by Raymond Bell, to recommend to the City Commission to sell the City-owned lot (across from Super Valu, next to the old Dalmonte home) on South Ashmun to Jason McLeod. The motion passed unanimously.

5. UNFINISHED BUSINESS.

A. Mural Installation Crowdfunding Campaign. Recommendation: Approve the launch of the Patronicity Crowdfunding Campaign to receive a 50% matching grant for the following murals to be installed:

- **Historic mural of Father Marquette arriving in Sault Ste. Marie on the west wall of 1668 Winery & Lockside Brewery.**
- **Mural of the Edmund Fitzgerald on the east wall of Island Books & Crafts above Bird's Eye Outfitters.**
- **Restoration of existing mural on the east wall of the Alpha Bar.**
- **Mural (artwork still being finalized) on the south wall of Pingatore Cleaners.**
- **Total cost: \$32,000 with \$16,000 to be raised locally within 30 days of launch.**

Background: *Director Knepper has worked with multiple property owners and artists to identify a “doable” first round of mural projects. The above murals are located at properties identified by artists as easy to access and work on, having cooperative property owners, and being in high visibility areas. A number of the above property owners will be investing thousands of dollars to prepare the surfaces of the walls for murals.*

The draft web page for the mural project is located at: [https://www.patronicity.com/project/downtown_sault_ste_marie_mural_project#/.](https://www.patronicity.com/project/downtown_sault_ste_marie_mural_project#/)

Director Knepper provided draft renderings of the four proposed murals for the DDA Board to review. He would like to launch the live fundraising campaign (video and website created by Patronicity staff) as soon as possible.

Moved by Michelle LaJoie, supported by Oliver Turner, to approve the launch of the Patronicity crowdfunding campaign to receive a 50% matching grant for the four murals listed above, i.e., west wall of 1668 Winery & Lockside Brewery, east wall of Island Books & Crafts, east wall of the Alpha Bar and the south wall of Pingatore Cleaners. The motion passed unanimously.

B. Update on Release of PlacePlans Request for Qualifications (RFQ).

Background: *Based on the DDA’s recommendation, the City Commission recently approved “going live” with the PlacePlans Request for Qualifications. This would start a process through which the DDA and the City would release renderings and information regarding the development of new housing and commercial space in the greater area in and around Maloney’s Alley.*

A draft press release was attached to the agenda for the DDA Board’s review. However, the DDA engaged with a developer called Home Renewal Systems last fall, and they are still very interested in pursuing the Templeton lot. Director Knepper is waiting to have a final conversation with them about how the RFQ works and what their options are before releasing.

C. Michigan Mainstreet Program Select Level Application.

Background: *The Steering Committee met on March 15th with Brittney Hoszkiw from the State Mainstreet office. She has sent a letter assessing our current progress toward the Select Level application, and offering recommendations on how to progress. The DDA Board as a whole needs to start attending Steering Committee meetings as much as possible. The next meeting will be scheduled for late April. Ms. Hoszkiw’s assessment is attached to the agenda.*

D. National Historic District Application.

Background: *Dee Stevens has completed initial research on nearly all of the historic buildings within the DDA district, and the DDA Intern is compiling information into an official template.*

E. 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.

F. 2016 Property Improvement Program.

Background: *Director Knepper has sent out a press release, which is attached to the agenda that outlines the Property Improvement Program. There are already a few interested parties who have contacted the DDA office.*

The DDA has partnered with downtown businesses to offer discounts for property improvement projects within the downtown district. These businesses are listed on the press release/flyer.

G. Sault Tribe Lot Repaving.

Background: *This item was reviewed by the Parking Advisory Committee, and Jeff Hagan suggested that the bus stop may open elements of funding that could go toward the parking lot repairs. This is under review.*

H. DDA Rules & Regulations Update. Recommendation: Review the DDA by-laws, utilizing the generic committee by-laws prepared by City Attorney Cannello. Discuss changes proposed by Director Knepper and Chairman Stutzner.

