# Sault Ste. Marie DOWNTOWN DEVELOPMENT AUTHORITY March 11, 2015

# **MINUTES**

Present: Raymond Bell

Greg Collins

William Karr Michelle LaJoie Scott Parker Carl Stutzner Les Townsend Oliver Turner Nathan Fazer Kelly Freeman

Absent: Ray Bauer

- 1. CALL TO ORDER.
- 2. **ROLL CALL.** Attendance was taken as noted.
- 3. CONSENT AGENDA.
  - Approval of Minutes: February 11, 2015 Regular Meeting.

Moved by Raymond Bell, supported by Michelle LaJoie, to approve the minutes of the February 11, 2015 DDA regular Board meeting. The motion carried unanimously.

DDA Chair Carl Stutzner, spoke of DDA Board member Sonja Norris' passing in mid-February. Sonja was a vital member of the DDA Board and she worked very hard promoting the DDA and downtown events. The Board agreed that Sonja will be sorely missed.

### 4. SPECIAL ORDERS OF BUSINESS.

# A. Master Plan Survey Results.

Nathan Fazer, Senior Planner/GIS Coordinator of EUP Regional Planning and Development Commission, and Kelly Freeman, Planning and Zoning Director for the City of Sault Ste. Marie, provided an overview of the responses to the Master Plan Survey that was mailed to approximately 3,500 citizens. 377 citizens responded to the Survey. (Names and mailing addresses were obtained through the City Water Department/water billing).

- 1) **Survey Area.** Area 2 Between I-75 and Seymour Avenue, and south of the power canal, had the highest number of responses at 156.
- 2) Boards and Commissions. The highest number for direct contact was with the City Commission and the DDA. Both had opinion ratings of very good, good, average, below average, poor and no opinion.
- 3) **Winter Programs and Activities.** 30.34% responded that they were *not* satisfied with residential sidewalk snow plowing. 22.33% responded that they were *not* satisfied with residential street snow plowing. Several people had issues with residential street parking during the winter months.
- 4) **Degree of Importance.** Over 50% responded that crime prevention, downtown appearance, condition of city streets, condition of city sidewalks, new business development, deteriorating buildings and industrial development were all *major issues*.
- 5) City Devoting Resources for Issues, Programs, Projects. The following projects received responses over 50% strongly support: Commercial development, recycling programs, city-wide bike path system and waterfront walkway development.
- 6) Rating of Downtown District. Other than the Farmer's Market rated *good* by 36.12%, and Safety rated *good* at 41.35%, all other items rated in the *average* category.
- 7) **Future Development in the Downtown:** 62.32% *strongly supported* future development in the downtown; 0.80% *strongly opposed* future development.
- 8) Importance of Preserving and Enhancing the Historic Character of the Downtown to the Economic Health of the Downtown and Community. 47.31% strongly agreed; 1.34% strongly disagreed.
- 9) Exteriors of New Buildings or Renovated Downtown Buildings Should be Architecturally Consistent with Existing Historic Buildings to Cultivate Sense of Place. 35.12% strongly agreed; 1.34% strongly disagreed.
- 10) Develop Underutilized or Vacant Lots, Promoting Stronger Ties between Outdoor and Indoor Spaces Along the Sidewalk and Creating Attractive Storefronts will Encourage People to Spend More Time Downtown. 52.85% strongly agreed; 0.54% strongly disagreed
- 11) **How Often Shopped.** Business Spur 23.92% shopped daily; 41.67% once a week, downtown 7.7% shopped daily; 26.81% shopped once a week, and 7.59% shopped daily online and 22.22% shopped online once a week.
- 12) **Do you Walk or Bike.** 70% indicated they walk in the summer only, and 30% indicated that they walked year around.

- 13)**Do You Support**? More downtown housing 15.77% *strongly support*, 36.34% *support* and rental housing license program 31.65% *strongly support*, 37.82% *support*.
- 14) When Funding is Available, the City has Plans for Improvement and Development of Several Recreational Areas. The top three areas chosen for improvement and development were a waterfront walkway, non-motorized trail development, and Ashmun Bay park.
- 15) **Acquisition of Property.** Economic development and downtown development were both strongly supported.

The DDA Board, along with Nathan Fazer and Kelly Freeman, discussed Conventional Zoning versus Form-based Code. Conventional zoning traditionally focuses on land-use types, permissible property uses and the control of development through numerical parameters, i.e. height limits, setbacks, parking ratios, etc. Form-based Code is a new and innovative method of managing growth and shaping development to achieve a specific urban form, which includes specific standards for the design of streets, open spaces and the physical form of development. EUP Regional Planning and the City Planning and Zoning Department will be looking closely at this issue when developing an updated Master Plan for the City.

Nathan concluded the overview indicating that a summary of the survey results can be obtained on-line at EUP Regional Planning and Development.

