

**DOWNTOWN DEVELOPMENT AUTHORITY  
WEDNESDAY, DECEMBER 13, 2017 – 8:00 A.M.  
Meeting Held at Avery Square – 2<sup>nd</sup> Floor Conference Room  
Sault Ste. Marie, Michigan**

**MEETING MINUTES**

**Present:** Abby Baker  
Raymond Bell  
Marla Bunker  
Debbie Jones  
Michelle LaJoie  
Scott Parker  
Les Townsend  
Oliver Turner  
Allison Youngs  
Justin Knepper

**Also Present:** Nick Nolan, Soo News  
Tony Haller, Chamber  
Josh Billington, SBDC  
Jeff Holt, EDC Director

**Absent:** Ben Duff

***Moved by Oliver Turner, supported by Michelle LaJoie, to excuse the absent DDA Board member. The motion carried unanimously.***

**1. CALL TO ORDER.**

**2. ROLL CALL.**

**3. APPROVAL OF MINUTES.**

- November 8, 2017 Regular Meeting Minutes.
- November 29, 2017 Promotions Committee Minutes.
- December 6, 2017 Retail Meeting.

***Moved by Debbie Jones, supported by Oliver Turner, to approve the November 8, 2017 Regular DDA Meeting Minutes, the November 29, 2017 Promotions Committee Minutes, and the December 6, 2017 Retail Meeting Minutes. The motion passed unanimously.***

**4. APPROVAL OF AGENDA.**

***Moved by Michelle LaJoie, supported by Allison Youngs, to approve the Agenda of the December 13, 2017 DDA Board meeting, with the addition of Organizational Structure Committee on Agenda item 6. A. The motion passed unanimously.***

**5. DECLARATION OF CONFLICT OF INTEREST.**

There were no conflicts of interest declared at this time.

## 6. UNFINISHED BUSINESS.

### A. Main Street Committee Structure.

**Detail:** *The Main Street committee training and committee establishment has been completed. Director Knepper facilitated a launch meeting in November, which was followed by four individual committee training sessions on December 6<sup>th</sup>. The following individuals have self-selected to serve on the DDA Main Street committees:*

**Design:** *Tammy Cook, Debbie Jones, Dennis Merkel, Jennifer Reattoir, Danny Sarns, Les Townsend.*

**Promotion:** *Abby Baker, Tim Ellis, Mary Jo Duvall, Linda Hoath, Scott Parker, Kelli Jarvis-Townsend, Allison Youngs, Greg Zimmerman.*

**Economic Vitality:** *Joshua Billington, Marla Bunker, Marta Diaz, Kelly Freeman, Tony Haller, Jeff Holt, Larry Jacques, David Jahn, April Jones, Tracey Laitinen, Michelle LaJoie, Aaron Payment, Oliver Turner, Mark Van Doren*

**Organization Committee:** *Ray Bell, Craig Cooper, Jeremy Gagnon, Stephanie Woods, Ben Duff.*

**Recommendation:** *Discuss the appointment of chairs for the first year for each committee.*

At the Michigan Main Street training sessions held on December 6, 2017, four Chairs were voted in: Design Committee Chair Debbie Jones, Promotion Committee Chair Allison Youngs, Economic Vitality Committee Chair Josh Billington, and Organization Committee Chair Ray Bell.

**Moved by Les Townsend, supported by Michelle LaJoie, to appoint Chairs for the first year of each Michigan Main Street committee, as follows: Design Committee Chair Debbie Jones, Promotion Committee Chair Allison Youngs, Economic Vitality Committee Chair Josh Billington, and Organization Committee Chair Ray Bell. The motion passed unanimously.**

### B. Main Street Work Plan and DDA Budget Schedule.

**Detail:** *Michigan Main Street staff proposes that we accept the following schedule for the first stage of Main Street committee tasks:*

**List of Projects Prioritized:** *Chairs will present projects to Board for review and approval at January 10<sup>th</sup>, 2018 DDA board meeting.*

**Board Approval of Project List:** The Board will consider projects for approval and direct committees to begin work plan process.

**Work Plan Development:** Committees will prepare work plans and budgets for Board review at the February 14th, 2018 DDA board meeting.

The DDA Board will consider a draft 2018/19 budget for approval to submit to the City Finance Department in March 2018.

