



DOWNTOWN MANAGEMENT BOARD

September 16, 2014

1. Call to Order – 7:00 P.M. - City Hall Community Room
2. Consent Agenda:
 - (a) Approval of the regular meeting minutes of August 19, 2014
 - (b) Payment of bills
 - (c) Acceptance of expense and income reports
3. New Business:
 - (a) Consider and approve the proposed 2015 Downtown Programs and Services budget
 - (b) Consider and approve the proposed 2015 Downtown Parking Fund budget
 - (c) Request for the City Manager to recommend that the City Council levy special assessments, on behalf of the Downtown Management Board, to finance Management Board programs and services for 2015 through the Downtown Development and Management Fund
 - (d) Reports by Downtown Management Board Committees
 - (e) Report by the City staff
4. Miscellaneous Public Comments
5. Adjournment

MISSION STATEMENT

A self-governing board dedicated to planning, promoting, and preserving the downtown business district - the hub of our community – for the greater good of the business, professional, social, cultural and service activities located within the defined downtown area.

Purposes of the Downtown Development Authority Board of Directors and Downtown Management Board are to: (1) Provide leadership for the implementation of improvements as outlined in the Downtown Master Plan as adopted by the City of Petoskey in 1987; (2) Promote public and private development and physical improvements in the downtown business district as initiated by individuals and organizations; (3) Serve as an advisory body to the City of Petoskey in matters pertaining to the downtown business district; and (4) coordinate appropriate downtown programs and services.



BOARD: Downtown Management Board

MEETING DATE: September 16, 2014 **PREPARED:** September 11, 2014

AGENDA SUBJECT: Consent Agenda

RECOMMENDATION: That the Downtown Management Board approve items and administrative transactions that have been included on the Consent Agenda

The Downtown Management Board will be asked to approve the consent agenda that includes: (1) Enclosed minutes of the Downtown Management Board regular meeting minutes of August 19, 2014; (2) Acknowledgement of bills since August 19, 2014; and (3) Acceptance of the August expense and income reports as prepared by the Downtown Director.

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Enclosures



DOWNTOWN MANAGEMENT BOARD

August 19, 2014

A regular meeting of the City of Petoskey Downtown Management Board was held in the City Hall Community Room, Petoskey, Michigan, on Tuesday, August 19, 2014. The meeting was called to order at 7:00 P.M., and the following were

Present: Lawrence Rochon, Chairperson
David Carlson
William J. Fraser, Mayor
Jason Keiswetter
Jessilynn Norcross
James M. Reid, Jr., Vice Chairperson

Absent: Liz Ahrens, Jennifer Shorter and S. Reginald Smith

Also in attendance was the Downtown Director Becky Goodman, Acting City Manager Al Terry and Director of Parks and Recreation Allen Hansen.

Table Patronicity Crowdfunding Grant
and MEDC Funding for Rail Trolley Project

The Downtown Director reviewed the rail trolley project and that it would run from near the Zipp Building, through downtown and to the end of the tracks near Bay View; that it has been in the City's plan for many years; that parking would be developed at each end of the rail corridor and a barn for trolley storage would be included; that the trolley would serve as an amenity to the downtown visitor's experience as well as a means of transportation for employees and others who would park at either end of the run and ride into town; and that various events could incorporate the trolley.

The Downtown Director reviewed that a trolley was purchased twenty years ago for this purpose and remains in storage; that the rail corridor right of way was purchased from the State and work has begun on the non-motorized trail way that will run parallel to the railroad track; and that there is no money in the General Fund to support the further development of the corridor for many years to come, if ever. The exact dollar amount for the trolley project has not been determined but a solid estimate is \$250,000. The DMB would have to commit an opening amount of \$50,000 for the project, crowdfund for \$100,000 and have the MEDC match the crowdfunded amount with future operational costs not included. The Board was being asked to give direction regarding committing to the approximately \$50,000 that would be required to the project and these funds would come from Parking Fund Carry Over.

Board members inquired how many parking spots would be acquired; cost per parking space; what \$250,000 would cover; if the trolley would run both ways; if operational costs would be covered by user fees; what Council's thoughts were regarding the project; if project had been communicated with potential owners of parking spaces; concerns if there is enough public interest; cost of siding for trolley barn; if project is considered not-for-profit; and how trolley would affect other trolley already operating in town.

In response to Board member questions, there are approximately 50-60 parking spaces available; that \$250,000 would cover trolley barn, siding and tracks; that the trolley would be reversible; that there isn't enough funds in the budget for project; that the project is not not-for-profit; that there will need to be a discussion on both trolleys if move forward; that the trolley would be seasonal; and that owners of parking spaces had been previously talked to, but not recently.

Chairperson Rochon asked for public comments and heard an inquiry on the timing of the project; that this would be a tourist draw and heard from those in favor of the project; and that there needs to be community involvement and support.

Board members further discussed that they would like to know Council's interest in the project; hard cost estimates for building barn, siding and standards for tracks; how trolley would be licensed; and available parking options. Upon motion made and supported, the matter was tabled until the next meeting. Said motion was unanimously approved as submitted.

Deny New Special Assessment Category

The Downtown Director reviewed that last year the DDA/DMB special assessment district was amended to include properties on the west side of Waukazoo, north of Michigan Street; two of the properties requested to be included in the district and the third property, a church and reading room, objected to the inclusion on the basis that they did not want to require DDA/DMB services and did not want to pay for them. Earlier this year, some members of the church met with the previous City Manager and Downtown Director to object to non-profit and church assessment based on the fact that they do not require services and can't afford to pay. There are no other churches and two non-profits owning property in the district, with one non-profit being assessed at the full amount and the other is not assessed. In other communities the most common practice is to assess church and non-profit owning and using their own property, at one-half the rate that first floor retail is assessed. The Downtown Director reviewed that Tip of the Mitt pays for assessment and Crooked Tree Arts Center does not pay.

