

GRAND LEDGE DOWNTOWN DEVELOPMENT AUTHORITY

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GRAND LEDGE MI 48837
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MINUTES – REGULAR MEETING
WEDNESDAY, MARCH 9, 2011

6:00 P.M.

COUNCIL CHAMBERS, CITY HALL
200 E. JEFFERSON ST.

I & II. ROLL CALL- Bruce MacDowell called the meeting to order at 6:02 p.m.

Present: Terrance Augustine, Bruce MacDowell, Dave Jonas, Christine Carter, Bob Brown, Jason Barclay, Susan Sasse Jim Church (6:16)

Absent: Mayor Kalmin Smith, Ben Cwayna, Keith Mulder, Karl Glarner, Jan Mowery

Also Present: Mark Sullivan, Ameer King

III. PLEDGE OF ALLEGIANCE

IV. AUDIENCE PARTICIPATION - Michelle Lantz, 84 Boucke Avenue, addressed the Board. I am here to tell you about a new business that I'm planning to open in the next few months. It's a bridal and prom boutique, which will include tuxedos, mothers dresses, etc. I do not have a facility yet. I am planning a red carpet runway show in March, at the Grand Loft (banquet center above Cancun Restaurant, 300 S. Bridge Street). Girls will be able to buy dresses that day. I am very community minded and want to get involved and help in any way I can. I have had my own business for past 9 years in marketing and have worked in marketing for 19 years.

V. APPROVAL OF REGULAR AGENDA - Ms. Sasse made a motion to approve the agenda as presented. Mr. Augustine supported the motion. The motion carried. 7 Yes 0 No.

VI. APPROVAL OF MINUTES - Mr. Augustine made a motion to approve the minutes of the general meeting of February 9, 2011. Ms. Sasse supported the motion. The motion carried. 7 Yes 0 No.

VII. TREASURERS REPORT -

1. Payment of bills - There was two additional bills, one from MGM Services in the amount of \$700 and one from HTA in the amount of \$6,490. Mr. Sullivan handed out a detailed HTA statement for the year showing that where we are for snow removal. Costs are below last years amounts. MGM Services cleans ou the parking lot, dumpster and then does landscaping in the spring and summer. Mr. Brown made a motion to pay the bills with the 2 additions. Mr. Augustine seconded the motion. The motion passed 8 Yes to 0 No.

2. Financial Statement - Mr. Sullivan reported on the enclosed memo. In the facade/renovation grants line item the current budget shows an additional \$15,000 available for grants. We have approved the application for the Sun theater marquee in the amount of \$15,000 which would zero out the account. We'll have to add some money to that line item. We're also looking at a renovation grant, possibly up to \$55,000, that we do no have money in that line item for. Removal of the houses on River Street was \$4,722 higher than budgeted for. Fund balance in the 494 fund is approximately \$300,000 in unrestricted and \$630,000 in unspent bond funds. The bond funds can only e used for parking lot improvement and repair. We have 3 years in which to spend those funds. Its basically a break even budget now and will be for several years. Property values may go down a bit. end of the year. Mr. Augustine suggested putting the remaining bond money into an interest earning account. Fund balance does not look great right now, we're not in trouble but we don't want to go crazy with spending money at this point.

VII. Committee Reports -

1. Facade Committee - The minutes and memo are included in the packet. At the last meeting, Mr. Pantera provided us with a set of plans produced by a structural engineer for the Sun Theater marquee (316 S. Bridge Street). He is now ready to have it fabricated. Everyone was satisfied and he will move forward with the project. There was a long discussion regarding drainage and snow load. He is looking into a couple of ideas for lighting, one of which is leon lights which are neon and l.e.d.

Mr. Lea is planning to renovate the apartments at 228 N. Bridge Street, and add two additional apartments. He is planning on a MSHDA grant of \$198,000 and \$70,000 from himself. He would like to receive a renovation grant from the DDA for part of his costs. According to the renovation program Mr. Lea is eligible for up to \$55,000.

Mr. MacDowell is planning to apply for a facade grant for 216 S. Bridge. He brought a proposal to the Committee. He'll keep us apprised of his plans.

IX. Old Business -

1. Update on West Front Street Parking Lot - The electrical upgrades are well underway. The gas is still being worked on. Ramps are up. Terry Hanks building at 223 N. Bridge street still needs work. Mr. Sullivan had a meeting today with Sandborn Construction representatives. We had a notice to put a lien on it due to a concrete subcontractor. Information was passed out at the meeting from Mr. Mulder from the subcommittee that reviewed the Ziemnick Foster Engineering bills. There was some confusion as to the final figures, so this item will be discussed at the next meeting.