**Recommendation:** **Accept the schedule as outlined above. See attached budget timeline prepared by City Finance Director Kristin Collins.**

The Board discussed the gap between revenues and expenses in the DDA budget, and how to minimize the gap in the future. It was suggested that the DDA Board review the budget monthly at the DDA Board meetings. Director Knepper indicated that Michigan Main Street requires a monthly report/work plan showing the costs, expenses, and the number of people in attendance at each event, as well as budget up-dates. The Main Street reports will also be provided to the DDA Board at the monthly meetings.

## **7. NEW BUSINESS.**

### **A. User Fee Changes.**

**Detail:** DDA parking staff has suggested that the following user fees be added to the City user fee schedule:

- 1) **24-Hour Surface Lot Parking Permit:** Various apartments that are outside of walking range to the parking garage are in need of 24 hour parking permits. These 24 hour permits will be exempt from the City's winter parking ban. Proposed areas include spaces in the P4 lot near National Office Products; spaces near Second Childhood & Adults Too near Subway; and spaces in the Farmers Market. Proposed fee: \$275 annually or \$25 monthly.
- 2) **Replacement Permit Fee:** This proposed fee would cover the cost of replacing permits when permit holders lose theirs. Proposed fee: \$5.00.
- 3) **Late Fees:** Our late fee is currently a one-time additional fee of \$10 for tickets that are not paid after seven days. We currently send out three late notices over three months before issuing a civil infraction and turning the ticket over to the County for collection. Each month should trigger a higher late fee. Proposed fee: \$10 after seven days, \$20 after 30 days, \$30 after 60 days.

**Recommendation:** **Discuss adoption of user fees as outlined above.**

The Board discussed the Moloney's Alley parking lot, leased from Shawn Atto, that could be utilized for 24-hour parking permits. The City provides insurance and maintains the parking lot space for public use. The lease with Shawn Atto is for five years although the City has the option to end the lease, if needed.

The Board agreed that the \$10 one-time additional late fee for tickets not paid over ten days does not carry much of a financial penalty.

***Moved by Debbie Jones, supported by Allison Youngs, to approve the concept of 24-hour surface lot parking permits in the P4 lot near National Office Products; spaces near Second Childhood & Adults Too near Subway; and spaces in the Farmers Market at the proposed fee of \$275 annually or \$25.00 monthly. The motion also includes \$5 to replace lost permits, and to raise the late fee for parking tickets to \$10 after seven days, \$20 after 30 days, and \$30 after 60 days. The motion passed unanimously.***

The DDA will be recommending approval to the City Commission in 2018 of the above user fee changes.

**B. MEDC Façade Grant – CDBG Grant Administrator Fee.**

***Detail:*** *The MEDC has recently mandated that all CDBG grants be administered by a certified grant administrator, of which there are more than 70 across the State of Michigan. This third-party grant administrator handles all of the work of façade grant administration that Director Knepper completed during the City's initial façade grant round.*

*The City of Sault Ste. Marie has recently received notice that four more properties will receive a façade grant in spring 2018; this new grant application requires a request for proposals be issued by the City in order to procure a certified grant administrator.*

*Please note that there is a fee that will be covered by the MEDC for grant administration; this fee can amount up to five percent of the total grant amount. Properties included in this grant round are: 411 W. Portage, 105 W. Portage, 415 Ashmun, and 538 Ashmun. The grant totals approximately \$428,500.*

***Recommendation:*** *Considering that Director Knepper is a certified grant administrator, there are two options: one, Director Knepper could apply as an individual consultant to administer the grant. Two, the DDA could apply as an organization with a certified grant administrator on staff and assign the work to the Director.*

Director Knepper attended four days of training and is now a State and Federal Certified Grant Administrator. If the DDA Board decides to apply as an organization, the 5% grant fee (approximately \$30,000-\$40,000 each year for two

years) could go towards a temporary part-time administrative assistant for the DDA to help with daily tasks while Director Knepper takes on duties associated with a certified grant administrator for the four façade renovations associated with downtown Sault Ste. Marie.

