

Downtown Muskegon Business Improvement District

Meeting Agenda

May 20, 2015

380 W. Western Ave., Suite 202 Muskegon, MI at 4PM

- 1) Call to Order
- 2) Consent Agenda
 - a) Approval of Agenda
 - b) Approval of Minutes from the April 29, 2015 Meeting
- 3) Public Comment (on an agenda item)
- 4) Unfinished Business
 - a) Discussion of Services (see memo 1)
- 5) New Business
 - a) Discussion/recommendation of partial assessment for 2015 (see memo 2)
 - b) Setting Annual Meeting Schedule (see memo 3)
- 6) Other Business
- 7) Adjournment

Downtown Muskegon Business Improvement District

Meeting Minutes Form

April 29, 2015

380 W. Western Ave., Suite 202 Muskegon, MI at 4PM

1) Call to Order: TIME 4:00PM
Board Members Present: Justin Clark, Bruce Lindstrom, Frank Peterson, Doug Pollock, Gary Post, Bob Tarrant

2) Selection of Chair and Vice-Chair
Nominations:
Chair: Doug Pollock
(No other nominations)

G. Post motioned to close nomination support D. Pollock for Chair
Support: F. Peterson

All voted in favor

Vice Chair: Justin Clark
(No other nominations)

F. Peterson motion to closed and support J. Clark for Vice Chair
Support: B. Tarrant

All voted in favor

- *D. Pollock took over as chair*

3) Adoption of Agenda -
Moved by F. Peterson and Supported by B. Lindstrom to approve the agenda as presented
– **all voted in favor**

4) Public Comment (on an agenda item) - The board decided to keep the floor open throughout the meeting allowing property owners to speak on any of the below issues as the board discussed each.

No meeting attendees asked to speak at this point.

- 5) New Business
 - a) Bylaws
 - i) Adoption

Staff went over the bylaws. How these bylaws were drafted. Staff looked at bylaws for BIDs and PSDs in Michigan, and looked at BID bylaws in other states as well as referenced the city of Muskegon's bylaws for other committees

Staff read through the bylaws section by section as proposed.

The following sections were requested to be updated/added by board members:

Section 2.1 – Composition: Note that as of April 2015 the board shall consist of 9 members. This number may be revised at the first quarterly meeting and would take effect the following January 1.

Board members felt it was necessary to lock a number into the bylaws and give a date for review so there wasn't a consistently changing number of board members.

Section 4.2 – Meeting Held: Change special meeting notice from 14 days to 48 hours.

It was noted that city commissions/boards only require a 48 hour notice and that if a urgent needed for a meeting came up, 14 days could be too long to wait.

ADD SECTION – 4.4 – Amending Bylaws – Bylaws may be amended by a simple majority vote of the board.

Board members wanted there to be a clear way to amend the bylaws.

F. Peterson Motion to adopt the bylaws as amended

Support: B. Tarrant

All voted in favor

- b) Board Composition (see memo 1)
 - i) Board Members select lots for term length
 - 1 year Terms: Bruce Lindstrom & Bob Tarrant (Exp. Dec. 31, 2016)
 - 2 year Terms: Connie Taylor (selected under item bii to replace Amanda G), Doug Pollock, & Mike Hennessy (selected under item biii) (Exp. Dec. 31, 2017)
 - 3 year Terms: Justin Clark, Gary Post & John Riegler (selected under item biii) (Exp. Dec. 31, 2018)
 - ii) Open Board Seat (resignation of Amanda Garabedian)
Staff recommended replacement: Connie Taylor, President and CEO of First General Credit Union.

F. Peterson motion to recommend appointment of Connie Taylor from Frist General Credit Union to the board.

Support: J. Clark

Discussion – Staff let the board know that they had met with Connie to discuss the downtown and BID. Staff recommended this option based on First General CU's support for the BID, Connie's background in financial services and her experiences working in other downtowns.

F. Peterson Voice support for Connie and thought she would be a good addition to the board.

All voted in favor

iii) Board Composition ---

F. Peterson motioned that to fill the two new positions (as outlined in the bylaws) offers of board position be extended to Mike Hennessy and John Riegler. If they accept, their names would then be recommended for appointment to the City Commission.

Supported by B. Lindstrom

All voted in favor

Discussion of Board Overlap with other boards:

A discussion of the overlap on the board was talked about (Specifically about Downtown Muskegon Now/BID overlap). Staff went over the city attorney's opinion that there could be overlap as long as when a vote on contractual issues occurs the overlapping individuals only vote on one side.

General feeling among the board was there was an advantage to having overlap.

There was a concern brought by J. Clark about if a situation would occur where all the board members would be the same and how would that be handled if it did occur.

The city attorney's opinion was referenced and it was noted that this likely wouldn't occur because if it did one or both boards would become paralyzed from not being able to vote on interactions between the two entities. Therefore it would be in the interest of both boards to limit overlap.

No action was taken, but it was decided that small overlap wouldn't be an issue.

c) Discussion of Services (see memo 2)

Staff went over service recommendations – There was a question from Julia Hunter from Ginnma Tire/WWG Holdings LLC (Clay & 8th) regarding the amount of money that is budgeted for snow removal, asking if there was a better use for those funds.

A discussion was had among board members about where issues have arisen in the past regarding snow removal. There was a general feeling among the businesses and board members that ideally the money should be used for more beautification/advertising, but that snow removal had become an issue that needed to be addressed.

Dennis Lohman, Northwestern Industrial Sales (Pine St.) asked if there were ways to cut down on the snow plowing line item. Specifically if property owners who currently maintain their sidewalks well could be skipped by the contractor? He noted if this were to happen BID funds could go into other line items.