Mr. Brown raised the question if facade grants can be used for the back of buildings? It can. It's \$8,000 per side 50/50 match plus \$1,500 toward architectural fees. This may be the time to get the word out to the property owners on N. Bridge Street so they can improve the backs of their buildings. Mr. Church indicated he was going to apply for a grant and improve the back of his building hoping to work with the historical aspect of the building. Mr. Sullivan indicated he would take pictures of the back of all of the buildings on North Bridge Street.

2. Request for Renovation Grant by Tim Lea - Mr. Lea is planning to add an apartment on the first floor of 228 N. Bridge and renovate the apartments on the second floor. MSHDA grants are involved. Mr. Lea is looking for a commitment from the DDA for a renovation grant. Mr. Sullivan took the plans to our Mr. Brian Thelen, the City's Assessor. A letter from Mr. Thelen indicates the increased value will be \$133,245. Based on the assessment from Mr. Thelen, using a tax rate of 26.7955 mills, the annual additional tax capture by the DDA would be \$3,570. Over a 15 year period this would come to \$53,550. Mr. Lea is planning to spend approximately \$70,000. This type of grant is not common and it may be time to set up guidelines to follow. Chairman MacDowell indicated that he too is working with MSHDA on a project and will be asking for a grant from DDA. There was a lengthy discussion on guidelines such as should the DDA give more funds than the owner is investing, is 15 years the right amount of time to use in the formula, should the matching funds equal 50%? After the discussion it was the consensus of the board to appoint a subcommittee to review the guidelines and report back to the board. Members of the subcommittee will include, Susan Sasse, Terrance Augustine, Bob Brown, and Dave Jonas.

X. New Business -

1. Visioning Session - Mr. Sullivan indicated that at the last meeting, the Board had requested staff to research a facilitator for a visioning session. Mr. Sullivan had a meeting scheduled with Julie Poich with the Van Buren County MSU Extension Office. The meeting was postponed. When it is rescheduled Mr. Sullivan will let the Board know if anyone else would like to attend. Ms. Poich has work with Mr. Harvey Liss who is the facilitator we used in 2000. Ms. Carter indicated that she would like more information on Michelle Lantz background. Ms. King will get the information requested to Ms. Carter.

2. Ledge Craft Lanes - Mr. Sullivan reviewed the situation. Mr. Ron VanZee, the City's building inspector, went through Ledge Craft Lane (120 S. Bridge Street) and produced a report dated July 7, 2008. There were several areas of concern at that time. The two major areas were the roof and the windows. The DDA had a new roof put on the building in September 2009 at a cost of \$10,800. Nothing else has been

done since then. Mr. Don Keller of Don Keller Siding and Windows was contacted to give us a rough estimate. For 16 windows it was \$8,800 and \$1,150 for 2 entry doors for a total of \$9,950. Several members had concerns that this is a landlord tenant issue not a DDA issue to pay for. The City does get \$1,200 a year in rent from Ledge Craft Lane. After discussion it was the consensus of the Board to take this item up at the next meeting.

XI. Directors Comments -

1. Meeting of LEAP Committee - Mr. Sullivan indicated that he, along with City Administrator Jon Bayless, Mayor Kalmin Smith, and Chairman Bruce MacDowell attended the LEAP Placemaking Strategy Team meeting held at Kuntzsch Business Services 6300 N. Bridge Street. Ms. Kuntzsch indicated that she is willing to help the City and DDA by writing grants at no cost. Mr. Sullivan also indicated that he got a bid from Trees Inc. For summer maintenance of the parking lots. Staff will set up a landscape committee to review the bid and make a recommendation at the next board meeting.

Mr. Auginstine reported that the mural project is fully underway. The next three Saturdays will be workshops at the Piece of Mine Pottery Shop (202 S. Bridge Street). We encourage everyone to sign up for the workshop. The Rotary Club donated \$1,000 to the project. Mr. Church congratulated Mr. Auginstine on a successful project.

Ms. Sasse reminded everyone that this weekend is the St. Patrick's Day Celebration.

XII. ADJOURN - The meeting was adjourned at 8:03 p.m. The next meeting is April 13, 2011 at 6:00 p.m.

Minutes recorded and transcribed by Amee King

Robert Brown, Secretary

Date Minutes Approved