B. <u>Goal Setting Exercise.</u> Director Knepper went over the adopted 2014 goals, as well as potential goals for 2015.

## **Adopted 2014 Goals**

### Projects:

- Investigate archway on corner of Ashmun and Easterday.
- Encourage Soo Theatre to become a center for a wider variety of events, including movies.
- Investigate the addition of a "Welcome to Downtown Sault Ste. Marie" sign on the corner of Ashmun and Easterday.
- Reconstruct Oaka Alley. Currently \$600,000 short of construction costs.

## Operations:

- Hire a part-time events planner. This is a critical goal.
- Expand DDA grant/incentive programs to improve properties. Will further discuss this at next DDA Board meeting.
- Fill vacancies. This needs to be further defined, i.e. some properties cannot be rented "as is" in their current state. Encourage property owners that

- decisions have to be made to renovate, and then provide a strategy to fill vacant buildings or raze the vacant property.
- Improve snow clearing efforts to increase winter walkability. Look at expanding sidewalk snow clearing to Carl's Cuisine on West Portage Avenue. DDA will be getting quotes to do this.

### Financial:

- Improve fiscal stability of DDA. The DDA is scarcely making in through budget difficulties.
- Transfer ownership of the parking deck to WMH. City administration is working hard to realize this.
- Finalize TIF 2 expansion. This was finalized.
- Prepare for personal property tax negative impact on TIF's. The City Assessor is working on the personal property tax numbers for the 2015-16 fiscal year.

**Potential Goals for 2015.** Director Knepper went through the following potential goals for 2015:

- Restore Pocket Parks near National Office Products, the Back Door and the Farmer's Market.
- Create an overall development plan for each building along South Ashmun Street to encourage long-term property upgrades in newly street-scaped area.
- Assist businesses (approximately 27) on south Ashmun Street during the 2015 construction season.
- Develop specific development plans for gas stations lots including: Town & Country Pet Salon, Final Touch Hair Design, Look! Insurance, Soo Motors, Sault Insurance and others. Long term goals for development could be new buildings, parks, etc.
- Support the launch of the \$7 million Soo Theatre Capital Campaign.
- Grow the Farmer's Market by assisting with organization, marketing and promotion. The Farmer's Market is organized/managed by volunteers.
- Enter into lease agreements for the public use of the Moloney Alley lot and the Ashmun/Leroy lot.
- Get a mural painted on a building.
- Transfer ownership of the parking deck to WMH.
- Fill vacancies (continuation of 2014 goal). Updated by creating plans for each remaining downtown: for example, should the property be demolished or rehabilitated? How can we best market the property?

# **Suggestions of Potential Goals from City Manager Turner.**

- Establish ongoing recognition for DDA staff.
- Update outdated wayfinding signage (still show the City located the County Building, for example).

• Expand snow removal services along West Portage Avenue to Magazine Street.

After discussion, Director Knepper requested that the DDA Board prioritize the adopted 2014 goals and potential goals for 2015 and e-mail their results to him.

C. <u>Downtown Manager Evaluation.</u> Recommendation: Enter into a closed session to evaluate Director Justin Knepper's performance over the past year.

Moved by William Karr, supported by Oliver Turner, at 8:45 a.m. to adjourn the public DDA meeting to allow for a closed session of the DDA Board. There were no public attendees at this time.

The public meeting reconvened at 9:00 a.m. The Board discussed: The cost of hiring a part-time events planner to free-up some of Justin's time and partnering with the Convention and Visitor's Bureau for planning downtown events. The DDA Board also discussed adjusting Director Knepper's salary. It was decided that Sue Goetz, Administrative Assistant to the City Manager, provide a history of Director Knepper's pay raises, and conduct a survey of similar Michigan community's regarding DDA Director's salaries, number of DDA staff, etc.

- D. <u>FY 2015/16 Draft Budget Review.</u> Recommendation: Review included budget documents, discuss challenges and opportunities. Director Knepper provided draft budget worksheets for the DDA Board. The budget worksheets included the following for each DDA fund (general fund, TIFA I fund, TIFA II fund, parking fund, and parking deck operating fund):
  - 6-30-15 Current Year Beginning Budget,
  - 6-30-15 Current Year Amended Budget,
  - 6-30-15 Current Year Projected Budget,
  - 6-30-15 Final Total Estimate, and
  - 6-30-16 Department Requested Budget.

Director Knepper is waiting for an estimate from the City Assessor as to the loss in personal property taxes for the coming fiscal year and the negative impact it will have on TIF's. The tentative projection is not looking good for the DDA. Director Knepper will be meeting with the DDA Finance Committee, Michelle LaJoie and Greg Collins, as well as with the Finance Director and the City Manager to go through the budget numbers. The City may have to assist the DDA with the parking deck fund.

E. Addendum-Special Order of Business. Resolution Requesting Issuance of 2015 Downtown Development Refunding Bonds (limited tax general obligation) and Pledging Tax Increment Revenues. Recommendation: Pass a resolution requesting the issuance of refunding bonds and pledge tax increment revenues. Since the original issuance in 2005 of the Downtown Development Authority Bonds for the construction of the Parking Deck, interest rates

have decreased so that refunding of these bonds would substantially benefit the City.