Board members inquired what the three properties were being assessed; why other communities have assessments; and that Crooked Tree Arts Center should be fully assessed on retail portion of building.

Chairperson Rochon asked for public comments and heard inquiries on who the two non-profits are and which one isn't assessed; that it is appropriate to assess them; and what the justification is for different prices for non-profits.

Upon motion made by Mr. Reid, seconded by Mr. Keiswetter, to charge normal assessment to non-profits based on existing formulas. Said motion was unanimously approved as submitted.

Approve MDOT Resolution
Opposing Widening of US-31

The Downtown Director reviewed that at the July meeting, the Board heard that City Council approved a resolution to be sent to MDOT regarding its disapproval of the proposed US-31 widening project scheduled for 2018. The Board agreed with Council on this issue and directed downtown staff to prepare a similar resolution.

Mr. Reid moved that, seconded by Mr. Carlson to approve the resolution for MDOT opposing the widening of US-31. Said motion was unanimously approved as submitted.

Approve New Sign to Wayfinding System

The Downtown Director reviewed that upon review of the original plan, the Design Committee realized that when the system was originally installed, there was no permanent pathway running diagonally across the park to Mitchell Street. A permanent pathway was installed a few years ago which has led to increased traffic across the park, yet there is no directional signage included to inform visitors of what they will see if they take that path. The proposed signage will give directional information to visitors and installation site would be to the left of the park pathway between the path and the Lake Street sidewalk, just outside the corner of North Perk Coffee.

Mayor Fraser moved that, seconded by Ms. Norcross, to approve expenditure of new sign addition to wayfinding system.

Chairperson Rochon asked for public comments and heard an inquiry when a sign at Lake Street and US-31 would happen and that it is unfair to have one installed in the park, but not on Lake Street.

Said motion was unanimously approved as submitted.

Approve Plans for Darling Parking Lot

The Downtown Director reviewed the long tabled plan to develop parking at the Darling Lot. This site has been included in downtown development plans for twenty years and was understood that funding was not available as there were expenses for new meters and other parking lot debt. The last of this debt will be paid at the end of this year. The DMB has focused on the prospect of new parking development opportunities at what is now Sunset Square. A TIF plan was created that would allow capture to create parking on that site.

The Downtown Director reviewed that the funds that will be freed up from debt payment combined with the funds that have been saved over the years are not enough to build a deck on the Darling Lot and would likely not be enough to pay back a bond and carry operational costs. A mixed-use development that adds density to downtown, generates tax income and creates additional parking is most desired.

The Downtown Director reviewed two proposals from Walker Parking and Otwell Mawby. Walker Parking proposal would create a plan for the development of the Darling Lot and Otwell Mawby would give an analysis of financing and implementation options.

Board members inquired if the studies would include developer's costs; if property would be eligible for brownfield; concerns with zoning and height restrictions; concerns that the right message is sent to Sunset Square owner regarding plans; and costs for a geotechnical survey.

In response to Board questions, developer costs would be included in proposals; property would be eligible for brownfield; and the cost is unknown for geotechnical site survey, but that DMB would pay for study.

Chairperson Rochon asked for public comments and heard that public and residential parking is needed in downtown; heard from those in favor of this development; that the highest traffic area is least developed; that parking and density are two biggest aspects of downtown; what the zoning is for the Darling Lot; if financing is open-ended; and that both Sunset Square and Darling Lot projects should be a private/public opportunity.

Ms. Norcross moved that, seconded by Mr. Carlson to accept both proposals and contract with consultants with funding of studies coming from the parking carry over fund. Said motion was unanimously approved as submitted.

Discuss 2015 Downtown Development and Management and Parking Fund Budget

Board members then reviewed and discussed the proposed 2015 Downtown Development and Management and Parking Fund budgets. Following the Downtown Management Board's routine procedure, the Downtown Director reviewed recommendations for the DMB's programs-and-services budget for 2015, which would be included in the City's proposed 2015 Annual Budget to be presented to the City Council in November, based upon experience of previous fiscal years and recent reviews. Funding for these programs and services would be derived through proceeds from the Board-requested annual special assessment levies.

Programs and Services budget included an increase in sidewalk sales for the 50th anniversary of the event; \$10,000 included in a capital improvement line item for beautification that includes improvements to the concrete planters; and Petoskey Rocks! line item was reduced. The Parking budget included a reduction in the amount of total meter coin collection revenue due to the increase in the use of ParkMobile; funds for scheduled parking lot improvements and a bike corral in the capital outlay line item; and an increase in the downtown office line item due to additional parking ambassador staff and cost of living increases for staff.

Board members inquired what the new events would be; if carry over funds could be used for capital improvements; what was included in the downtown office operations line item; and discussed a potential mobile app for downtown.

Chairperson Rochon asked for public comments and heard a comment that budgeting is not discussed at committee level and recommended that it should be.

The Board tabled further discussion until the September meeting.

Hear Committee Reports

The Downtown Director reported on behalf of Petoskey Rocks and the Event Committee and reviewed that surveys had been sent out; concepts were being refined for next year; and planning for fall and winter events were underway.

In economic enhancement, the Downtown Director reported that there was a new business on upper Mitchell, Hodge Podge Lodge, that moved here from Bellaire.

In parking, the Downtown Director reported the continued follow up on projects discussed at the April parking meeting and that:

- Partnerships with Emmet County and other privately owned lots – Staff still needed to discuss plans with the County and the News-Review is allowing signage to go on their lot for free parking nights and weekends.
- Create Bike Corrals – The new proposal from Cycle Safe has not been received yet.
- Tiered Parking Permits & Elimination of all free parking – Concept was discussed at length and will be further considered for a comprehensive review of parking management.
- Gated Parking in the Elks Lot – reviewed with Walker Parking
- Partnering with Petoskey Plastics – tentative conversation with consultant regarding new regulations that allow brownfield payments to private entities

The Downtown Director also reported on behalf of the Design Committee that the entry way sign was installed; and due to the expense and details of Petoskey green paint, the bike rack for the northwest corner of Petoskey and Lake will be held until the bike corral is ordered.

