

**CITY OF WAYLAND
DOWNTOWN DEVELOPMENT AUTHORITY
MINUTES**

**Thursday, May 20, 2010
City Hall – City Council Chambers**

Chair Mike Salisbury called the regular meeting to order at 12:00 PM.

ROLL CALL

Members Present: Chair Mike Salisbury, Mayor Tim Bala, Karen Gregersen, Ron House, Stuart Isenhoff, Monte Listopad & Clare Vilenski

Members Absent: Joe Hamilton (contacted staff of absence)

Others Present: City Manager Chris Yonker & City Finance Director Bhama Cairns

PUBLIC HEARINGS

None scheduled

APPROVAL OF DDA MEETING MINUTES

Moved by Clare Vilenski, **seconded** by Ron House to approve the Minutes of the March 18, 2010 meeting as submitted with the meeting packet. **All Yes; motion carried.**

OTHER MINUTES FOR REVIEW

By consensus, the Board accepted the minutes of the following meetings into the record:

- City Council Meetings
 - March 15, 2010
 - April 5 & 19, 2010
 - May 3, 2010
- Planning Commission Meetings
 - March 9, 2010

COMMENTS FROM THE PUBLIC

None

CITY STAFF COMMUNICATIONS

None at this time.

MI MAIN STREET (MMS) PROGRAM UPDATE

The Chair reported that the DDA Board, City Manager & Mayor would be meeting together with two staff members from the MI Main Street Center @ 3:00 PM today. The meeting would last up to 1-1/2 hours to discuss the community's application for the MMS Selected Level. The MMS staff will discuss any information that was missing or unclear in the application. The MMS staff was also to meet with the overall volunteer group that prepared the application @ 4:30 PM in the Daily Brews coffee shop. The community would have until May 27th to submit any additional materials to the MMS office.

Should the community's application be considered as a finalist, Wayland would have the opportunity to make a formal presentation to the MMS Program Advisory Committee in Lansing on June 9th. The DDA discussed the need to start planning for that presentation in order to have it ready by the 9th. The State has said that it may select up to four communities into the Selected Level program this year. Successful applicants would be notified in late June. In mid-July, MMS staff would conduct the orientation training

for the Selected Level here in Wayland. In August, the first training for the new DDA/MS Board would be conducted. By October, Wayland would need to have its full-time MS Manager hired & on board.

Moved by Monte Listopad, **seconded** by Karen Gregersen to authorize the reimbursement of two invoices for the costs of printing the MMS application and maps: Reno Agency: \$671.94; Gail Hollinger: \$80.00. **All Yes; motion carried.**

STATUS OF PROPOSED FY 10/11 DDA FUND BUDGET REQUEST TO CITY COUNCIL

The City Manager and Finance Director reviewed the following budget items contained in the packet:

- Worksheet for FY 2010-11 DDA Fund 298 Operating Budget
- Budget Footnotes for Fund 298
- Tax Increment Finance (TIF) FY 2010/11 Capture Report

The City Manager noted that he had accepted most of the DDA's draft budget as approved by the DDA Board @ the April 18, 2010 meeting and included it in the proposed overall City budget to the City Council. He noted that there were two modifications to the DDA's draft in that he recommended the City Council re-allocate \$10,000 from prior year DDA resources and add it to the appropriations line item for Contractual Services, raising that line item from \$30,000 to \$40,000. The explanation for this change is contained in Footnote #86 to the City Manager's budget submittal, which was included in the DDA's meeting packet. The Board did not object to the recommended modifications to the budget.

The Finance Director explained that the TIF Capture Report showed a proposed capture of approximately \$282,385. This figure is based on the actual captured values determined by the City Assessor after the March Board of Review meetings. The draft DDA budget assumed a figure of \$280,000; thus there will be some additional resources accruing to the DDA fund of approximately \$2,385 that will remain un-programmed at this time.