Moved by Scott Parker, supported by Greg Collins, to pass a resolution requesting the City to issue the 2015 Downtown Development refunding bonds and pledge tax increment revenues. The motion passed unanimously.

### 5. UNFINISHED BUSINESS.

- A. <u>ParkMobile Implementation.</u> Continuing to gather information on costs associated with ParkMobile. Director Knepper is still working on quotes for current hand-held devices. He will have prices and further information on this at the April DDA Board meeting.
- B. Michigan Main Street Program Training. Update: We are required to attend at least one of the following trainings for Main Street Basics, and at least one of the following trainings for Main Street Practice: Raymond Bell and Michelle LaJoie attended the first Michigan Main Street Webinar training on February 19, 2015 with Director Knepper. The following are one day trainings that are being offered by MSHDA for Michigan Main Street Program Associate Level Training:
  - 1) Main Street Basics
    - March 19, 2015 Owosso
    - April 21, 2015 Grand Haven
    - May 7, 2015 Blissfield
  - 2) Main Street in Practice
    - June 18, 2015 Grayling
    - July 16, 2015 Hart
    - August 5, 2015 Otsego

MSHDA is encouraging DDA Directors, as well as DDA Board members to attend at least one of the Main Street Basics, and Main Street in Practice trainings. Director Knepper will provide the Board with a more detailed itinerary for each training session.

- C. <u>Amendment of Parking Garage Maintenance Study.</u> Walker Parking provided an updated capital maintenance report. It is included in your agenda packet.
- D. South Ashmun Streetscape 2015 Construction. A meeting was held on February 18<sup>th</sup> and approximately 15 business owners attended. Traffic flow and parking were the two biggest concerns. Construction for the South Ashmun Streetscape is slated to begin on July 5, 2015 and will continue for approximately four months. There is great concern as to how this will affect the business on both sides of Ashmun Street. Director Knepper would like to come up with a parking plan for each individual business. This construction will essentially affect all of Ashmun Street as well as Portage Avenue. Also, CSO projects will be taking place on Dawson, Spruce and Maple Streets.

- E. <u>Downtown Business Survey.</u> A first round of surveys are being electronically distributed. The DDA Board will be following up with businesses in an effort to help property owners complete the survey.
- F. <u>Removal of Pedestrian Bump-Out Installations to Improve Safety.</u> DDA maintenance staff are investigating.
- G. <u>Free WiFi Downtown.</u> This topic was added to the downtown business survey. Free WiFi downtown was on the Master Plan Survey and was rated low as a priority, as most downtown businesses already have free WiFi.

## 6. **NEW BUSINESS.**

A. <u>Board Vacancy.</u> Discuss Sonja Norris' replacement. Director Knepper indicated that there was a great turnout at the Memorial Service for Sonja in February.

Due to the untimely death of DDA Board member Sonja Norris, the DDA will be seeking a replacement. The Board was provided with an Application for Appointment to the Citizen's Boards and Commissions to give to any prospective nominee. Director Knepper will research the City Charter regarding the guidelines of the DDA Board. There was discussion whether Sonja was the representative as a downtown resident and/or a representative of Avery Square. The DDA Board is to bring back the applications for review at the April DDA Board meeting.

# 7. DOWNTOWN MANAGER'S REPORT.

- A. <u>State Façade Grant Program.</u> Construction bids are due back in April on five buildings downtown; the MEDC has also given us permission to begin identifying a second round of buildings for façade grant funding. If the weather permits, construction will begin sometime in May. The MEDC is seeking another round of buildings to apply for State Façade Program grant funding. MEDC is also recommending a third party administrator to help with facilitating applications, administer the grant funding, review bids, etc. Director Knepper will be looking into this.
- B. <u>National Register Historic District Update.</u> Amber Clement at the Bayliss Library has agreed to spearhead this Project for the next few months.
- C. <u>Google Maps Workshop with SBDC.</u> Three businesses attended the workshop. It was very helpful.
- D. <u>Meter Pole and Street Sign Repairs</u>. Repairs will take place in the spring. Some of the bases on the light poles also need to be replaced and/or repaired. The DDA will need to prioritize the repairs: meter poles, street sign repairs, tree guards, replacement of trees, etc.

E. <u>Senior Discount at Parking Garage.</u> The parking deck rarely sells more than 50 downtown resident permits per year, and no more than 25 are sold to seniors. A 10% discount would equate to revenue loss of approximately \$675/year.

Moved by Michelle LaJoie, supported by Scott Parker, to provide a 10% discount for all seniors who purchase an annual parking permit at the parking garage. The motion passed unanimously.

- 8. MATTERS PRESENTED BY THE BOARD.
- 9. MATTERS TO BE PRESENTED BY THE PUBLIC.
- 10. **ADJOURN.**

In that there were no other issues the meeting was adjourned at approximately 10:05 a.m. upon motion of William Karr and support of Les Townsend. The motion passed unanimously.

Respectfully submitted,

Carl Stutzner, Chair Downtown Development Association Board

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