

**OFFICIAL PROCEEDINGS
OF THE
DOWNTOWN DEVELOPMENT AUHTORITY
OF THE
CITY OF LOWELL
THURSDAY, APRIL 12, 2018**

1. CALL TO ORDER; ROLL CALL

The Meeting was called to order at 12:15 p.m. by Chair Reagan.

Present: Boardmembers Cliff Yankovich, Rita Reister, Mayor Devore, April McClure, Rick Seese, and Chair Jim Reagan.
Absent: Brian Doyle, Mike Larkin and Dean Lonick.
Also Present: City Manager Mike Burns, City Clerk Susan Ullery and Treasurer Suzanne Olin.

2. EXCUSE OF ABSENSES

IT WAS MOVED BY YANKOVICH and seconded by MCCLURE to excuse the absence of Brian Doyle, Mike Larkin, and Dean Lonick.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

3. APPROVAL OF THE AGENDA

IT WAS MOVED BY MCCLURE and seconded by YANKOVICH to approve the agenda as written.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

4. APPROVAL OF THE MINUTES

IT WAS MOVED BY REISTER and seconded by YANKOVICH to approve the minutes of the March 15, 2018 meeting as written.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

5. TREASURER'S REPORT

**DOWNTOWN DEVELOPMENT AUTHORITY FUND
FINANCIAL STATEMENT
April 11, 2018**

| | |
|--------------------|--------------|
| Beginning Balance: | \$246,308.11 |
| Revenue: | |
| TIFA Revenue | \$470,582.97 |
| PPT Reimbursement | 8,201.79 |
| Misc | 72.98 |
| Interest | 697.54 |
| Total Revenues | \$725,863.39 |
| Expenditures: | |
| Capital Outlay | \$9,845.00 |

| | |
|--------------------------------|---------------------|
| Salaries/FICA | \$31,887.49 |
| Maintenance Supplies | \$34,567.17 |
| Utilities | \$17,123.62 |
| Misc. and Community Promotions | \$11,478.25 |
| Accrued Wages | \$3,045.57 |
| Administration | \$12,090.21 |
| Accrued Payables | \$7,347.62 |
| Transfer to General Fund | \$148,022.00 |
| Total Expenditures: | \$275,406.93 |
| | |
| Ending Balance | \$450,456.46 |

IT WAS MOVED BY DEVORE and seconded by YANKOVICH to accept the Treasurer’s Report as written.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

6. **PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA.**

No comments were received.

7. **OLD BUSINESS**

a. Downtown Master Plan.

City Manager Mike Burns stated he will be bringing back some revisions to the Downtown Master Plan soon.

8. **NEW BUSINESS**

a. N. Broadway Mill and Overlay.

City Manager Mike Burns explained in the current fiscal year budget, the DDA budgeted \$90,000.00 for a mill and overlay for N. Broadway from Main Street to Riverside Drive. With the current water main and lift station upgrades currently on S. Broadway, he requested an estimate from Kamminga and Roodvoets for a mill and overlay on N. Broadway since they are already working in this area. Burns explained he did this with the intent of having lower construction costs since they are currently mobilized in the area. This could also be considered an extension of the current project on S. Broadway.

Burns went on to say, he received an estimate for a mill overlay not to exceed \$72,480. When he discussed this with Prein & Newhof, they discussed the issue of the current ponding on N. Broadway and by milling 3” and refilling it with asphalt, the low areas would be addressed with the millings from the street. There would also be some realigning of manholes, castings and valve boxes. The Water and Wastewater Funds can fund these issues. If approved, the project could be complete by June 30, 2018, in conjunction with the S. Broadway project.

IT WAS MOVED BY DEVORE and seconded by YANKOVICH to approve the proposal from Kamminga and Roodvoets to complete a mill and overlay project on N. Broadway from Main St. to Riverside Drive at a cost not to exceed \$90,000.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

b. Big Boiler Parking Lot.

Brent Slagell, owner of Big Boiler Brewing, spoke regarding his concern for the businesses downtown and that there is not enough parking for the public and with businesses growing, there will be an even greater demand for parking. He proposed an idea for the Downtown Development Authority to purchase his parking lot that he currently owns right next to the Big Boiler Brewing building and for it to be used as a municipal lot. With the proceeds that would come from the DDA purchasing said lot, he would be able to add a parking lot behind the said building. Slagell brought a map that the assessor gave him along with an email that has some evaluations on it for them to take a look at. Slagell then asked if the on-street parking in front of the Big Boiler Brewery is two hour parking and if not, could it be changed to two hour parking to be in uniform with the rest of the downtown main street area. Police Chief Steve Bukala explained that it is not two hour parking and after going through approval with the City Manager; we would have to contact MDOT in order to make changes because they regulate the signage and this particular signage was taken down a few years ago. The board discussed at length the challenges with changing that area to two hour parking and that there will be people who will want to shop longer than two hours, not to mention there would be enforcement issues. The board also discussed sending some sort of a reminder out to all the downtown business employees reminding them not to use the on-street parking and discussed the idea of meters in the future.

