

**MINUTES – CITY OF OWOSSO  
DOWNTOWN DEVELOPMENT AUTHORITY  
MEETING OF SEPTEMBER 6, 2006**

Chairman Oliver called the meeting to order at 7:46 a.m.

**Roll Call.**

*Members Present:* Chm. Craig Wright, John Hankerd, John Oliver, Dave Lazar, Barb Bucsi, and Bill Gilbert

*Members Absent:* Mayor Roberston (excused), Rich Collins and one vacancy

*Others Present:* Dir. Hathaway, Renita Mikolajczyk, Ramos, Shepard, Hanna, Constine and representative of Shiawassee Valley Rehabilitation Center

**Approval of Minutes.** The minutes of the meeting of August 2, 2006 were approved.  
Wright/Hankerd m/s/p

**Communications:** None. Chm. Oliver welcomed the new Chamber President, Renita Mikolajczyk.

**Citizen/Member Comments:** Dir. Hathaway requested some Agenda additions for parking discussion, the 2006 City Parks Plan and holiday wreaths.

**Financial Status.**

A. Operational Budget.

Checking.....	\$	1,102.86
Savings.....	\$	<u>7,188.69</u>
Total.....	\$	8,291.55

B. Development Plan Budget.

Funds Expended.....	\$	937.50
Remaining Activities Budgeted.....	\$	164,079.25
Projected Fund Balance.....	\$	68.00

**Items of Business.**

**A. Payment of Bills.** The following expenses were authorized for payment:

1) Organizational Expenses:

(1) Saginaw Valley Rehabilitation Center (Sept-Oct)	\$	676.00
(2) Edwards Sign Company (banners).....	\$	331.92
(2) Smith Janitorial—Litter Containers/Brackets .....	\$	<u>954.60</u>
Total:.....	\$	1,962.52

2) Tax Increment Development Plan Expenses

(1) Rowe Engineering (Oakwood Bridge Survey).....	\$	937.50
(2) Focus Owosso.....	\$	4,000.00
(3) Capitol Consultants (Loop Trail Engineering).....	\$	<u>3,076.92</u>
Total:.....	\$	8,014.42

Gilbert/Wright m/s/p

**B. Focus Owosso Contract Authorization.** The 2006-07 contract with Focus Owosso was authorized for \$20,000, four payouts, and a requirement for a coordinator.

Lazar/Hankerd m/s/p

**C. Promissory Note Authorization.** City advances to the DDA for the demolition of the old hotel must be repaid per the arrangements decided in 2004. A promissory note from the DDA to the City must be executed. A note for \$67,000 with interest and principal deferred in 2005 and some of the interest all principal deferred (to a maximum of \$7,500) in 2006 and a five year payoff thereafter was authorized.

Wright/Lazar m/s/p

**D. Old Hotel Status.** Director Hathaway explained that the developers, Dixie Development, LLC could not meet the August 24, 2006 deadline for the acquisition of the site and its development for at least a two-story building. The reason stated was the inability to secure a first floor tenant on a pre-lease basis. With this announcement city staff must approach the State of Michigan on the option to re-draft a grant agreement that reduces the project scope from \$750,000 to approximately \$240,000 to reflect the demolition only. The basis for the request is to re-label the site as a slum and blight removal project. Other stipulations in the grant agreement will likely survive, most importantly the obligation of any development of the site to comply with the City's agreement with the State Historic Preservation Officer to require an architecturally compatible replacement structure. For the benefit of the new Chamber Director who was present at the meeting, an explanation of the history of the project was made. Member Wright inquired about the future of the site and how DDA and community input could be accomplished as was done in the initial project. He was reluctant to see a for sale sign placed on the site with no additional input. The drawing was distributed for a public square. Additionally Mark Hanna inquired about the possibility of interim land uses of the site for downtown promotions.

**E. 2-Hr Parking Request.** A business owner fronting the Greenway Alley requested additional two-hour spaces on the north two lanes of the Greenway Parking Lot. It has been observed repeatedly that the usage of the leased spaces is still low despite the condition of over-leasing the available spaces. The change would recommend 6 to 8 two-hour spaces on the east end to relieve the parking pressure from developments on N. Ball Street. Members agreed to watch the demand over the next month or two because the recent parking space painting on N. Ball Street has increased the available spaces and may satisfy the demand.

