

**Sault Ste. Marie  
DOWNTOWN DEVELOPMENT AUTHORITY  
WEDNESDAY, JULY 13, 2016**

**MINUTES**

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

Tony Haller  
Phil Woolcocks

Absent: Greg Collins.

**1. CALL TO ORDER.**

**2. ELECTION OF OFFICERS.** Carl Stutzner informed the Board of his intent to step-down as DDA Board Chair. Oliver Turner instructed the Board as to Robert’s Rules of Order regarding nominations, motions, voting, etc.

- **Chair** – Michelle LaJoie nominated Raymond Bell for DDA Board Chair. There were no other nominations.

***Moved by Les Townsend, supported by Marla Bunker, to appoint Raymond Bell as Chair of the DDA Board. The motion passed unanimously.***

- **Vice Chair** – Marla Bunker nominated Michelle LaJoie for DDA Board Vice Chair. There were no other nominations.

***Moved by Oliver Turner, supported by Raymond Bell, to appoint Michelle LaJoie as Vice Chair of the DDA Board. The motion passed unanimously.***

- **Treasurer** – Michelle LaJoie nominated Greg Collins for DDA Board Treasurer. There were no other nominations.

***Moved by Raymond Bell, supported by Les Townsend, to appoint Greg Collins as Treasurer of the DDA Board. The motion passed unanimously.***

- **Secretary** - Michelle LaJoie nominated Scott Parker for DDA Board Secretary. There were no other nominations.

***Moved by Marla Bunker, supported by Les Townsend to appoint Scott Parker as Secretary of the DDA Board. The motion passed unanimously.***

DDA Director Justin Knepper and City Manager Oliver Turner stated their appreciation of Carl Stutzner's tenure as DDA Board Chair and his willingness to serve the community.

**3. ROLL CALL.** Attendance was taken as noted.

**4. CONSENT AGENDA.**

**A. Approval of Minutes: June 15th, 2016 Regular Meeting.**

***Moved by Raymond Bell, supported by Michelle LaJoie to approve the minutes of the June 15, 2016 regular DDA Board meeting. The motion passed unanimously.***

**5. SPECIAL ORDERS OF BUSINESS.**

**A. Annual Meeting. Recommendation: Hold annual meeting to review the following items, and authorize a report on said items to be published in the local newspaper:**

- i. The Amount and Source of Revenues in our Tax Increment Finance Accounts.*
- ii. The amount in any Bond Reserve Accounts.*
- iii. The amount and Purposes of Expenditures from our Tax Increment Finance Accounts.*
- iv. The amount of Principal and Interest on any Outstanding Bond Indebtedness.*
- v. The Initial Assessed Value of the TIF-funded Development Areas.*
- vi. The Captured Assessed Value Retained by the DDA.*
- vii. The TIF Revenues Received.*
- viii. The Number of Jobs Created as a Result of the TIF Plans.*

State Law requires that that DDA Boards have annual public meetings and publish TIFA 1 and 2 financial reports in the local newspaper.

**TIFA 1:** Director Knepper went through the TIFA 1 Annual Report 2015/16 (ending June 30, 2016); that included total amount of revenue-\$219,304.10. Included in that amount are tax proceeds, delinquent taxes on personal property, personal property tax loss reimbursement, interest and penalties, War Memorial Hospital tax shortfall, Tribal Offices tax shortfall and miscellaneous revenue.

The Report also included total amount of expenditures of \$197,809.98. Included in that amount is wages for staff, fringe benefits for staff, supplies, contracted services, equipment repairs/rental, transfer to City general fund and transfer to parking debt service.

**TIFA 2:** Director Knepper went through the TIFA 2 Annual Report 2015/16 (ending June 30, 2016); that included total amount of revenue-\$97,338.51. Included in that amount are tax proceeds, delinquent taxes on personal property, personal property tax loss reimbursement, interest and penalties, and miscellaneous revenue.

The Report also included total amount of expenditures of \$91,047.60. Included in that amount are wages and fringe benefits for staff, supplies, contracted services, equipment repairs/rental, water bill for Eagle Fountain, transfer to City general fund and transfer to parking deck debt service.

Director Knepper indicated that further information is needed before publishing both TIFA 1 and 2 reports – amount of principal and interest on bond debt, captured assessed value of development area, and revenues received by the DDA.

It is mandatory that the reports indicate number of jobs created due to TIFA 1 and 2 plans. The DDA Board found a few discrepancies in the jobs created category, i.e. not included was Salvation Army, new doctor's building, Birdseye Outfitters, and Carl Stutzner stated that 3 new employees had been hired at Penny's Kitchen. Marla Bunker will get numbers for jobs created at War Memorial Hospital during 2015/16.

***Moved by Scott Parker, supported by Raymond Bell, to hold an annual meeting to review 2015/16 TIFA 1 and 2 financial reports to be published in the local newspaper. The motion passed unanimously.***

**B. Authorization of Grant Application to the Partnerships to Improve Community Health (PICH). Recommendation: Authorize a grant application for the following requests.**

- i. Pedestrian Plaza construction on south Ashmun Street: \$5,980.*
- ii. Replacement of Sun Shade at Farmers' Market: \$13,500.*
- iii. Creation of walkway behind Penny's Kitchen: \$2,500.*

Sault Tribe contacted the DDA and indicated that they have left over grant funds for Upper Peninsula projects focusing on community health.