Director Knepper went through the various sections of the Rules of Procedure provided by City Attorney Steve Cannello.

Moved by Greg Collins, supported by Raymond Bell, to approve the Downtown Development Authority Rules of Procedure, with changes made to 5.2 regarding: "Draft meeting minutes shall be available for public review within eight business days after the meeting." The motion passed unanimously.

I. DDA Budget Update.

Background: *Director Knepper met with City Finance Director Kristin Collins and Assistant City Manager Robin Troyer to discuss the DDA budget in depth on March 18th. City Manager Oliver Turner is now examining the budget, and will offer his recommended changes back to the DDA Board. Director Knepper indicated that there may be a need to hold a special meeting to approve a final budget in April. The DDA faces tremendous shortages in TIF funding.*

Oliver Turner indicated that the DDA budget will be reviewed this afternoon. Director Knepper will be in touch with the DDA Finance Committee/DDA Board within the next couple of days if a special meeting regarding the budget is needed.

6. NEW BUSINESS.

- A. CEDAM Membership Application. Recommendation: Join the Community Economic Development Association of Michigan; membership cost of \$250.**

CEDAM provides advocacy, resources and training to organizations working to create vibrant communities.

Moved by Michelle LaJoie, supported by Scott Parker, to approve the Community Economic Development Association of Michigan membership at a cost of \$250.00.

- B. Sponsor “Connecting Entrepreneurial Communities” Boot Camp. Recommendation: Offer a \$250 sponsorship for the “CEC” Boot Camp, bringing 80 regional community leaders to downtown Sault Ste. Marie on June 7-8.**

Moved by Scott Parker, support by Raymond Bell, to approve the \$250 DDA sponsorship for the Connecting Entrepreneurial Communities (CEC) Boot Camp, bringing 80 regional community leaders to downtown Sault Ste. Marie on June 7-8, 2016. The motion passed unanimously.

- C. House of Bargains Update Regarding Cloverland Electric’s Interest in the Building. Recommendation: Issue letter from the DDA Board requesting an update regarding Cloverland Electric Cooperative’s intentions for the House of Bargains building, and request a joint meeting to discuss incentives related to the preservation of the building.**

Background: *Director Knepper met with Troy Popour, Manager of House of Bargains and the building owner's son, on the day they announced they were closing. Director Knepper gave Mr. Popour multiple leads on possible buyers, at which time Mr. Popour mentioned Cloverland Electric was also interested. Director Knepper then met with Cloverland Electric's Director Dan Dasho and learned they were concerned about the building's proximity to the power canal. Director Knepper met with Mr. Dasho a second time, at which time he delivered the attached memorandum outlining concerns with their ownership of the building and requesting them to work with DDA to rehabilitate the property.*

Meanwhile, for better or worse, the word got out regarding their interests in the building, resulting in members of the public becoming engaged in criticizing Cloverland Electric Cooperative for their interest in the property.

The DDA continues to be highly concerned about the preservation of the building and how the DDA can best partner with Cloverland Cooperative, if they do indeed buy the property, to restore it. Director Knepper would like to have the support of the DDA Board that the DDA Board opposes the demolition of the property, would like an update from the Cloverland board on their intentions, and request they consider applying for grants and other funding through the DDA, City, and State that could be used for restoring the building and addressing structural concerns along the Power Canal wall.

After discussion, the DDA Board agreed to re-look at this issue at the next DDA Board meeting.

D. Spring Maintenance Walkthrough. Recommendation: Schedule spring maintenance walkthrough of downtown to consider repairs to abandoned tree holes, brick pavers, and other items.

Director Knepper indicated that he will be scheduling a downtown walkthrough in the 2-3 weeks.

E. Parking Advisory Committee. Recommendations:

- **Add one 15 minute parking space in front of Pingatore Cleaners. Recommendation: Approve the Parking Advisory Committee's request.**
- **Add two hour parking signs along the angled parking spaces on Ann Street. Recommendation: This idea was brought forth by Greg Maxon, who then returned to the DDA office after the parking**

meeting to ask for permit spaces instead. Table this recommendation until further review can take place.

