

CITY OF HARBOR SPRINGS
DOWNTOWN DEVELOPMENT AUTHORITY
AND PRINCIPAL SHOPPING DISTRICT
BOARD MEETING MINUTES

January 5, 2017

Vice Chairperson Breighner called the Downtown Development Authority (DDA) to order at 8:00 a.m. in the City Council Chambers, City Hall, 160 Zoll Street, Harbor Springs, MI 49740.

1. Roll Call and Verification of Quorum

Present: Kathie Breighner, Bill Brown, Matthew Clarke, Mary Ellen Hughes, Cece Johnston, Jeff Graham (arriving at 8:03 a.m.)

Absent: Joshua Baker, Jeff James, Rob Mossburg

Also present: City Manager Tom Richards, DDA/PSD Administrator Rachel Smolinski, Deputy City Clerk Michelle R. Main, and Incoming City Clerk Nick Whitaker

Deputy City Clerk Main acknowledged that a quorum was present.

Vice Chairperson Breighner stated that Pam Pfeifle's term on the Board has expired and her business, Island Bean, is no longer located in the downtown area. Vice Chairperson Breighner also stated that former Mayor Pringle Pfeifer's position on the DDA board is now filled by the City's new Mayor, Mr. Bill Brown. Mayor Brown stated that Andy Bultman's term on the Board has also expired. Mayor Brown further stated that both vacancies will not be filled. City Manager Richards stated that the new structure of nine members aligns with the official Board structure of the DDA/PSD.

2. Approval of Minutes

Vice Chairperson Breighner presented the November 3, 2016 DDA/PSD meeting minutes, asked if the board had reviewed them, and did they have any corrections or comments. No corrections or comments were made.

Motion by Johnston, second by Hughes, to approve the November 3, 2016 minutes of the DDA/PSD Board Meeting as read.

Ayes – 6

Nays – 0

Motion carried.

3. Financial Report

Administrator Smolinski reviewed the 2017 budgeting process and asked Incoming City Clerk, Nick Whitaker, to review the report presented to the DDA/PSD board members. Whitaker reviewed the report and noted the major differences between 2016 and 2017 are the Special Assessment Revenues and a \$10,000.00 contribution. Whitaker further stated that no contribution from the City's general fund was budgeted in 2017 due to the revenues generated from the Special Assessment. Further discussed was the revenue stream and timing of the Special Assessment funds.

4. Administrator's Report

Administrator Smolinski reviewed her activities. They are:

A. Local and Regional Staffing and Workforce Retention

Administrator Smolinski stated that she regularly attends Regional DDA sponsored forums, and in November, attended a forum presented by the Northern Lakes Economical Alliance (NLEA) on the subject of workforce and staffing issues in the region. Administrator Smolinski stated that the NLEA is developing a handbook for employers to assist with retention. Administrator Smolinski stated that Michigan WORKS! provides a business liaison, George Peet, and Smolinski recommended the DDA hold a session with Peet to discuss resources available to local employers. The board agreed that this was a good idea. Administrator Smolinski also stated that the NLEA could possibly be a part of the discussion; Breighner recommended that we invite the Harbor Springs Chamber to this session. The Board also briefly discussed local job fairs and the value to employers.

B. MEDC – redevelopment committee

Administrator Smolinski discussed information received related to the MEDC's Redevelopment Ready Communities (RRC) Program, which is a statewide certification program that helps communities become re-development ready and competitive in today's economy. Administrator Smolinski further stated that this certification may become a requirement for Michigan Economic Development Corporation (MEDC) funding. Administrator Smolinski stated that she is scheduled to attend best practices training in May and June at the NLEA offices in Boyne City and invited DDA/PSD members to attend if interested. Administrator Smolinski stated that she, and City Manager Richards, would also be attending an MEDC informational meeting in Petoskey on January 12th.

C. 2016 Downtown Survey

Administrator Smolinski gave a brief review of the survey results which were discussed at a recent joint Committee meeting held between the Downtown Enhancement and Economic Restructuring Committees. Administrator Smolinski further reviewed the survey results, priorities, direction, and the

plan for a funding strategy. Administrator Smolinski stated that she would be back in touch with the Committees to review a more detailed plan to present to the DDA/PSD Board to move forward for planning in 2018.

D. Snow Removal

Administrator Smolinski stated that a letter was sent to all Downtown businesses reminding them of the snow removal policies. City Manager Richards explained that the letter reminded business owners that it their responsibility to maintain the safety of the sidewalk surrounding their establishment by clearing snow and ice within twelve hours of snowfall. A discussion followed about monitoring and enforcement of non-compliance. City Manager Richards discussed the City Code and further indicated that typically, after a reminder to any non-compliant business owner, the problem is quickly corrected.

E. 2017 HARBOR Inc. Administrative Services Contract

Administrator Smolinski presented her 2017 administrative services contract for discussion and approval. Vice Chairperson Breighner reviewed the contract and discussed the positive direction the DDA has taken over the past few years with services provided by Smolinski through HARBOR Inc.

Motion by Hughes, second by Johnston, to approve the 2017 Administrative Services Contract as presented.

Ayes – 6
Nays – 0

Motion carried.