***Moved by Scott Parker, supported by Les Townsend, to authorize a grant application for the above projects to the Partnerships to Improve Community Health through the Sault Tribe. The motion passed unanimously.***

**C. Raise for Kristy Wyngaarden. Recommendation: Authorize one dollar increase per hour for Kristy Wyngaarden.**

**Background:** *Kristy Wyngaarden started as the part-time marketing/events coordinator for the DDA last October, and has been a tremendous asset for the DDA. She coordinated Ladies Night Out, is working feverishly on Downtown Days, and is constantly working to keep our website and social media presence up to date. She is a huge asset to promoting our individual businesses and organizing events, and created and initiated the Downtown Sault Ste. Marie weekly list of events, an exhaustive list of all private and community events happening in Downtown Sault Ste. Marie. We started her at \$12/hour, but budgeted to give her \$13/hour for FY 2016/17.*

One year and a half ago the DDA Board authorized hiring Kristy as the DDA marketing and events coordinator. Director Knepper provided the City's 2015/2016 Seasonal / Part Time Pay Schedule Effective January 1, 2016. Kristy was hired at level S-4 and he would like to bump her wage up to Level S-5 with the first year being \$13.00.

***Moved by Raymond Bell, supported by Michelle LaJoie, to authorize a \$1.00 increase in Kristy's wage to \$13.00 and bump her position up to a Level S-5 on the City's Seasonal / Part Time Pay Schedule. The motion carried.***

## 6. UNFINISHED BUSINESS.

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

**Background:** *The PlacePlans are now live at [www.saultcity.com/placeplans](http://www.saultcity.com/placeplans), with a final deadline of August 31<sup>st</sup> for the DDA Board to receive responses from qualified developers. Depending on response, we may consider extending the submission details.*

Director Knepper indicated that he has had one lead with a Canadian developer, and a few local construction companies have shown some interest.

### B. Michigan Mainstreet Program Select Level Application.

**Recommendation:** *Review draft Mainstreet budget.*

*The Mainstreet Committee is scheduled to meet every second Tuesday at 2:00 p.m.*

DDA Board member and Mainstreet Committee Chair, Michelle LaJoie indicated that the committee will have a table to recruit volunteers and pledges during Downtown Days/Sidewalk Sales. Director Knepper indicated that there is mandatory training for select level applications on August 15-16, 2016 in Hart, Michigan. He indicated that he would like as many people as possible to attend the training. The DDA travel budget will be utilized for an overnight motel.

### C. National Historic District Application.

**Background:** *No updates at this time.*

DDA is still waiting for documentation.

**D. Mural Installation Crowdfunding Campaign.**

**Background:** *Project completed! DDA Director Justin Knepper presented at numerous board meetings and committees, and interacted with numerous individuals regarding the project. Over \$17,000 was raised in under 30 days. The actual artwork will hopefully begin in August.*

At this time approximately \$19,000 has been raised for the Mural Installation Crowdfunding Campaign with approximately 150 individuals and organizations donating. Large donations received were \$3,000 from the CVB and \$2,000 from the Community Foundation. The campaign closes on Friday, July 15<sup>th</sup> at 11:59 p.m. Some of the overage of funds can be used to purchase postcards, mugs, shirts, and a thank you party to donors. Other mural locations can be determined if any funds are remaining.

**E. Pedestrian Safety Bollards.**

**Background:** *Two bollards have been shipped. They should arrive any day to be installed on Ashmun and on Osborn.*

The DDA has received one bollard. It is currently being assembled and should be out on the Avery Square walkway in a week or so.

**F. Crosswalk Art.**

**Background:** *Crosswalk art is scheduled to be painted on July 31<sup>st</sup>, a Sunday from 2:00 – 10:00 p.m. This is the only time that would fit within the grant parameters.*

Through the Sault Tribe 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 granting agency for this project would like to see it completed by July 31, 2016. They are requesting that approximately 30 people in the community volunteer for this event. In that it takes 24 hours or overnight for the paint to dry, the DDA Board discussed starting with the cross streets; perhaps Ferris Street across from Alberta House, and/or painting each crosswalk one-half at a time. An update regarding the Crosswalk Art program will be provided to the Mayor and City Commissioners at the July 18<sup>th</sup> City Commission meeting.

**G. Staff Replacement.**

**Background:** *Director Knepper is going through the hiring process, with the help of Assistant City Manager Robin Troyer, to hire a part-time parking officer and a seasonal maintenance person. He hopes to have both in place this month.*

The DDA has two candidates for the part-time parking officer and two candidates for a seasonal maintenance person. Director Knepper will be interviewing and hiring within a month.