- **Adjust the existing handicap space and/or add a second handicap space along the west side of the street in front of Avery Square. Recommendation: Request the City Engineer to adjust the handicap space near Avery Square by lengthening the space by at least four feet to allow for vehicles with rear handicap ramps to have room to operate.**

Moved by Scott Parker, supported by Raymond Bell, to approve the Parking Advisory Committee's request to add one 15 minute parking space in front of Pingatore Cleaners, and to request that the City Engineer adjust the existing handicap space near Avery Square by lengthening the space by at least four feet to allow for vehicles with rear handicap ramps to have room to operate. The motion passed unanimously.

7. DOWNTOWN MANAGER'S REPORT.

A. State Façade Grant Program Update.

Background: *Brewster & Lewinski's building at 111 Ashmun Street is 60% complete. Glass will be installed in the new storefront frame any day, and then only the upstairs and north side windows will have to be installed and the cornice finished repainting.*

The Chippewa County Historical Society's building at 115 Ashmun Street is completed based on grant requirements. There are still a few minor items to see addressed.

Island Books & Crafts at 101 E. Portage Avenue is about 50% complete, with windows and storefront still awaiting installation on the first level, and substantial paint removal work still needing to be done on both sides of the building.

A Cut Above the Rest Salon & Spa at 548 Ashmun Street is nearing completion, with just a sign and a few other adjustments needing to be made.

UP Engineers & Architects' building at 707 Ashmun Street is just on the cusp of major work beginning; contracts have been signed for brick work, window work, and door replacement.

B. Retail Committee Update.

- **Review of Healthcare Appreciation Day shopping event on March 30th.**
- **Ladies' Night Out shopping event on May 19th.**

Director Knepper indicated that the Healthcare Appreciation Day shopping event had low participation. A flyer was distributed for the Ladies' Night Out shopping event from 4:00-8:00 p.m. on May 19th. Specials will begin at 8:00 p.m. at several pubs and restaurants. The trolley will be available for visiting downtown businesses and gift certificates and prizes will be awarded.

C. Bar Owner's Committee Update.

Background: *Bar owners are highly concerned about heightened police presence downtown; multiple meetings are being held with the Police Chief, City Manager, and bar owners regarding the topic.*

D. New Business Update.

- Autism Alliance of Michigan.
- Computer Repair shop.
- Direct Effect Body Jewelry.
- Stringing Things.
- 906 Gym concept.
- Children's Museum concept.

Background: *While there are positive things happening with the above projects, the economy still continues to struggle mightily downtown; established businesses have reported some of their worst sales in the past five years. The DDA has a tremendous amount of work to do to get the money really flowing downtown.*

E. Downtown Construction Update.

- Portage Avenue repaving
- CSO work starting with Dawson
- Prospect Alley repaving

F. Travel Update.

- TIF Revenue Generation MEDC workgroup, Friday April 15th in Lansing
- Governor's Conference on Tourism, Sunday, April 17th through Tuesday, April 19th.
- Building Michigan Communities Conference, April 27th?

8. MATTERS PRESENTED BY THE BOARD.

A. Public Restroom Project – Carl Stutzner.

Carl Stutzner explained the need for a public restroom in the downtown area; perhaps on Portage Avenue/Farmer’s Market. The DDA Board discussed concerns regarding liability and maintenance of the restroom. The DDA will be looking into this.

9. MATTERS PRESENTED BY THE PUBLIC.

A. Chamber of Commerce Update.

- Get Your Business on Google workshop: tonight, October, November.
- Small Business Week. May 1-7 Google program.
- Spring Economic Luncheon.
- July 4th Parade Update.

Chamber of Commerce Executive Director Tony Haller went through the Chamber’s upcoming events listed above, as well as: Business After Five at Moloney’s Alley on Thursday, April 21st, and the Chamber Challenge Golf Scramble on Friday, June 3rd.

10. ADJOURN.

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

Respectfully submitted,

Carl Stutzner
Downtown Development Association Board Chair

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