



**DOWNTOWN MANAGEMENT BOARD**

September 22, 2015

A regular meeting of the City of Petoskey Downtown Management Board was held in the City Hall Community Room, Petoskey, Michigan, on Tuesday, September 22, 2015. The meeting was called to order at 7:00 P.M., and the following were

Present: Lawrence Rochon, Chairperson  
Doug Buck  
David Carlson  
William J. Fraser, Mayor  
Jason Keiswetter  
James M. Reid Jr., Vice Chairperson  
Jennifer Shorter  
S. Reginald Smith

Absent: None

Also in attendance were the Downtown Director Becky Goodman and City Planner Amy Tweeten.

Approve Consent Agenda Items Downtown Management Board members discussed the first item of routine business, the August 18, 2015 regular session meeting minutes; acknowledgement of bills since August 18, 2015; and acceptance of the August expense and income reports as prepared by the Downtown Director.

Upon motion made and seconded, the August 18, 2015 regular session meeting minutes were approved, acknowledgement of bills since August 18, that totaled \$28, 503.04 and expense and income reports for August were approved. Said motion was unanimously approved as submitted.

Hear Brownfield TIF Presentation Mac McClelland, Otwell Mawby Brownfield Manager, gave an informational presentation and answered questions regarding Brownfield TIF. Mr. McClelland was invited by the City Manager who was seeking information regarding downtown parking needs and acceptable funding strategies for the purpose of assisting potential developers of the 200 East Lake Street property.

Mr. McClelland reviewed opportunities, Brownfield TIF related to DDA TIF and additional downtown parking options; that underground and multilevel parking is more expensive vs. surface parking; that Brownfield support can help ways to fund 200 East Lake Street property; that project and costs need to be identified and approved upfront with a Brownfield Plan; eligible properties have to be contaminated, historic, functionally obsolete or blighted; that a Brownfield Plan is limited to 30 years; and that the existing plan could be amended or a new plan created.

City Planner Amy Tweeten inquired if adjacent parcels can be included in Brownfield TIF and if Michigan Street is adjacent and could be part of the plan.

Board members commented on the bonding amount and that an estimated \$17M in revenues would be needed and that \$10M would be the principle amount; and that Brownfield TIF is right expectation, but concerns if a developer is going to spend \$30M to develop.

Chairperson Rochon asked for public comments and heard an inquiry if there is a public input requirement in Brownfield Plan and to add non-Board members to Parking Committee.

The Downtown Director reviewed that the Parking Committee will discuss Brownfield TIF information, recommend to the DMB for review and then be reviewed at a future City Council meeting.

Approve 2016 Downtown Development and Management and Parking Fund Budgets

Board members then reviewed and discussed the proposed 2016 Downtown Development and Management and Parking Fund budgets. The Downtown Director reviewed some large expenditures in the Parking Budget first and that there may be a potential purchase of new parking software before the end of 2015 (or possibly in 2016) in Capital Outlay; expenditures of \$148,500 in Capital Outlay includes Elks Lot expenses of repairs to rock wall, drainage and paving improvements and pay stations to replace meters; an increase in Contracted Services to cover the cost of a parking structure study for \$20,000; additional funds for increased enforcement hours; and trolley expenses moved to the Parking Fund as recommended by the Board. The Downtown Director also reviewed that City Council approved CIP 2016-2021 at last night's meeting and moved restroom design process from 2017 to 2016.

Board members inquired why DMB had to pay for restroom design and construction; why carry over funds for parking lots are used to fund priority projects when there is no money in the General Fund; that Councilmembers should be present at DMB meetings to discuss these matters; that Capital Outlay is considerably higher than previous years; and that the Board could be better educated on information regarding the parking structure study.

Chairperson Rochon asked for public comments and heard a comment that Board members haven't looked at budget cuts, but rather spending money.