#### **H. Downtown Snowplowing Meeting.**

*Meeting to be held on July 14<sup>th</sup> at 5:30 p.m. in the City Commission Chambers.*

At the June DDA Board meeting the Board discussed releasing a request for proposals for contracting for the removal of all snow in downtown City-owned and DDA-owned parking lots and examine how this may affect the parking budget. Before sending out a RFP, the DDA wanted to meet with downtown business owners to get their thoughts on this issue. Director Knepper will report back the results of the downtown snowplowing meeting at the DDA Board meeting in August.

#### **I. Review of LSSU Citywide Signage Report.**

This will be on the August DDA Board agenda.

### **7. NEW BUSINESS.**

#### **A. Trolley Rental for Cruise Ship Passengers. Recommendation: Discuss cruise ship schedule and trolley rental concept for remainder of summer.**

This summer Blount Cruise Ships has increased their docking usage at the carbide dock. When the ship ties up here sometimes for 6-12 hours, the passengers have no way to get downtown to sightsee, shop and dine. Director Knepper would like to rent the trolley so that these passengers can enjoy the City of Sault Ste. Marie. He suggested that the DDA could fund a portion of the rental fee and perhaps solicit businesses to share in the cost, which would benefit businesses downtown.

Due to a conflict of interest, DDA Board member Michelle LaJoie abstained from voting on this issue.

***Moved by Marla Bunker, supported by Raymond Bell, to move forward with renting the Community Action Agency Trolley for the remainder of the summer to transport Blount Cruise Ships passengers to downtown Sault Ste. Marie to sightsee, shop and dine. The motion carried unanimously.***

### **8. DOWNTOWN MANAGER'S REPORT.**

#### **A. State Façade Grant Program.**

**Background:** *Island Books & Crafts is the last building to need substantial finishing work. Limestone on the second floor needs complete stripping and refinishing; glasswork is still ongoing, and various other wood trim elements have to be completed. All other projects are nearing completion.*

The contractor renovating Island Books & Crafts is behind schedule. The State Façade Grant Program's mandatory completion date is August 31, 2016. If the

project is not complete by that time, the contractor will be fined \$500 a day until finished.

## **B. Events Status.**

- *Music in the Park starting.*
- *Slashin' Ashmun Car Cruise.* This was a very successful event, with approximately 500 cars participating. \$1,900 was collected to go towards a dog park in the City.
- *July 4<sup>th</sup> Parade at 7pm.* Tony Haller reported that there were 80 entries for this year's parade. Changing the parade back to 7:00 p.m. proved to be a success.
- *Gus Macker to be relocated to Portage Avenue, 7/17-19/16.* Sault Events is planning this event. Portage Avenue from Ashmun to Water Street will be closed at 5:00 a.m. on Friday, July 15<sup>th</sup> to set up the basketball courts.
- *Sidewalk Sales on 8/5&6/16.* Sault Tribe has hired the band *Firehouse* to play at Sidewalk Sales. They are scheduled to perform on the stage that will be set up on north Ashmun Street by the Farmer's Market. Tickets are \$25.00. The City Clerk's office is handling the insurance requirements.
- *Art Show on 8/2/16?*
- *Beerfest on 8/15/16.*
- *LSSU Summer Bash on 8/27/16.*
- *Antiques on Ashmun on 9/10/16.*

## **9. MATTERS PRESENTED BY THE PUBLIC.**

Director Knepper requested that this agenda item be moved up to occur after agenda item no. 4 – Consent Agenda.

Mr. Phil Woolcocks, owner of Up North Nutrition (826 Ashmun Street), was present at the DDA Board meeting. Director Knepper explained that Mr. Woolcocks is committed to open a new fitness/nutrition center in downtown Sault Ste. Marie and has been working on this for 1 ½ years to no avail. He has looked at constructing a new building, renovating existing vacant buildings, and just recently had a potential agreement with Cloverland Electric to lease the old House of Bargains building. Mr. Woolcocks had hired architects, spoke with the City's Building Department, and was ready to enter into a lease, which fell through at a meeting with Cloverland Electric held yesterday, July 12th.

The south side of the House of Bargains building abuts closely to the Power Canal and renovation to the canal wall is expected to commence in 1 ½ - 2 years. It is Cloverland's contention that damage to the building may occur during the re-build of the canal wall, and therefore, did not accept Mr. Woolcocks' proposal.

Mr. Woolcocks asked the DDA Board to help him achieve his goal of owning a fitness/nutrition center in Sault Ste. Marie, Michigan. He is getting married in October and would like to raise his family in the Soo.

Director Knepper indicated that they will again work together to find a new location, or re-look at other available space in downtown Sault Ste. Marie. The fitness/nutrition center requires approximately 6,000 square feet with ample parking.

#### **10. MATTERS PRESENTED BY THE BOARD.**

Director Knepper indicated that Convention and Visitors Bureau Executive Director Linda Hoath is hosting a national media visit for programming for Sault Ste. Marie, Michigan in September 2016. She will be working with the City and others to clean up our downtown area for this important visit.

#### **11. ADJOURN.**

***The meeting was adjourned at approximately 9:40 a.m. upon motion of Oliver Turner and support of Michelle LaJoie. The motion passed unanimously.***

Respectfully submitted,

Carl Stutzner  
Chair – Downtown Development Authority Board

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