

City of Mt. Pleasant

Central Business District (CBD) Tax Increment Finance Authority (TIFA) Mission-Pickard Downtown Development Authority (DDA) Industrial Park North TIFA

MINUTES OF THE REGULAR MEETING

January 14, 2016 10:00 AM
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Tim Driessnack at 10:00 am.

Present: Tim Coscarelly, Tim Driessnack (Chair), John Hunter, Tom Krapohl, Margaret McAvoy, Rick McGuirk, Lisa Orlando, Nancy Ridley, Jeff Smith, Rich Swindlehurst (Vice-Chair), Brad Wahr

Absent: None

Also attending: (Staff): Mary Ann Kornexl, William Mrdeza, Michelle Sponseller

II. Approval of Agenda

It was moved by McGuirk, seconded by Krapohl, to approve the agenda as presented. **The motion passed unanimously.**

III. Approval of the November 12, 2015 Meeting Minutes

It was moved by Smith, seconded by Krapohl, that the November 12, 2015 meeting minutes be approved as presented. **The motion passed unanimously.**

IV. Old and New Business

A. TIFA

1. Approval of the Transfer of Assets in University Park from the TIFA to Central Michigan University

Mrdeza reminded the Board that the University Park TIFA district expired at the end of 2015. This left a number of assets in the district that were owned by the TIFA with no practical way of insuring continued maintenance and replacement as needed since the funding source was no longer available. These assets included pathways, bridges, retention ponds, culverts, pedestrian lights, benches, trash cans, and signs. Mrdeza presented a Quit-Claim Bill of Sale for these

items to be transferred to Central Michigan University and asked that the Board authorize the Chair to sign the Bill of Sale. It was moved by McAvoy, seconded by Smith, to authorize the Chair to sign the Quit-Claim Bill of Sale to the University for the items in the district boundaries as listed above. **The motion passed unanimously.** In addition, McAvoy asked the staff to provide a distribution breakdown by taxing jurisdiction of the approximately \$125,925 in funds remaining in the TIFA budget that will be distributed. Staff indicated that should be available at the next meeting.

2. Discussion and Action on a Year-Round Event Coordinator Position

Mrdeza and Sponseller provided an overview of the Event Coordinator position ahead of the requested Board action. Mrdeza reminded the Board that the Ad Hoc Committee appointed by the City Commission last year to discuss funding expectations downtown (including the use of the Special Assessment funds), recommended a ten week event series in the summer to replace Summerfest and other activities that are no longer being held. In order to accomplish the planning and organizing of this and other existing events, additional staff assistance was needed on more of a year-long basis rather than nine months as is the current practice. Sponseller explained that by taking the current nine month position and extending it to twelve months, while reducing the number of hours from 25 to 20, a variable hour employee position could be created within the budgeted amount approved by the City Commission at their last meeting in December.

Mrdeza indicated that since funding for the position was to come from the TIFA, the Board was given the opportunity to discuss the proposed change to the position and would have to agree to the concept. This provision was also a condition of the City Commission's approval of the 2016 budget since the TIFA meeting was scheduled after the City Commission took action on the budget. Should the Board approve the change in the hours for the position, Sponseller indicated that the current part time staff would be offered the opportunity to work twelve months at up to 20 hours per week since Sponseller has receive positive feedback from the downtown businesses on the events she has helped to coordinate. After some additional discussion, it was moved by McGuirk, seconded by Smith, the approve funding for a variable hour Event Coordinator position for twelve months at up to 20 hours per week. **The motion passed unanimously.**

3. Action on Proposed Revisions to the Guidelines Governing the Façade Improvement and Revolving Loan Programs

Sponseller led the discussion on this agenda item. She presented proposed revised program guidelines that incorporated assistance with façade renderings and a zero interest revolving loan program aimed at assisting building owners with making improvements to their buildings, including implementing the recommendations to the building's façade. She explained the goal of the program was to assist in the creation of high-impact, visual improvements and an overall enhanced image to the downtown that will positively attract residents and visitors. Specifically Sponseller outlined the program purposes as:

- To directly stimulate physical improvements to downtown buildings and businesses.

- To stimulate building improvements sensitive to the unique context of the downtown's historic commercial architectural character.
- To stimulate physical improvements to businesses to make them attractive to Mt. Pleasant's consumer market.
- To strengthen existing, and encourage new businesses to bring new employment opportunities to the downtown.
- To work closely with the lending institutions and the City to provide an attractive incentive package to downtown commercial owners.

The Board members generally agreed with the outline of the revised program and offered several changes they would like to see before considering final approval. These included:

- Change the wording on the amount of loan funds available from: *Maximum loan amounts shall not to exceed 50% of the project cost or \$25,000, whichever is greater, to*: *Maximum loan amounts are up to 50% of the project cost.*
- Reduce the threshold for when a property lien will be executed to an amount less than the proposed \$7,500 figure.
- Clarify that any lien placed on the property will be subordinate to those held by a lending institution.
- Specify that when initiated, the property lien will be for the entire amount of the loan and not just for the amount remaining or the amount above the threshold.
- Under the *Default and Remedy* section, include a clause indicating that any outstanding loan amount will be due upon the sale of the property.
- Under Section 1, *Façade Rendering Grants*, change the wording to "City specified consultant" rather than identifying Landscape Architect and Planners, Inc. by name, making it easier in the future to hire another firm if the need arose without the need to change the guideline language.

At the conclusion of the discussion, it was moved by Swindlehurst, seconded by Orlando, to consider approving the revised Downtown Façade Improvement Program guidelines, pending the language changes proposed above and review and comment by the City's legal counsel. A final version will be shared with the Board once the edits and legal review are complete. **The motion passed unanimously.**

B. DDA

1. LDFA Status Update

Mrdeza updated the Board on the status of the request by the CMU-RC to extend the LDFA school tax capture for five additional years. As a result of the application and plan submitted by the CMU-RC staff, the state MEDC recently approved the additional five years of tax capture. The will amount to approximately \$50,000 per year for LDFA over the next five years.

2. City Commission Request to Consider 2017 Snow Removal Budget

Mrdeza reported that the City Commission recently discussed increased enforcement for sidewalk snow removal in front of commercial businesses as required by ordinance. During the discussion by the Commission, it was noted that a number of businesses along Mission Street were out of compliance with this requirement. Since most of the Mission Street corridor is within the DDA district boundary, it was suggested that the DDA Board consider budgeting for sidewalk snow removal beginning in 2017.

The Board discussed the City Commission request but felt that it was the responsibility of each individual business to abide by the provisions of the City ordinance. They indicated that there were many more important priorities for the Board to focus its limited resources on in addition to the question of snow removal on City sidewalks in the district. The Board thank the City Commission for their concern regarding sidewalk snow removal along Mission Street but it was a consensus that the Board was not interested in paying for the removal of snow along the Mission/Pickard corridors and therefore would not be budgeting for that service in their 2017 budget.

V. Other Business

There was no other business proposed for consideration at this time.

VI. Public Comments

There were no public comments received or offered.

VII. Adjourn

There being no other business, **the meeting adjourned at 10:57 am.**