Board members noted if this were the case it would be great to see those dollars go into beautification in the warmer months and/or advertising.

It was noted that if the snow removal came in lower, the assessment wouldn't change, but how the money was divided up could change.

No action on the budget was taken – will be taken up at the May 20th board meeting

- Frank Peterson left the meeting 4:55PM -

d) Discussion of Assessment (see memo 3)

G. Post asked about how the recommendation of a square foot assessment per lot was arrived at rather than another formula? Staff detailed the different options available in a special assessment, including front footage on the addressed street, square footage of building and square footage of lot or some combination thereof. It was noted that because of the number of empty lots in the downtown the square foot per lot was the best option for equity.

B. Tarrant asked about how the floor and cap were arrived at? Staff noted that the floor was set at \$300 because a number of the smaller individual properties came in at or near that level so it resulted in a smaller number of properties being bumped up to that level. The ceiling of \$3,000 was set because that was an event percent of the floor.

B. Lindstrom asked about how the budget was arrived at and the recommended assessment (\$0.08/sf and \$0.02/sf)? Staff reviewed requested services from businesses and developed several budgets, took the total square footage of assessable property in the BID (roughly 3,000,000sf) and divided that out to get an average price per square

foot. The recommended assessment was as low as possible while still providing requested/needed services.

No action on assessment was taken – will be taken up at the May 20th board meeting

6) Old Business - NONE

7) Other Business - NONE

8) Adjournment : TIME: 5:30PM

Motioned: G. Post
Support: B. Lindstrom
No Objection

DRAFT

Downtown Muskegon Business Improvement District

MEMO 1

Regarding: Services/Budget

Date: May 20, 2015

To: Downtown Muskegon BID Board

From: Staff

Overview:

By statute BIDs in Michigan are able to provide services which maintain common areas, engage in beautification, business development activities and marketing.

Recommended Services:

It is being recommended that the Downtown Muskegon Business Improvement district provide:

- Summer beautification services within the district, this would include maintaining flower planters, planting areas in right of ways and adding downtown banners.
- Common area winter snow removal on sidewalks and public parking areas in the district.
- Marketing of downtown Muskegon with the goal of increasing the local community's knowledge of downtown Muskegon businesses, services and activities.

Because of fiscal year overlap with contracted services (*specifically snow plowing*) it is being recommended that a partial year budget be adopted for the end of 2015

Budget

It is being recommended that the partial year 2015 Downtown Muskegon BID budget breakdown as follows:

Downtown Beautification/Enhancements	
Spring/Fall Clean-up & Summer Landscaping	\$ 5,000.00
Holiday Decorating	\$ -
Banners & Directional Signs	\$ 7,000.00
Snowplowing & Salt	\$38,000.00
Marketing, Advertising & Development	
Advertising	\$ 10,000.00
Reserve Funds	\$3,000.00
Total	\$ 63,000.00

*Funds collected above this budget would be added to the reserve funds. It's also expected that the Advertising Dollars would be held until 2016 to help stretch the 2016 advertising budget.

Downtown Muskegon Business Improvement District

MEMO 2

Regarding: Partial Assessment, second half 2015

Date: May 20, 2015

To: Downtown Muskegon BID Board

From: Staff

Overview:

As noted in Memo 1, the snow plowing services contract for 2016 will begin in November 2015, the BID Board should consider a partial assessment for the second half of 2015.

Recommended Assessment Levels:

It's being recommended that a partial assessment for 2015 be issued so winter snow removal can start in November 2015.

Following the April 29, 2015 board meeting there was a general consensus that Class A and Class B properties be assessed differently. Based on this, it is being recommended that: Class A Properties (as defined in the bylaws), be assessed at a partial year rate of \$0.04 a square foot based on lot size. Class B Properties (as defined in the bylaws) be assessed a partial rate of \$0.01 a square foot based on lot size. In both cases a minimum annual assessment of \$150 per property and a maximum annual assessment of \$1,500 per property would be implemented. Contiguous properties with the same owner and same use would be treated as a single property for determining the maximum assessment.

This is ONLY for 2015. The annual 2016 assessment will be set at the fall 2015 meeting.

If this recommendation is ratified, approximately \$65,000 would be collected from the special assessment for 2015.

If this recommendation is ratified bills would be sent out with a due date in September 2015 to ensure funds flow in before the first snow plowing bills of the 2015-16 season are due.

Downtown Muskegon Business Improvement District

MEMO 3

Regarding: Meeting Schedule 2015 & 2016

Date: May 20, 2015

To: Downtown Muskegon BID Board

From: Staff

Overview:

Recommended Meeting dates for 2015 & 2016

Recommendation:

It is being recommended that in months when the BID Board meet that it happen during the first Wednesday at 4PM. Based on that, the following meeting schedule is recommended through the end of 2016.

2015

Wednesday, Oct 7, 2015 – 4PM --- 4th Quarterly Meeting 2015: Recommend 2016 Assessment

2016

Wednesday, Feb. 3, 2016 – 4PM --- 1st Quarterly Meeting 2016: Overview of previous year & Chair/Vice Chair selection

Wednesday, May 4, 2016 – 4PM --- 2nd Quarterly Meeting 2016: Discuss 2017 needs/services

Wednesday, July 6, 2016 – 4PM --- 3rd Quarterly Meeting 2016: Discuss possible 2017 assessment (based on 2nd Quarter meeting regarding desired services, staff will present several possible budgets/assessment levels)

Wednesday, Oct. 5, 2016 – 4PM --- 4th Quarterly Meeting 2016: Recommend 2017 assessment & recommend new board members to the Muskegon City Commission