The Downtown Director reported on behalf of Crooked Tree Arts Center and public art plan that the first public forum was held on June 25 and a second one is scheduled for 5:30 P.M., September 23 in the upper level of the Carnegie Building; that CTAC is working on a map that will consolidate the DDA map, the Historic District map, trolley stop locations, historic building designations, location of current art pieces, possible sights to consider new acquisitions so that there is an "at a glance" document that highlights the vision of public art in Petoskey; that Ms. DeMeyere met with City staff and attended the August 4 City Council meeting which Council removed murals from the sign ordinance.

The Downtown Director commented that the trolley has had only minor issues and 30-100 riders per day.

Hear City Staff Report

The Acting City Manager gave an update on City street projects.

Approve Consent Agenda Items

Downtown Management Board members discussed routine business, the July 15, 2014 regular session meeting minutes; acknowledgement of bills since July 15, 2014; and acceptance of the July expense and income reports as prepared by the Downtown Director.

Upon motions made and supported the July 15, 2014 regular meeting minutes; acknowledgement of bills since July 15, 2014 totaling \$44,924.71; and acceptance of the July expense and income reports were approved. Said motions were unanimously approved as submitted.

Miscellaneous Public Comments

Chairperson Rochon asked for public comments and heard a concern that the downtown operations line item is too broad and should be broken down more; and that the budgeting process should be discussed and started at the committee levels.

There being no further business to come before the Downtown Management Board, the meeting was adjourned at 9:20 P.M.

Downtown Management Board
Monthly Bills - August 2014

September 9, 2014

PROGRAMS AND SERVICES

Downtown Marketing	Mitchell/Shopping Scramble bag labels	Downtown Assessment	\$ 318.00
Downtown Marketing	Sign & Design/Pedestal map installation	Downtown Assessment	\$ 1,740.00
Downtown Marketing	Treasure Certificate Fund/Festival prize	Downtown Assessment	\$ 250.00
Downtown Marketing	Harbor House/PRCC Guide	Downtown Assessment	\$ 255.00
Downtown Marketing	N Country Publishing/Welcome North Ad	Downtown Assessment	\$ 250.00
Farmers Market	PRCC/Pledge	Downtown Assessment	\$ 500.00
Flowers	Seigrist/Marigolds	Downtown Assessment	\$ 3,413.00
Petoskey Rocks	Kellerville/musicians	Downtown Assessment	\$ 300.00
Petoskey Rocks	City Park Grill/food	Downtown Assessment	\$ 159.00
Petoskey Rocks	Taylor Rental/tables, covers, etc	Downtown Assessment	\$ 368.00
Petoskey Rocks	Tommy Tropic/busker services	Downtown Assessment	\$ 1,500.00
Petoskey Rocks	K.Manthei/expenses	Downtown Assessment	\$ 38.15
Sidewalk Sales	N MI Review/Ads	Downtown Assessment	\$ 600.00
Sidewalk Sales	Simple Digital Media	Downtown Assessment	\$ 480.00
Trolley	Gibby's Garage/Trolley Repair	Downtown Assessment	\$ 292.50
Trolley	Derrerr Oil/Gas	Downtown Assessment	\$ 327.38
Trolley	Gibby's Garage/Trolley Repair	Downtown Assessment	\$ 130.00
Trolley	Gibby's Garage/Trolley Repair	Downtown Assessment	\$ 357.50
Trolley	Derrerr Oil/Gas	Downtown Assessment	\$ 235.26
Other	B.Goodman/expenses	Downtown Assessment	\$ 11.88
TOTAL			\$ 11,525.67

PARKING FUND

Capital Outlay	CDW Government/computer	Parking Fund	\$ 977.11
Capital Outlay	Sign & Design/entryway sign	Parking Fund	\$ 2,500.00
Contracted Services	Gibby's Garage/meter maintenance	Parking Fund	\$ 32.50
Contracted Services	Parkmobile/User fees, July	Parking Fund	\$ 831.95
Contracted Services	Lexis Nexis/contract	Parking Fund	\$ 50.00
Downtown Office	B.Goodman/expenses	Parking Fund	\$ 23.00
Downtown Office	Van's/repair	Parking Fund	\$ 159.40
Downtown Office	Meyer ACE/supplies	Parking Fund	\$ 3.49
Downtown Office	City of Petoskey/utilities	Parking Fund	\$ 66.23
Downtown Office	Van's/toner	Parking Fund	\$ 332.00
Downtown Office	DTE/utilities	Parking Fund	\$ 31.02
Downtown Office	Charter/internet,phones	Parking Fund	\$ 94.70
Downtown Office	Meyer ACE/supplies	Parking Fund	\$ 21.97
Downtown Office	Van's/toner	Parking Fund	\$ 463.50
Downtown Office	Wm Thompson/Office rent	Parking Fund	\$ 700.00
Downtown Office	Monahan/cleaning	Parking Fund	\$ 33.00
Downtown Office	Integrity/supplies	Parking Fund	\$ 41.83
Downtown Office	Integrity/supplies	Parking Fund	\$ 8.99
Downtown Office	Van's/repair	Parking Fund	\$ 65.00
Downtown Office	wages		
Education & Training	PRCC/Leadership Little Traverse, Kate	Parking Fund	\$ 675.00
Materials & Supplies	Biller Press/Orange envelopes	Parking Fund	\$ 215.32
Materials & Supplies	Booker & Assoc./meter domes	Parking Fund	\$ 3,090.60
Materials & Supplies	OmniPark/thermal paper	Parking Fund	\$ 133.70
Signs	Sign & Design/sign change	Parking Fund	\$ 80.00
Utilities	AT&T/cell phones, July	Parking Fund	\$ 226.55
Utilities	AT&T/cell phones, August	Parking Fund	\$ 224.80
TOTAL			\$ 11,081.66