By general consensus, the Board was not in favor of the lot purchase.

c. Fiscal Year Budget 2019.

City Manager Mike Burns discussed the proposed Fiscal Year Budget for 2019 that will begin in July. For the upcoming year ending June 30, 2019, we are projecting approximately an additional \$104,000 in revenue over last year. Due to the additional expansion of Litehouse Foods, along with Industrial Facility parcels being added to the ad valorem tax roll, last year, we budgeted for \$424,000 in new revenue and actually saw approximately \$471,000 for the above listed reasons. For the upcoming year we are projecting approximately \$528,400 in revenue. Taxable values may actually increase this revenue even more as we are still getting clarification from our Assessor if Headlee Override provisions come into place.

Burns continued that in the current fiscal year, we proposed \$446,000 in expenditures which gives us an additional \$32,000 in fund balance. With this, we need to make the following amendments to the current fiscal year budget.

- Reduce the Capital Outlay line item from \$90,000 to \$85,000 as we anticipate cost savings when we pave North Broadway later this fiscal year.
- Increase the Public Utility line item from \$17,000 to \$20,000. \$20,000 was the normal amount budgeted in years past and the upcoming year.
- Increase the Rental line item for equipment used in downtown from \$15,000 to \$25,000 to accommodate the increase due to winter maintenance and for the remainder of the fiscal year.

Burn explained while there are many routine operational expenses that are being budgeted, listed below are the major appropriations to consider:

- \$71,000 in capital outlay is proposed. With the completion of construction to the Showboat, which will be enclosed and heated during the winter months, it is the intent of the City to incorporate the Showboat into some form of a community event center that will host community events and be rented

by the community. Similar to what Hudsonville is doing with their Terra Square and a much smaller version of what the City of Grand Rapids does with its convention center and arena. The intent is for the Showboat to become a fully sustainable operation with a business model similar to those entities. We anticipate startup costs for the operation to begin and would like to place \$35,000 to accomplish this. City Administration is still working on this and details will be presented later in the year.

- An additional \$36,000 in the Capital Outlay line item to replace Welcome to Lowell City Signage in the district. The City is looking to write a grant to one of the various foundations for the remainder of the signs throughout the City.
- \$65,000 for Community Promotions. This includes our normal contribution to the Chamber of Commerce for event sponsorship. In addition, \$20,000 has been appropriated for the Midwest Sculpture Initiative.
- \$151,273 for the DDA contribution to the City Hall Bond.
- \$17,340 for the DDA's contribution to financing the Bob Cat and Front End Loader.
- \$10,000 for the fairground property planning and what we would like to see there when the fair leaves.

Burns explained the DDA is in good long term condition and committed to revitalizing the Downtown area. Due to lost property values from the Michigan Tax Tribunal and elimination of the Personal Property Tax, the DDA has not seen the revenues they have seen in past years (51% fund balance currently), so we need to be mindful with our revenues as we move forward and realize there is still volatility.

Burns also went on to address that in the future we may need funding for police services, for the last three years, 52% of the police calls for service occurred within the Downtown Development Authority District, so we will evaluate this further in the upcoming fiscal year.

Boardmember Mike Devore asked about the Lowell High School State Champion signage and stated that they need to be updated and we should find out who paid for them originally as it was not the City.

Boardmember Rick Seese stated he would like see some additional marketing money (around \$20,000) set aside for the Chamber for the City of Lowell.

Liz Baker from the Chamber of Commerce explained the Lowell videos and the future Lowell commercials and what that entails including the funding and how we will own and have a library of all the items created.

Boardmember Yankovich asked what the \$35,000 startup cost is for. Burns explained for operational purposes and he does not have all the details yet and stated it may not all be spent, but suggests to have it as a buffer for the unknown.

IT WAS MOVED BY YANKOVICH and seconded by DEVORE to approve the Fiscal Year 2019 Budget as presented with the additional \$10,000 for the Fairground property future planning and \$20,000 increase for the Lowell Chamber of Commerce for marketing.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

9. **REPORTS AND MEMBER COMMENTS**

City Manager Mike Burns noted Dan Burden will be here Tuesday May 15 at 9:00 am and recommends everyone attend.

Chair Reagan stated next meeting will be held May 5.

IT WAS MOVED BY YANKOVICH and seconded by DEVORE to adjourn at 12:58 p.m.

YES: 6. NO: 0. ABSENT: 3. MOTION CARRIED.

Date:

APPROVED:

James E. Reagan, Chair

Susan Ullery, City Clerk