



DOWNTOWN MANAGEMENT BOARD

March 20, 2018

A regular meeting of the City of Petoskey Downtown Management Board was held in the City Hall Community Room, Petoskey, Michigan, on Tuesday, March 20, 2018. The meeting was called to order at 7:00 P.M., and the following were

Present: S. Reginald Smith, Chairperson
Doug Buck, Vice Chairperson
Robin Bennett
Daniel Harris
Ed Karmann
Noah Marshall-Rashid
John Murphy, Mayor
Jessica Stubbs

Absent: Ben Slocum

Also in attendance was the Downtown Director Becky Goodman and City Manager Rob Straebel.

Approve Consent Agenda Items

Downtown Management Board members discussed the first item of routine business, the February 13, 2018 regular session meeting minutes; acknowledgement of bills since February 13, 2018; and acceptance of the 2017 year-end and February expense and income reports as prepared by the Downtown Director.

Upon motion made and seconded, the February 13, 2018 regular session meeting minutes were approved; acknowledgement of bills since February 13, 2018 that totaled \$42,083.81; and 2017 year-end and expense and income reports for February were approved. Said motion was unanimously approved as submitted.

Authorize 2018 Façade Improvement Grants

The Downtown Director reviewed that the Design Committee had received three applications for the façade improvement grant program. Beards Brewery, LLC, 215 East Lake Street, applied for grant funds and if approved \$7,500 will be used to remove an exterior staircase that leads to a door that has been removed on the northeast side of the building and to purchase awnings and lighting.

Splash Properties/Paul Krecke, 325 East Lake Street, applied for grant funds and if approved \$7,500 would help with restoration of the unique canopy awning that spans the first floor of the building and the replacement of the second floor windows. The grant is contingent on the property owner meeting with the Chair of the Committee to discuss final details and scope of work. Krecke will be required to replace the light bulbs on the Hollywood Sign and commit to keeping the sign lit for the lifetime of the sign or throughout his ownership of the building.

Fustini's/Jim Milligan, 206 Howard Street, applied for grant funds and if approved \$1,500 would help trim out the front façade in a manner that will make the storefront separate from the storefronts adjacent to it. This grant is being recommended because of its impact to neighboring businesses and to the streetscape in general and is contingent on a meeting with the committee chair and Downtown Director to discuss details.

The Downtown Director further reviewed that the three grants total \$16,500 which will leave a total of \$3,500 unspent in the Façade Grant line item. The Design Committee will be discussing other uses for this money including a second round of grants, other beautification improvements or including it in next year's round of funding.

Upon motion made by Mr. Marshall-Rashid and seconded by Ms. Stubbs, to approve the 2018 façade improvement grants as requested by the Downtown Design Committee. Said motion was unanimously approved as submitted.

Review Role of Executive Committee

The Downtown Director reviewed that at the February meeting the Board approved a recommendation from staff, formulated by the Chair and Vice Chair, to split the responsibilities of the Parking/Executive Committee. The Parking Committee was expanded to four Board members and a member at large. Membership in the Executive Committee were approved to be the Chair and Vice Chair of the Board. The role of the Executive Committee is as follows:

“The responsibility of this committee is to manage human resource issues, oversee office management policies, assist with agenda development when necessary, and consult on other issues, such as real estate or potential development projects that require confidentiality. Members of this Committee are the Chair and Vice Chair of the DMB. Their length of service will depend on the time they serve in their respective roles. This Committee will meet as needed.”

The Downtown Director further reported that she received a request from a Board member to have a further discussion of the role and responsibilities of this Committee.

Board members discussed and had concerns with lack of Board representation on Parking Committee and would like more feedback from the Board as a whole; that the Parking Committee was increased, but shrank the Executive Committee based on approving the policies last month; heard from those in favor of increasing the Executive Committee to three members; that Executive Committee core responsibilities should be reconsidered in January and be more accountable and update Board on matters; that it was not intended to lack transparency, but rather the Parking Committee be more of a sounding board to the Director; that the Executive Committee should have formal responsibilities including essential relationships with staff, participation by committee members, etc.; and that educating new members is crucial to bring them up to speed.

Upon motion made by Mr. Marshall-Rashid and seconded by Ms. Stubbs, to add a third member to Executive Committee. Said motion was unanimously approved as submitted.

Chairperson Smith commented that he may need direction and opinion from legal counsel on role of Executive Committee since the Board was established by State law; is comfortable with whole Board to decide on Board matters; and that he will bring forward an appointment for approval at the next meeting.

Discuss Non-Assessment Paying Vendors to Participate in Sidewalk Sales

The Downtown Director reviewed that the policy regarding allowing non-assessment paying vendors to participate in Sidewalk Sales has changed over the years. During the years that downtown was managed by the Chamber of Commerce, the Chamber allowed businesses to participate for a fee of \$250 if they were Chamber members; and that for a brief period, there was a policy that allowed vendors from outside of the district but were located in the 49770 zip to participate for a fee.