#### **F. Reports.**

**1) Retail Recruitment.** George Ramos reported that three prime retail locations were vacant and available—the former Winers store site in the 100 Block of N. Washington Street, the former AFLAC office next to the Book Store on W. Exchange Street, and the former kitchen and bath store site south of Howe's Hallmark. He mentioned that a coffee shop was getting closer to a development announcement. A children's consignment clothing store is considering an opening at the former Shortstop mini-mart site on East Main Street. Hathaway mentioned how important it was to accomplish the amendment of the hotel corner grant agreement to free up loan funds for small business development assistance for these sites.

**2) Loop Trail Status.** The DDA boundary amendment over to Oakwood Street and along the south bank of the Shiawassee River goes to a Council hearing on September 18<sup>th</sup>. After the hearing there is a 60-day waiting period prior to a resolution of adoption. Meanwhile the trail pre-construction (grubbing and clearing) progresses with Rose Lake DNR work crews and equipment—a cash and soft match of \$250,000 to the project. Engineering is nearly complete. The MDOT grant agreement at \$600,000 is scheduled for a September 11<sup>th</sup> meeting in Lansing. This fall's work will be confined to the earthen trail section on the south bank. The State Historic Preservation Officer has approved the restoration plans of the Oakwood Bridge.

**3) Armory Development.** The second round of grant applications for the acquisition of the Armory is underway and due September 18<sup>th</sup>. The DDA and City will co-apply once again. New options for the site include the Neighborhood Enterprise Zone inducement for loft condominiums (after a five-year waiting period). The initial 5 years must be structured as a lease-

purchase agreement with the allowance for a \$25,000 per year lease for the site to the eventual buyer with the further allowance to invest the amount (\$125,000) into leasehold improvements. The cost of the site acquisition could be set at whatever is deemed appropriate for the development or through reimbursement of the DDA's initial investment through the rent. There was consent to continue with the application. The drawback for the City's grant competitive status is the absence of a specific job generating developer—a problem for two of the city's existing block grant agreements with the same state office overseeing this program.

**4. Welcome Sign.** The framework is complete. The site for the site was donated by one of the developers from Dixie Development. The sign is in a quotation stage and should be made and installed prior to the next DDA meeting.

**5. Holiday Decorations.** The six wreaths and garlands for the light posts in the 100 block of West Exchange Street is estimated at \$190 per wreath and \$150 for electrical work to install duplex outlets on the light posts. The total estimated costs are \$340 per light or \$2,040. Together with city charges for installation of holiday lights the budget for this year's program is consumed. A motion to proceed was adopted.

Wright/Bucsi m/s/p

**6. Capitol Bowl Infrastructure Work.** The sidewalks and most of the lights if not all will be installed prior to the October opening. The trees may take longer because of the timing of acquisition with Durand's street program contractor.

**7. Parks and Recreation Plan.** The Council will consider the 2006 Parks and Recreation Master Plan for adoption at its October 2<sup>nd</sup> meeting. The Plan was adopted by the Planning Commission for the City's Master Plan. The Council adoption makes the plan activities eligible for state funding assistance for the next five years. Four plan components have benefit to the downtown. The largest project is the Curwood Castle Park improvements. These are timed to supplement the Arts Gallery expansion project with new street alignments, parking lot development, entrance signs, tour bus accommodations, a roadside rest area at M-52, land acquisition, and riverside natural landscaping. Other projects include: 1) a covered bridge at Clinton Street to link the James Miner trail with the newly proposed Ionia to Owosso trail on the former Michigan Central Railroad bed; 2) a small tot lot playscape along the trail at Lion's Club Park, and; 3) the upgraded river walkway section between the 1225 Museum and the Heritage Footbridge. DDA involvement in the next five years may supplement grant matching dollars, a professionally prepared master plan, the riverside landscaping and directional signs.

**Citizen/Member Comments.** None.

There being no further business, the meeting was adjourned at 9:13 a.m.

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Philip B. Hathaway, Secretary-Treasurer and Executive

Director