TOTAL BILLS \$ 22,607.33

**PROGRAMS SERVICES
MONTHLY REPORT
August 2014**

September 9, 2014

Carry forward from 2013 \$78,000

REVENUES	BUDGET	CURRENT MONTH	YTD	LAST YTD	BUDGET BALANCE
SPECIAL ASSESSMENTS	88,348	0	88,348.00	88,300.00	-
PENALTIES & INTEREST	500	0	1,873.52	707.45	(1,373.52)
INTEREST INCOME	500	0	16.72	17.16	483.28
HOLIDAY PARADE SPONSORS	3,500	0	0.00	0.00	3,500.00
PETOSKEY ROCKS! SPONSORS	5,000	0	2,787.50	3,600.00	2,212.50
WINTER FESTIVAL	2,000	0	2,160.00	2,385.00	(160.00)
NEW EVENT INCOME/SPONSORS	2,000	0	0.00	0.00	2,000.00
TROLLEY - ads & sponsorship	7,000	0	3,850.00	0.00	3,150.00
MARKETING & PROMOTIONS					
Shop Map Ads	8,600	0	500.00	9,100.00	8,100.00
Gallery Walk	3,500	0	1,750.00	2,250.00	1,750.00
Ornaments	1,500	0	709.80	0.00	790.20
Restaurant Week	15,000	0	1,000.00	13,200.00	14,000.00
Ghost Walk	500	0	0.00	0.00	
Shopping Scramble	5,000	0	50.00	0.00	4,950.00
New Promotions	5,000	0	0.00	0.00	5,000.00
TOTAL REVENUES	147,948	0	103,045.54	119,559.61	44,902.46
EXPENDITURES					
Events					
HOLIDAY PARADE	6,000	0	0.00	460.00	6,000.00
HOLIDAY OPEN HOUSE	1,000	0	980.00	170.00	20.00
SIDEWALK SALES	4,000	1080	4,761.21	3,930.56	(761.21)
N MI Review/Ads \$600					
Simple Digital Media \$480					
PETOSKEY ROCKS!	13,000	2365.15	8,637.41	9,396.54	4,362.59
Kellerville/musicians \$300					
City Park Grill/food \$159					
Taylor Rental/tables, cloths, etc. \$368					
Tommy Tropic/busker services \$1,500					
K. Manthei/expenses \$38.15					
DT TRICK OR TREAT	500	0	0.00	0.00	500.00
WINTER FESTIVAL	4,000	0	5,736.74	3,949.58	(1,736.74)
NEW EVENT	4,000	0	0.00	0.00	4,000.00
Total	<u>32,500</u>				
Collaborating Events					
CONCERTS IN THE PARK	4,000	0	4,000.00	4,000.00	-
FOURTH OF JULY	800	0	800.00	800.00	-
FARMERS MARKET	500	500	500.00	500.00	-
PRCC/Pledge \$500					
SANTA'S VISIT	200	0	0.00	0.00	200.00
FESTIVAL ON THE BAY	1,500	0	1,500.00	2,500.00	-
Total	<u>7,000</u>				
		CURRENT			BUDGET

**PROGRAMS SERVICES
MONTHLY REPORT
August 2014**

September 9, 2014

EXPENDITURES	BUDGET	MONTH	YTD	LAST YTD	BALANCE
Marketing & Promotions					
MARKETING					-
Image Campaign	43,000	755	22,825.86	21,609.59	20,174.14
<i>Treasure Certificate Fund/festival prize \$250</i>					
<i>Harbor House/PRCC Guide\$255</i>					
<i>N Country Publishing/Welcome North Ad \$250</i>					
Gallery Walk	2,500	0	3,698.85	4,241.58	(1,198.85)
Ornaments	900	0	0.00	0.00	900.00
Restaurant Week	15,000	0	4,295.96	7,322.61	10,704.04
Shopping Scramble	4,000	318	318.00	0.00	3,682.00
<i>Mitchell Graphics/Shopping bag labels \$318</i>					
Shop Map	10,000	1740	9,043.59	9,041.97	956.41
<i>Sign & Design/Pedestal map instannation \$1,740</i>					
Other New Promotions	5,000	0	0.00	0.00	5,000.00
Total	<u>80,400</u>				
Economic Enhancement					
BUSINESS RECRUITMENT	500	0	0.00	487.07	500.00
BUSINESS RETENTION	2,000	0	1,526.82	696.00	473.18
TROLLEY	10,000	1342.64	3,793.16	4,891.36	6,206.84
<i>Gibby's Garage/Repair \$292.50</i>					
<i>Derrer Oil/Gas \$327.50</i>					
<i>Giby's Garage/Repair \$130</i>					
<i>Gibby's Garage/Repair \$357.50</i>					
<i>Derrer Oil/Gas \$235.26</i>					
OTHER		11.88	311.88		
<i>B.Goodman/expenses \$11.88</i>					
Total	<u>12,500</u>				
Beautification					
HOLIDAY DECORATIONS	8,000	0	0.00	0.00	8,000.00
FALL DECORATIONS	1,000	0	0.00	0.00	1,000.00
FLOWERS	4,800	3413	5,149.80	5,454.00	(349.80)
<i>Siegrist/marigolds \$3,413</i>					
Total	<u>13,800</u>				
Administrative					
INSURANCE AND BONDS	500	0	0.00	0.00	500.00
OTHER	100		59.25	219.16	40.75
	-				
Total	<u>600</u>				
TOTAL	146,800	11525.67	77,938.53	85,270.02	75,173.35
Excess of Revenues Over Expenditures	<u>1,148</u>				