REQUEST FROM DPW FOR DDA COMMENTS ON E. SUPERIOR ST. PARKING LOT LANDSCAPING

The Chair brought the attention of the Board to the summary of DDA Board make-up and list of Board members & their terms. He noted that Ron House had been re-appointed by the City Council for an additional 4-year term on the Board. The Chair was hopeful that the Mayor & City Council would also re-appoint the Chair as a Board member for another four-year term; his term expired in November 2009.

REVIEW OF POSSIBLE MODIFICATIONS TO DDA DOWNTOWN FAÇADE RENOVATION GRANT PROGRAM

City Manager Yonker summarized for the Board his discussions with the owners of the former Poppa Tom's Restaurant in the downtown. They had originally contacted former City Manager Deb Nier about the possibility of using the DDA's façade renovation grant program to make modifications to the storefronts of their two adjacent buildings. They had chosen not to pursue the project and advertised the property for sale.

The owners had recently approached City Manager Yonker about the façade program and whether they could again be considered. The building has not sold and they were deciding whether to improve the facades in order to entice a buyer. Mr. Yonker explained to them how the program worked and stated that the program's guidelines required a property owner to reimburse the DDA a portion of the grant should the building be sold within five years of receiving the grant funds.

The City Manager sought the input of the DDA Board as to whether it would entertain the possibility of granting the owners the funds even though it new upfront that the building was already for sale. Board members Listopad and Vilenski expressed interest in modifying the grant program guidelines to allow for this type of situation. The understanding being that the current owners would reimburse the DDA upon sale. This would likely result in the now vacant building being purchased by someone who would then locate their business or lease the space to someone who would locate their business in the building.

Ron House felt that the original intent of the program might be interpreted to mean that a building owner with a “previous” active business in the building could be considered. Karen Gregersen did not believe the program intended to make grants to owners of vacant buildings knowing that the building was for sale.

The Chair felt that the award of a grant under the existing guidelines could be considered a loan, in that a portion would have to be paid back if sold. This could be better enforced if a secured lien were placed on the property that would be removed when a sale was closed. Ms. Gregersen did feel that if there were a more secure lien, the DDA’s grant would help to sell it, but would get it back @ sale. Mr. Listopad felt that a loan should have a little more security than a 50/50 grant.

The City Manager expressed his support for strengthening the repayment requirements. He felt that even though the building was vacant and for sale, it represented a key asset to the downtown; one in which the current owners were willing to invest at least 50% of the needed funds to match the DDA grant(s). By having the façade included in the DDA program, the DDA could guide the appropriate renovation or restoration of this historic & architecturally unique downtown building. It would also lead to a quicker sale & the filling of the vacant space with an active business. The timing would be ideal to coincide with the excitement being generated in downtown from the MI Main Street application.

The Board discussed ways to improve the security in the program to ensure the repayment of any grant or loan @ the time of sale. Another alternative was to market the building with the grant incentive being available to any new owner. However, general consensus was that at this time, the building would likely not be eligible for the program as it is currently designed.

COMMENTS FROM DDA MEMBERS

Monte Listopad felt that the back sides of the new wayfinding signs looked bare & suggested the Board consider adding the City’s logo to the rear side of each sign in the same white area as the front. The Board discussed that the intent was to not have directional signage on the back of each sign for a couple reasons: it was difficult to see the sign on the opposite side of a street; and signs typically are on the same side of the street as oncoming traffic for safety reasons (less distraction of drivers looking across to see a sign on the opposite side.) Mr. Listopad thought that the City logos could be applied to the back, without any directional signage, for approximately \$75/sign. He would bring a firm proposal to the Board at its next meeting.

The Chair stated that his preference would be to be reappointed to the DDA; however, he would continue to support the MMS program regardless. Board members Listopad & Vilenski expressed their support to the Mayor to reappoint Mr. Salisbury.

ADJOURNMENT

Being no further business, the Chair declared the meeting adjourned at 1:07 PM.

Respectfully submitted,

Chris A. Yonker
City Manager