

CITY OF HARBOR SPRINGS

DOWNTOWN DEVELOPMENT AUTHORITY
AND PRINCIPAL SHOPPING DISTRICT
BOARD MEETING MINUTES
March 3, 2016

Vice-Chairperson Breighner called the Board Meeting of the Downtown Development Authority (DDA) and Principal Shopping District (PSD) to order at 8:05 a.m. in the City Council Chambers, City Hall, 160 Zoll Street, Harbor Springs, MI 49740.

1. Roll Call and Verification of Quorum

Present: Joshua Baker, Kathie Breighner, Mary Ellen Hughes and Pringle Pfeifer

Absent: Andy Bultman, Matt Clarke, Jeff Graham, Jeff James, Cece Johnston, Rob Mossburg and Pam Pfeifle

City Clerk McRae acknowledged that a quorum was not present.

Also present: City Manager Tom Richards, DDA/PSD Administrator Rachel Smolinski, Third St. Committee Chairman Tim Knapp and City Clerk Ron McRae

2. Approval of Minutes

Due to the lack of a quorum, the minutes for the February 4, 2016 minutes will be considered for approval at the April 7, 2016 DDA/PSD Board Meeting.

3. Public Comment

None

4. Committee Reports

A. Administrative Committee

DDA/PSD Administrator Smolinski stated that she finalized the Third Street Survey for testing. There was discussion on how the survey was going to be passed out to people to fill the survey out. The Third Street Committee will be circulating the survey.

DDA/PSD Administrator Smolinski stated she and City Manager Richards attended the Downtown Enhancement Committee meeting. This meeting is being chaired by Mike Naturkas. Mike is working with his committee on a Winter Festival. The Downtown Enhancement Committee has also been discussing bike parking, snow removal, garbage removal and lighted signs. The DDA/PSD Administrator and City Manager are setting a March meeting with the Downtown Enhancement Committee.

DDA/PSD Administrator Smolinski stated that Phase I of the Wayfinding Analysis is completed. She has decided that she would try to get the funding for Phase II and Phase III. The cost for Phase II is projected to cost \$7,070 and Phase III is projected to cost \$10,670. Smolinski stated that she will write the Frey Foundation Grant application for the total amount of funds needed. The grant application has a deadline of April 15, 2016. Further, a Wayfinding Committee meeting has been scheduled for March 3rd, following the DDA/PSD Board Meeting.

City Manager Richards discussed the Water Ways Grant. City Manager Richards stated that his research into the Water Ways Grants has shown a normal awarding of approximately half of a project being funded. It could mean that the City would have to pay for part of the proposed Harbormaster's building. As the funding issues develop, City Manager Richards stated that he would keep the DDA/PSD Board updated on this issue.

B. Economic Restructuring Committee

Vice-Chairperson Breighner stated that the current members of her Committee are herself, Mary Catherine Hannah and Michelle Kruzel. Vice-Chairperson Breighner stated that she will add to the Committee's membership as more people show interest. Vice-Chairperson Breighner further stated that the Economic Restructuring Committee did not have funding to help with their activities. The City Clerk was requested to provide an update from time to time on the funds for the DDA/PSD.

Vice-Chairperson Breighner also stated that the business owners should respond to a survey for the downtown. The survey would help in getting the business owners' opinions on things that should be reviewed by the DDA/PSD Board to determine if anything could be done, should there be a valid concern.

5. New Business

A. DDA/PSD Assessment Proposal – The Next Steps

City Manager Richards stated that the next step in getting the DDA/PSD Assessment approved was to give City Council a report on the use of the funds raised from the Assessments. City Council should also be presented with a resolution to approve the "Resolution Authorizing the DDA/PSD Assessment for 2016".

B. Gag Order – Current State Legislation

~~City Manager Richards discussed the recently passed "Gag Order" passed by the State Legislature. There has been an injunction granted to keep the legislation from going into effect for temporary purposes. This issue will be decided by the Courts.~~



Item 5B, page 2, of the March 3, 2016 DDA/PSD Board meeting notes discussed the "Gag Order" legislation. The "Gag Order" legislation was approved by the State Legislature. This law required the local boards from explaining or selling the voters on ballot questions being proposed. The only side that could discuss the ballot question issues was someone against the ballot question to be considered by the voters. The local units that submitted the ballot question could not say anything for a thirty-day period. This information went to Court and an injunction was granted on the "Gag Order" legislation.

C. Village of Hillside – Proposed Payment in Lieu of Taxes

City Manager Richards discussed the Village of Hillside's request for a Payment in Lieu of Taxes ("PILOT"). Presbyterian Village of Michigan proposed a major project to change the Village of Hillside old buildings A, B and C to a new building. The planning for the new building ignored researching the law to determine if property taxes would need to be paid. The enabling legislation that the new building is being constructed under requires either a property tax ~~or~~ a PILOT. The Village of Hillside is looking for City Council to approve the PILOT, then authorize that the PILOT be at 0.00%. City Manager Richards stated that this issue will be considered by City Council at their March 7, 2016 City Council meeting.

D. Lyric Theater – Filing for a Redevelopment Liquor License

City Manager Richards stated that the developers and owners of the Lyric Theater would like to be able to serve beer and wine at some of their shows. This will require that the City Council make a favorable recommendation for the issuance of the Redevelopment Liquor License by approving a Resolution.

This issue will also be considered by City Council at their March 7, 2016 meeting.

E. Young Americans' Benefit Performance

The Young Americans' will be putting on a benefit performance to help fund their College Fund and the Harbor Springs DDA. The performance will take place at the Harbor Springs Performing Arts Center at 7:00 p.m. on June 26, 2016. Board Members were very appreciative for the DDA to be included in the benefit.

6. Next Meeting

The next regular DDA/PSD Board Meeting shall be at 8:00 a.m., Thursday, April 7, 2016. The meeting will be held in the City Council Chambers, City Hall, 160 Zoll Street, Harbor Springs, MI 49740.

7. Adjournment

With no further business, Vice-Chairperson Breighner adjourned the meeting at 8:50 a.m.

Thomas C. Richards, Secretary

Approved: April 7, 2016

Kathie Breighner, Vice-Chairperson