**PARKING FUND
MONTHLY REPORT
August 2014**

September 9, 2014

Carry Forward from 2013 \$535,000

	Budget	Current Month	YTD	Last YTD	Budget Balance
REVENUES					
Meters	327,500.00	39,420.71	208,682.50	221,579.49	118,817.50
Fines	52,000.00	3,337.00	24,524.42	36,203.92	27,475.58
Permits	32,000.00	939.00	21,302.00	22,758.00	10,698.00
Bags	5,000.00	4,306.02	4,306.02	2,632.00	693.98
Tokens	2,800.00	1,464.75	1,464.75	1,765.00	1,335.25
Interest	1,800.00	11.43	11.43	305.82	1,788.57
Meter Sponsorships	2,000.00	400.00	400.00	300.00	1,600.00
Cell Phone Parking	9,000.00	13,295.90	13,295.90	8,646.62	-4,295.90
Total Parking Revenue	432,100.00	63,174.81	273,987.02	294,190.85	158,112.98
EXPENSES					
ADMINISTRATIVE FEES	17,800	0.00	18,000.00	17,800.00	-200.00
CAPITAL OUTLAY	30,000	3,477.11	8,871.69	22,223.00	21,128.31
CDW Government/computer \$977.11					
Sign & Design /entryway sign \$2,500					
CONTRACTED SERVICES	50,000	914.45	44,888.60	45,913.17	5,111.40
Gibby's Garage/meter maintenance \$32.50					
Parkmobile/User Fees, July \$831.95					
Lexis Nexis/Contract \$50					
DOWNTOWN OFFICE	185,000	16,884.13	144,194.09	106,097.08	40,805.91
B.Goodman/expenses \$23					
Van's/repair \$159.40					
Meyer ACE/supplies \$3.49					
City of Petoskey/utilities \$66.23					
Van's/toner \$332					
DTE/utilities \$31.02					
Charter/Internet,phone\$94.70					
Meyer ACE/supplies \$21.97					
Van's/toner # \$63.50					
Wm Thompson/Office Rent \$700					
Monahan/cleaning \$33					
Integrity/supplies \$41.83					
Integrity/supplies \$8.99					
Van's/repair \$65					
Wages \$14,840					
EDUCATION AND TRAINING	5,000	675.00	4,334.66	1,375.16	665.34
PRCC/Leadership Little Traverse \$675					
EQUIPMENT REPAIR	1,200	0.00	167.40	779.11	1,032.60
FACADE GRANT PROGRAM	20,000	0.00	83.56	13,000.00	19,916.44
LEASE RENTAL TO DEBT	40,000	0.00	40,000.00	80,000.00	0.00
MATERIALS AND SUPPLIES	11,000	3,439.62	12,237.30	7,644.30	-1,237.30
Biller Press/Orange envelopes \$215.32					
Booker & Assicuates.meter domes \$3090.60					
OmniPark/thermal paper \$133.70					
OTHER EXPENSES		0.00	84.80	0.00	
PROFESSIONAL SERVICES	500	0.00	346.91	219.13	153.09
PROPERTY LEASE	1,000	0.00	1,875.00	0.00	-875.00
PUBLIC UTILITIES	3,000	451.35	2,030.50	1,760.84	969.50
AT&T cell phones, July 226.55					
AT&T cell phones, August \$224.80					
SIGNS	2,500	80.00	344.50	78.00	2,155.50
Sign & Design/sign change \$80					
UNIFORMS	2,000	0.00	757.15	405.57	1,242.85
TOTAL EXPENSES	369,000	25,921.66	277,114.51	297,295.36	91,885.49
Excess of Revenues Over Expenses	63,100	37,253.15	-3,127.49	-3,104.51	66,227.49



MEMORANDUM

TO: Downtown Management Board

FROM: Becky Goodman

DATE: September 6, 2014

RE: 2015 Budget

Background: The Programs & Services budget has been developed by staff to include line items for all of the activities supported by this fund. Each separate line item in the fund contains its own specific working budget that accounts for the manner in which the funds are spent, and in some cases, accounts for revenue. For instance, the Holiday Parade has a budget that shows revenue from the amount the DMB provides to fund it, and also revenue from sponsors and supporters. It shows expenses due to advertising, helium, balloon purchases, grandstand supplies, payments for Santa, payments for reindeer, etc. The goal is for the revenue to meet the expenses in each of these individual line items/budgets.

The role of the Downtown Events Committee in developing the events section of the budget is to provide input regarding ways to improve, change, or facilitate existing and new events. When this input involves expenses or revenue, staff incorporates the input into the line item for the event or category of events and determines ways to calculate the changes into the entire budget. The Events Committee is not charged with developing the budgets for each of the individual events.

Similarly, the role of the Marketing Committee in developing the marketing and promotions section of the budget is to evaluate revenue and expenses that were originally provided to us when we contracted for our Downtown Marketing Plan in 2008. Over the years, that original document has been tweaked and even changed due to our own budget restraints, new projects that the committee has decided to pursue, and simple changes in the marketplace, but the original plan has basically been followed. Staff coordinates the committee's final budget based on committee input and negotiated advertising buys.

Action: Please find attached revised drafts for proposed budgets for the 2015 Programs & Services and Parking Funds. To remain on a schedule that will coordinate with City Council's approval of the entire City budget, these documents should be approved at the September meeting.