5. Project Committees

A. Third Street Committee

Tim Knapp, Third Street Committee Chairperson discussed the following:

- sidewalk improvements;
- tree trimming;
- lighting replacement needed

Councilperson Hughes thanked Knapp for his work on the Third Street Committee and stated that the need for Third Street enhancements has been there for the past twenty five years. Further discussed was the 2012 DDA Vision and its validity as it stands today.

B. Waterfront

Administrator Smolinski stated that she is putting together a plan to be presented tomorrow to City Manager Richards and the Harbor Commission regarding the Marina Park Area Waterfront Enhancement and Recreation Plan. The five year recreation plan is a requirement for application to the DNR for funding sources relative to the waterfront area. Discussion followed about the timeline of the project. City Manager Richards stated that this project could be a years-long process as we are looking for in excess of a half million dollars which takes it out of the normal DNR Waterways Commission approval process, similar to major upgrades recently in Charlevoix and Leland which took up to three to four years.

6. Public Comment

Vice Chairperson Breighner asked if anyone had any topics to discuss as part of the public comment portion of the meeting.

Third Street Committee Chairperson Knapp asked about the status of any needed repairs of the boardwalk. City Manager Richards discussed the line item budgeted for discovery of needed repairs of the boardwalk structure. Mayor Brown questioned the structures overall safety and any associated health risk resulting from the content of the wood structure. Knapp further commented that the boardwalk is an essential link from the bluff to the downtown district and noted that a gateway arch advertising the boardwalk would be a wonderful addition.

Mary Catherine Hannah discussed a recent housing summit she and Administrator Smolinski recently attended. Hannah discussed the difference between subsidized and affordable housing and that the lack of affordable housing in the area is directly related to workforce development and retention issues. Hannah noted that two of the major issues related to development of affordable housing are cost of construction and the cost of land. Hannah's recommendation is that we remain engaged in the discussion of affordable housing.

Sandy Duley, current President of the Harbor Springs Chamber of Commerce, invited interested parties to attend a Harbor Springs Chamber of Commerce open forum taking place tomorrow morning at the Harbor Springs Historical Society at 8:30 a.m. The forum is being held to discuss the current state of the Chamber of Commerce. Further discussed was the status of the 2017 Harbor Springs Wine Festival.

7. New Business

A. Wayfinding Analysis

Jeff Frank, of Corbin Design, was added to the meeting via conference call for Wayfinding documentation review. Discussed and reviewed highlights of the documentation plan were:

- Location plan – sign locations;
- Districting - the naming of the three districts, Downtown, Waterfront, and Uptown;
- Message schedule – what the sign will say, the size of font/lettering, etc.
- Types of signs – vehicular signs, pedestrian signs, kiosks, and guides;
- Destinations – what types of destinations to be listed on signs

Following an overview of the documentation plan, Frank gave some suggestions for review and editing of the plan and preferred a single package be returned with suggestions and/or series of questions. Final sign locations may need to be adjusted based on the any underground impediments determined by the surveyor. Administrator Smolinski will be meeting with the Wayfinding Committee to tediously review and edit every detail of the plan and invited any interested members of the DDA/PSD board to attend. Smolinski further discussed the funding of the project and explained that it is difficult to get a good estimate of the overall cost of the project until the documentation and design phase is complete, further stating that she is pursuing some crowd funding through the MEDC.

8. Old Business

A. TIF Legislation Update

City Manager Richards updated the Board on TIF legislation at the request of Vice Chairperson Breighner. City Manager Richards stated that he had been following TIF through the course of the legislative process and believed that in the late night hours of the lame duck session they may have approved new TIF legislation, however, he believed it to be only specific to TIF not capturing funds for libraries. City Manager Richards further explained that in the case of the City of Harbor Springs, the City's TIF doesn't affect anyone who doesn't voluntarily opt into it, and the only organization that currently is not opted in is our public school system.


B. Sign Regulation Update

City Manager Richards updated the Board on the ongoing discussions held by the Planning Commission about sign regulations. City Manager Richards explained that a proposal is currently being drafted for consideration and at the January 19, 2017 Planning Commission Meeting, followed by a Public Hearing at the February 16, 2017 Meeting. City Manager Richards stated that if anyone had any concerns about the proposed sign regulation changes they encouraged to attend the meeting on January 19th at 6:00 p.m. in City Council Chambers. Mayor Brown asked about the enforcement of the code and what, if anything, have we done in the past for non-compliant business owners. City Manager Richards explained that there no fee associated with code violations, violation of the code results in court action. Further discussed was sign regulations in different zones within the City limits, the sign regulation changes being proposed are for the Central Business District.

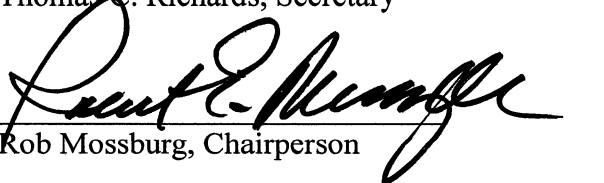
9. Adjournment

Vice Chairperson Breighner stated that the next meeting of the DDA/PSD Board will be held on Thursday, February 2, 2017 in City Council Chambers.

With no further business, Vice Chairperson Breighner adjourned the meeting at 9:30 a.m.


Thomas C. Richards, Secretary

Approved: February 2, 2017


Rob Mossburg, Chairperson