***Moved by Debbie Jones, supported by Allison Youngs, that the DDA apply as an organization with a Certified Grant Administrator on staff and assign the work to the Director. The motion passed unanimously.***

C. **Segways on Sidewalks.**

**Detail:** *A local business owner is considering the purchase of Segways to rent for guided tourism tours. Current law considers Segways similar to bicycles; they are allowed both on streets and sidewalks. There is some concern that Segways operating on sidewalks, especially on West Portage Avenue, will disrupt pedestrians and pose a safety hazard, or at least create pedestrian issues. However, this article in the Wall Street Journal suggests that if the sidewalks are wide, Segways can easily mingle with pedestrians:*  
<https://www.wsj.com/articles/SB104992006599107300>

**Recommendation:** *Discuss use of Segways Downtown, and consider whether to allow Segways to operate as currently legally allowed, or if special restrictions should be placed on their use in Sault Ste. Marie.*

The DDA Board was open to discuss Segway tours downtown, but wanted more information on the route of the tour and the impact the tours will have on Portage Avenue during the tourist season. Director Knepper indicated that the business owner will be providing the DDA with route maps and they will be distributed to the Board in the future. Discussion included Segway tours on public property versus private property, peddler fees, and that the tours should be with a guide.

**DIRECTOR'S STATUS REPORT.**

- A. **Power Canal Trail Patronicity Fundraiser.** The Power Canal Fundraising campaign is currently at \$49,500, and more donations are anticipated.
- B. **National Register Historic District Creation for Downtown Sault Ste. Marie.**
- C. **City Finance Department Audit.** The Finance Committee comprised of Finance Director Kristin Collins, DDA Director Justin Knepper, City Manager Oliver Turner and DDA Board members Allison Youngs and Debbie Jones met on December 12<sup>th</sup>. The Finance Committee will be reporting to the DDA Board at their monthly meetings to make sure the Board is fully aware of the status of the DDA budget.
- D. **Events and Festivals.**

- *Halloween Spectacular – review.*
- *Sault Ste. Marie Restaurant Week.* Restaurant week went very well. Most participating restaurants indicated more people dined than last year.
- *Parker ACE Hardware Parade of Lights.* Scott Parker indicated that the Parade of Lights went well.
- *Small Business Saturday.* Downtown businesses were very pleased with the number of shoppers.
- *Christmas Open House.* This took place on December 9<sup>th</sup> and included photos with Santa at Avery Square, horse-drawn carriage rides, sales, snacks available at businesses downtown.
- *Wish List Week – December 11<sup>th</sup> – 15<sup>th</sup>.*
- *Bright Lights Shopping Night – December 15<sup>th</sup> (evening hours).* Downtown stores will be open until 8:00 p.m. Customers will be judging storefronts with the winner's recognition in the paper and a plaque presentation to the business owner.
- *New Year's Eve Ball Drop – December 31<sup>st</sup>.* This will take place at midnight with the ball dropping from the roof of Island Books and Crafts. The event will be on the radio, and the corner of Ashmun Street and Portage Avenue will be closed for approximately ½ hour.

E. **New Holland Brewing Company Sponsorship.** New Holland Brewing Company will be sponsoring the annual Pub Crawl during I-500 week in February 2018. They will be presenting a special craft beer for this event, and downtown restaurants and bars will have an opportunity to put the craft beer on tap. The DDA hopes to see an increase in sponsorships as this event continues to grow. Sale of Pub Crawl T-Shirts has increased every year; the DDA is ordering 600 T- Shirts in anticipation of increased participants.

F. **Downtown Newsletter.** The January Newsletter will be available at the January 10, 2018 DDA Board meeting and will be attached to the DDA's annual report to the City Commission. Anyone interested in advertising, or providing an article for the January Newsletter should contact Director Knepper.

G. **Christmas Catalog.** The DDA Christmas Catalog has been cancelled; the DDA was not able to get it done in a timely manner prior to Christmas.

## 8. PUBLIC COMMENT AND ANNOUNCEMENTS.

Sault Chamber Executive Director Tony Haller indicated that the Chamber Bucks Cash Program is going well, with approximately \$52,000 in Chamber Bucks sold. And, the annual Chamber Banquette is on February 26, 2018 at Kewadin Casino.

Abby Baker reported on the plans for the 2018 Beerfest. She has met with Finance Director Kristin Collins regarding accounting / budget practices that will make the Beerfest more accountable financially. Forty invites have been sent out to Michigan breweries, thirteen have responded, and five breweries (a total of ten will be invited

to create a 350<sup>th</sup> craft beer) will be creating a special craft beer in celebration of the City's 350<sup>th</sup> Anniversary.

**9. BOARD COMMENTS AND ANNOUNCEMENTS.**

**10. ADJOURN.**

***Moved by Oliver Turner, supported by Les Townsend, to adjourn the meeting at approximately 9:40 a.m. The motion passed unanimously.***

Respectfully submitted,

RAYMOND BELL, DDA Chair

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