As reported last month, the Parking Fund budget is fairly standard but does not include funds for unplanned, large, capital projects. The minor changes include:

- A reduction in the amount of total meter coin collection revenue due to the increase in the use of ParkMobile.
- Funds for scheduled parking lot improvements and a bike corral in the Capital Outlay line item.
- A small increase in the Downtown Office line item due to additional parking ambassador staff (5 to 6 hours per week), an increase in office rent, and cost of living increases for staff. Wages for the trolley driver have been paid out of this line item, but they will be transferred to the trolley line item in Programs and Services.

The Programs & Services budget has been revised from the draft submitted last month to show a positive net by removing the \$10,000 previously shown under Beautification/capital improvements with the understanding that these funds will be coming from our carry over amount which is predicted to be approximately \$80,000 by the end of this year. Notable changes to the budget from 2014 include:

- An increase in Sidewalk Sales line item of \$4,000. 2015 is the 50th Anniversary of the event and there is a strong desire to augment and promote it more strongly than ever before.
- The **Petoskey Rocks!** line item expense line item is comparable to 2014, but the revenue line item is increased. Please see the attached report for an overview of this action.

It is my recommendation that the Board review these documents and move to approve and recommend them to City Council with any changes that may be determined necessary.

Please call me if you have questions or concerns.

Petoskey Rocks Report

1 SURVEY SUMMARY

The survey was sent out following the last Petoskey Rocks (PR) event and a PR Committee Meeting. The Committee came up with two separate concept ideas that were included in the survey in order to get merchant feedback on them. The merchants were given three weeks to respond to the survey. It was sent out via email on August 14, a reminder email on the 20th followed, and a paper reminder was passed out to all the stores before Labor Day Weekend. A total of 32 responses were received.

The responses were incredibly varied, although there seemed to be two main camps: those who supported and enjoyed this year's PR and those who truly disliked it. Those who supported it were happy with the shorter number of weeks, the music in the park, carriage rides, and street entertainment, and many commented on how they liked and appreciated how easy it was for them to participate. There were also comments about how the activities in the park increased their foot traffic throughout the night. There was a reoccurring theme to keep PR simple. Those who were unhappy with the event largely had issue with the activities being located in the park. They wanted more focus to be on the streets and stores.

A few anonymous comments from the survey:

"The event has grown by focusing on creating a nice evening for people. Driving sales should not be the primary goal of Petoskey Rocks. Instead, by focusing on creating a welcoming, lively, and interesting downtown in the evenings, people will come. When they do, then businesses can stay open and if they have what people are looking for, then they may get sales. A single minded play towards retail does not consider the interests of visitors/residents/consumers, only the merchants, and that will not lead to long term prosperity."

"I like the concept of a block party. Though it could emphasize one of the main issues with the event, stores not being open."

"ONE BIG ISSUE WITH THIS [Block Party]: Parking!!!! We don't have enough of it, so even to block off one block is a big issue. What time do you start blocking off the block? How does this impact the day's sales because people perceive that they can't park on that block at all, all day?? If it's a rainy day in July or August, can you imagine the additional chaos that this would create? I think Petoskey Rocks was great this year - and it was the right mix of everything."

"I was downtown for both of those bands [Jelly Roll Blues Band & the Military Band] and was really excited to see how busy it was. I walked around town after both of those nights and there were TONS of people on the street, but very few merchants were open. It was disheartening that we went to the time and expense and so few merchants bothered to be open. I hear people clamoring for events, but then I don't see them being open. Why should we do it if they don't participate? BTW - we were open, quite busy, and the cash registers were RINGING!!! And we don't close early!"

"Once the program [of events for the evening] was over with, the Friday night opening from a retail perspective was much better."

"I am a PR founding committee member who stressed the importance of putting people in the stores as part of each event....each are challenged by the problem of will the stores be open, and is the event impacted?...What I am getting at is I now believe these events should be entertainment (vs. merchant) focused."

2 COMMITTEE SUGGESTIONS

After taking in the survey results, the Committee consensus is that a similar format is applied to next year: events and music in Pennsylvania Park while continuing to develop the successful merchant driven events, such as the Petoskey Stone Hunt, even more. PR would run for five or six Friday nights with the potential for more nights depending on sponsorships.

With the success of the Summer Open House in mind, the Committee would like to suggest the potential of closing down Lake Street between the two halves of Pennsylvania Park an additional time for the Signature Event.

The PR Committee included two new concepts for PR on the survey, a Themed Store Walk and a Block Party. To quickly summarize the concepts, the themed store walk would be similar to a Gallery Walk format, and the block party would be a rotating schedule of shutting down one block and placing all entertainment and activities in the block. The average consensus about the themed walks was that sticker collection activities get old, don't drive sales, and appeal to the wrong demographic. The average consensus of the block party was that closing off the streets for parking was a bad idea for business and not everyone/enough people would be open to make it worthwhile. When asked to choose which concept they would like to see more, nineteen people answered and fourteen people skipped the question. The Committee expressed concerns that such a high number of people skipping the question represented a lack of enthusiasm for the two concepts that would prove detrimental in the long run.

3 STAFF COMMENTS

It is Staff's observation during this year's PR that there was generally a quieter period around town from 5-7 pm, people congregated in the park for the music around 7-8pm, and once the music was over, they dispersed throughout Downtown. Many times at 9-9:30pm there would be multiple groups of people peering into the windows of closed stores. The stores that were open reported good sales and busy nights. There was also a repeated sentiment similar to "Downtown is jammed every night during the summer as it is."

The stated goal of the original committee in 2012 was "to bring people downtown, have fun and to encourage them to visit the stores." In 2014 the committee formed and adopted a formal mission statement that reads, "To build and maintain a summertime Friday night program and Signature Event in Downtown Petoskey." This statement is meant to coordinate with the Downtown Events Committee mission statement which reads, "To create and coordinate events that lure residents and visitors into Downtown Petoskey, as well as promote the downtown as a community center."