Upon motion made by Ms. Shorter, seconded by Mr. Smith, adoption of the 2016 Parking Budget was unanimously approved as submitted. Said motion was approved by the following vote:

AYES: Buck, Carlson, Fraser, Keiswetter, Reid, Shorter, Smith, Rochon (8)  
NAYS: None (0)

The Downtown Director then reviewed the 2016 Programs and Services Budget which had been revised to include a net figure of \$398 compared to last month's first proposed budget. To achieve the net figure the Downtown Director made the following changes including funding for Petoskey Rocks! to come approximately half from the budget and half from sponsorships; Winter Carnival income is proposed to be from the event and \$6,000 from the budget with no major sponsorship unless approved by the DMB; and trolley expenses were moved to the Parking Fund.

Board members inquired on the DMB's support for events such as Festival on the Bay, Farmer's Market and Fourth of July and had concerns with whether businesses felt they were being double-dipped after paying assessments and then donations to these events.

Upon motion made by Mr. Smith, seconded by Ms. Shorter, adoption of the 2016 Programs and Services Budget was unanimously approved as submitted. Said motion was approved by the following vote:

AYES: Buck, Carlson, Fraser, Keiswetter, Reid, Shorter, Smith, Rochon (8)  
NAYS: None (0)

Recommend Special Assessment  
Levy to City Council

The Chairperson next reported that the Downtown Management Board routinely asked the City Manager each year to recommend that the City Council levy special assessments on the Downtown Management Board's behalf against eligible, non-residential properties within the Downtown Management Board's jurisdictional territory, with the proceeds from such levies then used to finance downtown-area programs and services through the City's Downtown Development and Management Fund.

2016 downtown-area special-assessment levies would be the 22<sup>nd</sup> such annual levy. The approved 2015 downtown-area programs-and-services special-assessment formula 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; and \$0.05 per square foot of unimproved lots that do not contain buildings. Although not yet calculated, City staff believes that revenues next year would be comparable to the \$91,000 that had been received in 2015.

Upon motion made and seconded, the Board requested that the City Manager consider this proposed 2016 programs and services special assessment and to recommend to City Council through a required written report, that the same formula be levied on behalf of the Downtown Management Board. Said motion was unanimously approved as submitted.

Approve Committee Appointments

The Downtown Director reported that it has been customary for the Downtown Events Committee to include a representative from the Petoskey District Library. Ron Fowler served in this capacity for several years and is no longer working at the Library. Val Meyerson, Library Director, volunteered to replace him on the Committee.

Upon motion made and supported, the appointment of Val Meyerson, be appointed to the Downtown Events Committee. Said motion was unanimously approved as submitted.

Hear Committee Reports

The Downtown Director reported on behalf of the Events Committee and that registration for the Shopping Scramble is going well; that A Moveable Feast is October 16 and 17 and reviewed activities coordinated with the Michigan Hemingway Festival; that Downtown Trick or Treat is scheduled for Saturday, October 31; and Haunted Halloween Progressive Dinner is October 30.

The Downtown Director reported on behalf of the Marketing Committee and that the Committee is working on a new website and mobile friendly updates; brand tweaking and potential updates; and that the Holiday Catalog will be available in digital or print form.

In beautification, the Downtown Director reported that cornstalks will be installed on Friday and the scarecrow contest will be up the entire month of October and judged on Facebook.

The Downtown Director reported on behalf of Parking and that a new Parking Ambassador was hired, Tom Devitt; that chronic abuser fees have been updated; and that new meter heads were ordered for the newly installed meters.

In design, the Downtown Director reported that the bike corrals are being used and will be removed at the end of October.

The Downtown Director also reported that City Council reviewed and did not approve an application from BRKP Cigar Group, LLC, for a redevelopment liquor license; and that Council had a 30 day deadline to accept a Hemingway statue location presented by Ernie Mainland on behalf of Mr. Dau.

There being no further business to come before the Downtown Management Board, the meeting was adjourned at 8:45 P.M.