The Downtown Director further reviewed that based on merchant feedback in 2009, the DMB created a policy that did not allow businesses that were located outside the special assessment district to participate in the event; that the policy has been circumvented by vendors who have signed short term leases with owners of vacant buildings; reviewed past survey comments that Sidewalk Sales would be a better event if there were more businesses participating, that there are spaces where either vacant buildings or buildings housing service businesses front the street which create gaps in the sidewalk “storefronts” and that Sidewalk Sales is seen by some as a declining event; and that Sidewalk Sales revenue and expenses were raised as part of the 2018 Budget to study the question of allowing outside merchants to pay a fee to participate and spend those dollars on increased advertising for the event. Staff surveyed retailers and found that, of 43 respondents, just over half approve of having vendors come in from outside of the district, but many favored restrictions such as no big box, no chains and no competing products or bands.

The Events Committee recommended that businesses that do not compete with existing downtown businesses be allowed to participate for a fee of \$500, an application form would be developed and the Committee would review potential participants.

Board members discussed issue and heard from those in favor and against allowing outside vendors; heard from those against lining the vacant areas with cars, snowmobiles, tractors or boats; that allowing outside vendors is not what the event is all about and that it loses its meaning; that different booths with attractions should be included; that the Committee approached idea from a different angle to allow new businesses to save the declining event; that Sidewalk Sales is basically a liquidation sale for merchants and there needs to be additional activities for visitors; and heard an inquiry if outside vendors would generate more traffic at Sidewalk Sales.

Chairperson Smith asked for public comments and heard a comment against the idea; that it is a popular event, but would lose its meaning; that limitation of vendors would be a nightmare; why allow if it will make merchants upset; and that Committee should work within budget revenue, rather than raise more for advertisements.

Board members further commented to potentially do a one-year trial basis; applauded Events Committee since after last year it seemed as if Sidewalk Sales is a dying event; concerns with powerful trends and online sales hurting merchants; that the Board would like to review application form prior to approving outside vendors; and who is the ultimate target market for Sidewalk Sales.

The Downtown Director further reviewed that outside vendors would only be in areas that don't have things in front of business such as Dave's Boot Shop, banks, hair salons, etc.; that the Committee will recommend applicant; and that currently outside vendors are participating and paying a fee, but DMB is not receiving revenue, but rather it is going to the building owner.

The Board concurred and requested that the Events Committee prepare an application for the Board to review before approval and determine how many and where additional vendors or booths would be allowed. This matter was tabled and will be reviewed at a future meeting.

Hear Committee Reports

The Downtown Director reported that Promotions Coordinator Andi Symonds submitted her resignation and that her last day before going to work at the County is March 26; that she is in the middle of hiring a trolley driver, parking ambassadors and now this position; that she has some leads to help in the interim, but will post job to find a replacement. Board members inquired on the Promotions Coordinator wage; that a livable wage would need to be identified in order to retain good employees; and if some tasks could be sub-contracted.

The Downtown Director reported on behalf of the Parking Committee and that the Committee reviewed Parking Management and Downtown Office Policies; that final approval for a charging station will be on the April agenda; agreed with premise of Marketing Committee's fundraiser; discussed the role of the Executive Committee; reviewed the permit parking history in the Saville Parking Lot in preparation for potential changes; and reviewed February statistics.

The Downtown Director reported on behalf of the Events Committee and reviewed survey responses for the Winter Carnival and how to enhance the event in the future.

The Downtown Director reported on behalf of the Marketing Committee and that the Committee is developing a fundraiser involving a raffle license; and that the PACVB awarded downtown a \$2,000 grant for Petoskey Rocks and food trucks were approved for the event.

In downtown economic enhancement, the Downtown Director reported that City Council approved the Board's recommendation for changes to the redevelopment liquor license program; and that City Council approved a Small Distillers License for Gypsy Vodka at their Howard Street location to allow them to sell craft cocktails.

The Downtown Director further reported that the trolley task force received a commitment from Bay Harbor to sponsor the trolley at a \$5,000 level and that a route along U.S. 31 from the State Park to Bay Harbor is being planned; that they received \$18,600 from the sale of the rail trolley which will go into the Parking Fund; that staff will be meeting with developers tomorrow concerning 200 East Lake Street; that Mr. Berg submitted a plan for the Darling Lot and that City staff believes it exceeds height limit and has asked him to reconsider; and reported that she attended the MDA Lansing Day and workshop and had lunch with Ken Horn, a DDA supporter and promoter of the Transformational Brownfield Act, and that legislation could help develop 200 East Lake Street.

Hear City Staff Report

The City Manager reviewed that the City will be offering a Voluntary Green Pricing Program for customers to purchase renewable energy for \$0.01 per kWh and that there will be a link on the City website for people to register; that there is a revised design for the downtown bathrooms to include a family bathroom and canopy; reviewed various capital improvement projects beginning in a few months specifically the downtown project near Petoskey and Bay Streets and greenway corridor; that MDOT will hold an open house from 4:00-5:30 P.M., Tuesday, April 10, to review plans for the 2019 realignment project; and thanked City Planner Amy Tweeten for her efforts in submitting all completed items as part of the RRC Program and that the City is waiting to hear final approval from the MEDC.

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