



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 Winter Park Lane; 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.