Staff believes that we have many stores in Downtown that are pleased with their Friday night sales and are too busy on these evenings to accommodate people that are pushed into their stores for a game/gimmick/activity. As evidence, on the night of July 18, only 8 stores opted to host an Art in the Park artist, while 6 more provided an artist of their own. For the Petoskey Rocks Hunt, 17 stores decided to participate, with only 5 stores sponsoring the stones, which limited the amount of stones available for the public. Staff also knows that we have many stores in Downtown that choose not to be open on Friday evenings for various reasons and believes that the development of a strong Friday night community event in Downtown may or may not change their minds about staying open. Staff is also aware that many Downtown businesses believe that a Friday night summer event will help both their business and Downtown as a whole be successful and that there is a strong movement to continue with PR.

Staff agrees with the general direction that the PR Committee proposes we pursue. Staff also understands that this is a direction intended to compromise and will be considering either additions to this event or a different summer event that will become our summer signature event. That said, unless there is objection from the board, staff will work with the committee to develop the following concept for 2015:

- Dates will include Friday, June 5 as the Summer Open House with the section of Lake running through the park closed and the summer series will begin on Friday, July 10 and run through Friday, August 28. This is a total of eight Fridays with one of them being Sidewalk Sales and another being Festival on the Bay which will require minimal programming. Activities would begin at 7 pm and run through the end of the movie.
- There will be a concerted effort to coordinate and perhaps support CTAC with the Friday night Concert series for the purpose of including quality bands that will attract larger audiences.
- The Fridays will all include the basic program of carriage rides (7-9:30), ghost walks, movies in the park, and an in-store Petoskey stone hunt for those who wish to participate.
- Development of the Signature Event for the final night of PR.
- The five Fridays that there is no major event planned could include a special mini-event that will happen either in the park or on the streets. Events could be street entertainers, musicians on street corners, wine tasting in the park, fashion show, picnic in the park, progressive theater, dancing in the streets, etc.
- Fostering an increased effort for sponsorship to support the level provided by the DMB.

**CITY OF PETOSKEY
Downtown Management Board
2015 Programs & Services Budget**

	2014 Budget	2014 Projected	2015 Budget	
REVENUE				
Downtown Assessments	88,348.00	88,348.00	88,348.00	
Interest Income	500.00	500.00	500.00	
Penalties & Interest	500.00	3,000.00	3,000.00	
Holiday Parade Sponsors	3,500.00	3,500.00	4,000.00	helium balloon sponsors
Petoskey Rocks! Sponsors	5,000.00	3,900.00	6,000.00	increased
Winter Festival Income/sponsors	2,000.00	2,040.00	2,000.00	Progressive dinner tickets
New Event Income/sponsors	2,000.00	500.00	600.00	Moveable Feast/bull run
Trolley - ads & sponsorship	7,000.00	5,000.00	6,500.00	
Marketing & Promotions				
Gallery Walk	3,500.00	3,750.00	4,000.00	
Ornaments	1,500.00	1,500.00	1,500.00	
Shopping Scramble	5,000.00	5,000.00	5,000.00	
Ghost Walk/Soul Food & Spirits	500.00	250.00	500.00	
Restaurant Week	15,000.00	0.00	0.00	
Shop Map Ads	8,600.00	8,600.00	8,600.00	
New Marketing Activities	5,000.00	2,500.00	3,500.00	
				Bags Over Bucks \$0
				Holiday Catalog \$2500
				Historic Markers & Tour \$1000
				Mobile App \$0
Total Revenue	147,948.00	128,388.00	134,048.00	
EXPENSES				
<u>DMB Events</u>				
Sidewalk Sales	4,000.00	4,000.00	8,000.00	50th anniversary
DT Trick or Treat	500.00	500.00	500.00	
Holiday Parade	6,000.00	6,000.00	6,500.00	helium
Christmas Open House	1,000.00	1,000.00	1,000.00	
Winter Festival	4,000.00	5,800.00	5,000.00	
Petoskey Rocks!	13,000.00	11,500.00	11,000.00	
New Event/Moveable Feast	4,000.00	3,000.00	3,000.00	
	32,500.00	31,800.00	35,000.00	
<u>Collaborating Events</u>				
Concerts in the Park Pledge	4,000.00	4,000.00	4,000.00	
Fourth of July Pledge	800.00	800.00	800.00	
Santa's Visit	200.00	200.00	200.00	
Restaurant Week Pledge	0.00	0.00	500.00	
Festival on the Bay Pledge	1,500.00	1,500.00	1,500.00	
Farmers Market Pledge	500.00	500.00	500.00	
	7,000.00	7,000.00	7,500.00	
<u>Economic Enhancement</u>				
Business Recruitment	500.00	200.00	500.00	
Business Retention	2,000.00	1,500.00	1,500.00	
Trolley	10,000.00	9,000.00	9,000.00	includes wages
	12,500.00	10,700.00	11,000.00	

	2014 Budget	2014 Projected	2015 Budget	
<u>Marketing & Promotions</u>				
Image Campaign	43,000.00	40,000.00	40,000.00	
Gallery Walk	2,500.00	2,700.00	2,500.00	
Shopping Scramble	4,000.00	3,500.00	3,500.00	
Ornaments	900.00	900.00	900.00	
Restaurant Week	15,000.00	0.00	0.00	
Shop Map	10,000.00	9,000.00	9,000.00	
Ghost Walk/Haunted Halloween	0.00	0.00	250.00	
New Marketing Activities	5,000.00	4,000.00	9,800.00	
				Bags Over Bucks \$3000
				Online Holiday Catalog \$2500
				Mobile App \$1800
				Historic Markers & Tour \$2500
	80,400.00	60,100.00	65,950.00	
<u>Beautification</u>				
Flowers	4,800.00	5,000.00	5,000.00	
Holiday Decorations	8,000.00	8,000.00	8,000.00	
Fall Decorations	1,000.00	600.00	600.00	
Capital Outlay/Beautification Committee	0.00	0.00	0.00	\$10,000 to come from carry over
	13,800.00	13,600.00	13,600.00	
<u>Administrative</u>				
Insurance & Bonds	500.00	500.00	500.00	
Other	100.00	100.00	100.00	
	600.00	600.00	600.00	
Total Expenses	146,800.00	123,800.00	133,650.00	
Excess Revenue over Expenditures	1,148.00	4,588.00	398.00	

