

City of Mt. Pleasant

Central Business District (CBD) Tax Increment Finance Authority (TIFA) Mission-Pickard Downtown Development Authority (DDA) Industrial Park North TIFA University Park TIFA

MINUTES OF THE REGULAR MEETING

August 21, 2012, 10:00 A.M.

City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Doug Ouellette at 10:07 a.m. A quorum was not present at this time. The discussion was informational until such time as a quorum was present.

Present: Tim Dolehanty, Kathie Grinzinger, Tom Krapohl, Doug Ouellette (Chair), Steve Silverberg (10:26 am), Rich Swindlehurst (Vice Chair)

Absent: Tim Coscarelly, John Hunter, Rick McGuirk, Mike Pung, Jeff Smith

Also attending: (Staff): Jeff Gray, Mary Ann Kornexl, William Mrdeza, Michelle Sponseller (Guests): Kathy Hill (Art Reach), Dave Moscardelli (Chamber), April Osburn (Chamber), Chris Rowley (CVB), Rob Stout (Chamber), Matt Young (CVB)

II. Old and New Business (Informational)

Absent an initial quorum, the consensus of the Board members was to hear a brief presentation from each of the three groups requesting financial support from the DDA and/or the CBD TIFA. The Convention and Visitors Bureau described the Classic Car Show they were planning again for 2013 and reported that 132 cars participate in the 2012 *Back to the Bricks* event. The level of support requested was \$2,500 and would be used for increased advertising as well as an expansion of the activities associated with the program. A lot of positive comments in support of the event returning were logged by the CVB. The other event the CVB was requesting \$2,500 in sponsorship funds for was a new Winter Warrior Race. This one day event involves a 5K run with 8-10 obstacles which would take place primarily in Island Park, but could include parts of downtown as well. Sponsorship dollars would again be used to promote the event which anticipates drawing 1,000 participants. The above amounts for each of the two events were requested from both the DDA and CBD TIFA Boards.

Representatives from the Chamber of Commerce requested continued budgeting of \$5,000 to help offset the City's costs associated with the Le Tour de Mont Pleasant three day bicycle race. Currently this amount has been budgeted for 2013, but the Board had concerns that CBD TIFA funds might not be the most appropriate place for funding an event that has a community-wide

benefit and impact. The post event survey was reviewed and had contradictory conclusions with some support for the event from downtown businesses, while others expressed no benefit to their business. Another concern from business owners was related to the street closures associated with the race on Saturday of the event. Chamber Chair Moscardelli indicated increased attendance each year for the preferred clients he hosts at their Raymond James location downtown and expressed his hope that the TIFA Board would continue to provide funds to offset the City's expenses downtown in support of the event.

Kathy Hill of Art Reach described the Art Walk Central event and the nature of the request to sponsor the 2013 event at the \$3,000 level. Again, this level of support was requested from both the DDA and the CBD TIFA Boards. The funds would be used for promotion and marketing activities. The event was patterned after the Grand Rapids Art Prize and attracted artists to exhibit original works of art around the City in order to be eligible for several categories of cash prizes. Hill reported that 195 artists participated in the 2012 event at 45 venues. A total of 2,800 people registered to vote—the goal was to have 750 registrants. Based on testimonials and the post event survey, the event was well received.

III. Approval of Agenda

The meeting was officially called to order at 11:22 am since a quorum was present with the arrival of Steve Silverberg. Mrdeza indicated that a request to revisit the 2013 budgeted amount for the Le Tour de Mont Pleasant bicycle race as a follow up to the July meeting discussion was received as an addition to the agenda. It was moved by Swindlehurst, seconded by Dolehanty, to approve the agenda with the addition of Le Tour budgeted funds added. **The motion passed unanimously.**

IV. Approval of the July 17, 2012 Meeting Minutes

It was moved by Grinzinger, seconded by Krapohl, to approve the minutes of the July 17, 2012 meeting as presented. **The motion passed unanimously.**

V. Old and New Business (Continued)

A. TIFA

1-3. Requests from the CVB to Consider Sponsoring the 2013 Winter Warrior Race and the Downtown Mt. Pleasant Car Show; Request from Art Reach of Mid-Michigan to Consider Sponsoring the 2013 Art Walk Central Program; Request from Mt. Pleasant Area Chamber of Commerce to Continue Support for Le Tour de Mont Pleasant Bicycle Race in the 2013 Budget

These three agenda items were discussed together since they were all related to the same subject matter—namely event sponsorship and support. A lengthy discussion ensued relative to the funding requests received from the CVB, the Chamber of Commerce, and Art Reach as discussed above. The Board recognized that they could begin to receive a number of such requests and given the small amount of tax-captured funds available each year,

would benefit from a method to evaluate those events the Board might consider assisting. It was suggested that staff propose some criteria that could be applied to requests for event funding or sponsorship and present this at the next meeting. Some of the initial criteria that was discussed included:

- Establishing a ceiling on the amount funded by the TIFA
- A review of what was previously spent in support of the event by the TIFA (if any) and the benefit received (ROI)
- A review of what was previously spent on the event (if reoccurring) and the benefit received
- The amount of captured funds available for the TIFA to distribute on events
- Whether or not the request constitutes an allowable activity for the TIFA to consider funding
- Event funding support for For-profit entities would not be considered
- Consideration would be given to how much of the proposed event would take place in the downtown area and its impact to business

It was moved by Silverberg, seconded by Kraphol, to table any action on the requests received from the CVB, Chamber of Commerce, and Art Reach until such time as the CVB TIFA Board had considered criteria by which to evaluate these and future requests for event support or sponsorship. **The motion passed unanimously.**

4. Consider Creating a Downtown Façade Design Assistance Incentive Program Similar to the DDA's Program on Mission Street and Act on the First Request—128 S. Main (Brass Café)

Mrdeza suggested that a façade improvement program similar to the one adopted by the Mission-Pickard DDA for businesses on Mission Street should also be considered for the businesses in downtown. Currently a similar program does not exist in the area with the greatest concentration of historic commercial buildings. Improvements to the facades of many of these structures would help to promote the image of the historic downtown and enhance the branding efforts of the City as it continues to develop a sense of place in this area. To date, assistance of this nature in the downtown has been relatively small and has been funded by Economic Development Funds on a case by case basis. Recently there has been an increase in new businesses locating in the downtown area as witnessed by the current vacancy rate of 3.75%. There has also been interest by several businesses to improve the appearance of their facades.

After some discussion, there was general agreement that such a program would be beneficial in assisting the buildings downtown achieve a more architecturally appropriate look over time. Mrdeza indicated that the CBD TIFA budget currently contains \$6,000 in unspecified funds earmarked for "Economic Development Support" that could be used to incent the program. With such limited funding, the Board agreed that the program would be restricted to providing renderings only. Sponseller reminded the members that Revolving Loan Funds were available to those wishing to implement the proposed designs. Ouellette suggested partnering with local banks to help to structure the funding piece of the program with the

possibility of lower interest rates being offered to those implementing the rendering assistance received from the program. The staff suggested the program would contain similar parameters for assistance as found in the Mission Street program including the use of more durable materials on the façade, brick details, cornice work, and other appropriate design elements. Until a program is established, no action was taken on the request for design assistance at 128 S. Main at this time.

It was moved by Krapohl, seconded by Dolehanty, to authorize Sponseller to negotiate a contract for design assistance and architectural renderings as part of an incentive program targeting downtown commercial buildings, using the Mission Street program as a template. **The motion passed unanimously.**

B. DDA

1-3. Requests from the CVB to Consider Sponsoring the 2013 Winter Warrior Race and the Downtown Mt. Pleasant Car Show; Request from Art Reach of Mid-Michigan to Consider Sponsoring the 2013 Art Walk Central Program

These agenda items were discussed together since they were all related to the same subject matter—namely event sponsorship and support. A discussion was held to determine whether or not the requests received were allowable activities for the DDA to participate in. After further research and discussion it was moved by Swindlehurst, seconded by Dolehanty, that the nature of the requests for event support as detailed above do not fit within the eligible activities identified in the DDA plan and therefore should not be further considered for funding. **The motion passed unanimously.**

4. Taco Boy Driveway Closure Incentives (Informational)

Mrdeza and Gray reported on discussions they had recently with the owner of the Taco Boy restaurant on Mission Street. He is interested in adding a drive-thru window to his establishment and is currently working through the review and permit process. Because he is proposing a change to the building, he will need to work with MDOT regarding property access off of Mission and High Streets as part of the access management plan and ordinance. The owner is interested in some driveway closures, though is having difficulty in agreeing with the potential reconfiguration MDOT might require in order to be consistent with the plan. The DDA Board agreed in principal to support a future application from the owner to incent driveway closures when the staff is able to bring back more specifics on the project.

5. Potential Mission Street Project (Informational)

Mrdeza and Gray discussed two Mission Street projects that may be seeking incentive assistance in the future. These included a development on the site of the former Chieftain Motel on Mission Street between the Qdoba and Rally's restaurants and a redevelopment of the Mission Mall property that had recently burned down. As more information becomes available regarding the exact nature and scope of the projects the DDA Board will be kept informed on any anticipated incentives the developers might request.

VI. Other

Oulette requested consideration again be given to a possible change in the regular meeting date and time since it is difficult for him and several other members to accommodate the current schedule. Mrdeza indicated he would poll the members and see if there was a consensus for a more convenient meeting date.

VII. Adjourn

There being no other business, the meeting adjourned at 12:32 pm.