CITY OF PETOSKEY
Downtown Management Board
2015 Parking Fund Budget

	2014 Budget	2014 Projected	2015 Proposed
REVENUE			
<u>Streets</u>			
Michigan	18,000.00	17,000.00	17,000.00
Mitchell	50,000.00	49,000.00	48,000.00
Lake	58,000.00	57,000.00	55,000.00
Bay	23,500.00	23,000.00	20,000.00
Lewis/Rose	5,500.00	5,000.00	5,000.00
Petoskey	24,000.00	23,000.00	23,000.00
Howard	41,000.00	41,000.00	40,000.00
Division	8,000.00	7,500.00	8,000.00
Waukazoo	10,000.00	9,500.00	10,000.00
Total Streets	238,000.00	232,000.00	226,000.00
<u>Lots</u>			
Darling, Michigan 1	24,500.00	24,000.00	24,500.00
Clifton Hotel, Michigan 2	10,000.00	9,500.00	10,000.00
Livery, Michigan 3	6,500.00	6,000.00	6,500.00
Elks, Lake 2	14,000.00	14,000.00	14,000.00
Park Garden, Lake 3	7,500.00	7,000.00	7,500.00
Saville, Bay	19,500.00	20,000.00	19,500.00
Petrie, Mitchell	7,500.00	7,500.00	7,500.00
Total Lots	89,500.00	88,000.00	89,500.00
Total Meters	327,500.00	320,000.00	315,500.00
<u>Other Parking</u>			
Fines	52,000.00	50,000.00	51,000.00
Permits	32,000.00	30,000.00	31,000.00
Bags	5,000.00	7,000.00	6,000.00
Tokens	2,800.00	2,500.00	2,500.00
Interest	1,800.00	400.00	400.00
Meter Sponsorships	2,000.00	2,000.00	2,000.00
Cell Phone Parking	9,000.00	19,000.00	25,000.00
Total Revenue	432,100.00	430,900.00	433,400.00
EXPENSES			
Administrative Fees	17,800.00	18,000.00	18,000.00
Capital Outlay	30,000.00	25,000.00	30,000.00
Conferences & Memberships	5,000.00	4,500.00	5,000.00
Contracted Services	50,000.00	48,000.00	50,000.00
DT Office Operations	185,000.00	188,000.00	190,000.00
Equipment Repair	1,200.00	500.00	1,000.00
Façade Grant Program	20,000.00	20,000.00	20,000.00
Lot Lease Rent/Debt	40,000.00	40,000.00	0.00
Materials/Supplies	11,000.00	14,000.00	11,000.00
Professional Services	500.00	500.00	500.00
Property Lease	1,000.00	1,875.00	1,000.00
Signs	2,500.00	1,000.00	1,000.00
Uniforms	2,000.00	1,500.00	1,500.00
Utilities	3,000.00	3,200.00	3,200.00
Total Expenses	369,000.00	366,075.00	332,200.00
Excess Revenue over Expenditures	63,100.00	64,825.00	101,200.00



BOARD: Downtown Management Board

MEETING DATE: September 16, 2014 **PREPARED:** September 11, 2014

AGENDA SUBJECT: Proposed 2015 Programs-and-Services Special Assessment

RECOMMENDATION: That the Downtown Management Board request the City Manager to recommend that the City Council levy this proposed assessment

Background. Each year since 1994 the Downtown Management Board has asked the City Manager to recommend that the City Council levy special assessments against eligible, non-residential properties within the Downtown Management Board's jurisdictional territory, with proceeds from the levies of such assessments used to finance downtown-area programs and services through the City's Downtown Development and Management Fund.

Formula. If requested for 2015, next year's downtown-area special-assessment levy would be the 21st such annual levy. The approved 2014 downtown-area programs-and-services special-assessment formula had included:

- \$0.16 per square foot of useable, first-floor, non-residential building area
- \$0.04 per square foot of useable, non-residential area on floors other than first floors
- \$0.05 per square foot of unimproved lots that do not contain buildings

Proposal. If the Downtown Management Board approves the proposed 2015 programs-and-services-expenditures budget, the Downtown Management Board could request that the City Council levy these square-foot special assessments on the Downtown Management Board's behalf. Although not yet calculated, the City staff believes that revenues next year would be comparable to the \$89,000 that had been received in 2014.

Process. Following regulations that are included within City Code special-assessment provisions, the Downtown Management Board will be asked to formally request that the City Manager consider this proposed 2015 programs-and-services special assessment and to recommend to the City Council, through a required written report, that this proposed special assessment be levied on behalf of the Downtown Management Board.



BOARD: Downtown Management Board

MEETING DATE: September 16, 2014 **DATE PREPARED:** September 11, 2014

AGENDA SUBJECT: Downtown Management Board Committee Reports

RECOMMENDATION: That the Downtown Management Board hear these reports

Reports could be received from Downtown Management Board committees.

sb



BOARD: Downtown Management Board

MEETING DATE: September 16, 2014 **DATE PREPARED:** September 11, 2014

AGENDA SUBJECT: City Staff Report

RECOMMENDATION: That the Downtown Management Board hear this report

The City Manager will provide status reports concerning downtown-area projects.

sb