

Manistee DDA
March 8, 2017 @ 12:00pm
City Hall

AGENDA

1. Call to order – Chair
2. Approval of Agenda
3. Public comment. (Limit 5 minutes per person.)
4. Approval of February 8, 2017 Regular Meeting Minutes
5. Approval of February 23, 2017 Regular Meeting Minutes
6. Consent Agenda
 - a. Committee Reports
 - i. Design
 - ii. Marketing and Promotions
 - iii. Organization
 - iv. ER
7. Financial Report
8. Director's Report
9. Old Business
 - a. Riverwalk Painting Contract
 - b. Review and Consider Approval of Financial Policies
10. New Business
 - a. Review Current Committees
 - b. Review Draft Budget
 - c. Review and Consider Economic Restructuring Committee Evaluation Form
 - d. Review Current Redevelopment Liquor License Process
 - e. Consider Approval of Six Liquor Licenses for Women's Wine and Chocolate
11. Public Comment. (Limit 5 minutes per person.)
12. Adjournment

DOWNTOWNMANISTEE

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DATE: March 3, 2017
TO: DDA Board
FROM: Tyler Leppanen
RE: DDA Board Regular Meeting: March 8, 2017

The DDA Board shall convene at 12:00 pm on Wednesday, March 8, 2017 in the council chambers of city hall. I am still waiting on Vanderwal, Spratto & Richards to make corrections to the financial statements. I am told the financial statements should be ready by Monday, there is a check register in the packet. I will have the Director's Report for the meeting on Wednesday.

I am attempting to provide more information in memos in regards to agenda items in an attempt to answer any questions the Board may have. Rachel has asked that if Board members of questions or need clarification to send them to me in writing or email prior to the meeting and I will distribute the questions and my responses to the Board.

If you have any other updates or new information before the meeting, please send it along to myself and the Board. You can call my office number at (231) 398-3262 or email me at tyler.leppanen@manisteedowntown.com with any questions or concerns you may have.

Manistee DDA Special Meeting Minutes - February 23, 2017

Present: Mayor Jim Smith, Rachel Brooks, Valarie Bergstrom, Jeff Reau, T Eftaxiadis, Todd Mohr and Tyler Leppanen

Absent: Brandon Ball, Barry Lind and Jackie Gielczyk

In Attendance: Roger Zielinski, George Saylor

Agenda Item	Discussion	Decision or Recommendation
Call to Order	Brooks called the meeting to order at 12:01 pm	
Approval of Agenda	Eftaxiadis moved; Mohr seconded	Approved
Public Comment	None	
Review and Consideration of Proposed Bylaws	Proposed Bylaws were discussed in detail by Article including comments from absent board members resulting in the final recommended changes. Motion to approve Bylaws with changes noted including final review by legal counsel before submission to the City Council. Bergstrom moved; Reau seconded	Approved
Review of Financial Policies	Tabled	
Public Comment	None	
Adjournment	Motion by Mohr; seconded by Bergstrom at 1:50 pm	Adjourned

Manistee DDA Meeting Minutes - February 8, 2017

Present: Mayor Jim Smith, Rachel Brooks, Barry Lind, Valarie Bergstrom, Jackie Gielczyk, Todd Mohr and Tyler Leppanen

Absent: Brandon Ball and Jeff Reau

In Attendance: Denise Blakeslee, Thad Taylor, Frank Greco, John Kaser, Shelley Doyne, Brandon David, Jeff Dontz

Agenda Item	Discussion	Decision or Recommendation
Call to Order	Brooks called the meeting to order at 12:02 pm	
Approval of Agenda	Lind moved; Gielczyk seconded	Approved
Public Comment	Shelley Doyen from Ideal Kitchen commented on proposed project at 400 River Street including the following issues: Affordable Housing component, Lack of Appropriate Number of Parking Spaces, All store fronts are on the lower level and would like guidelines on verandas	
Approval Mtg Min	Approval of January 11 meeting minutes; Gielczyk moved; Bergstrom seconded	Approved
Financials for Year End	Bergstrom reported that Leppanen and she had met with Dave Richards. Leppanen asked for comments on the financial reports noting that not all audit changes have been corrected. Previous check registers (October , 2016 -- January 2017) were presented for approval. Lind moved, Gielczyk seconded. Bergstrom and Leppanen will continue to work with accountant on changes that allow Leppanen greater access to financials.	Check register Approved
Committee & Director Reports	Reports from all four committees and Director discussed. Organization committee to work on downtown dollar promotion.	
<u>Old Business</u>		
Sidewalk Policies	The <i>Commercial Uses Permitted Within the City Right of Way GP - 47</i> was discussed. Motion by Smith; seconded by Lind to approve policy with date of permit extended to November 1 and correction of typographical errors.	Approved
Proposed DDA Bylaws	After discussion, it was recommended that a separate meeting with the city attorney to scheduled by Leppanen to review changes	
Financial Policies	Policy to be reviewed with marked upcharges included at special meeting.	
<u>New Business</u>		
Riverwalk Railing Contract	Leppanen updated board on additional charges for completion of project. Motion by Lind; seconded by Smith to approve \$28,002 only.	Approved
TIF Subcommittee	Motion by Lind; seconded by Gielczyk for Brooks to appoint a special board committee to work on TIF Renewal.	Approved
Relocation Discussion	Motion by Gielczyk; seconded by Mohr to approve.	Approved
Chamber Items	<u>Chamber Expo Booth:</u> The consensus was not to have a booth at the Chamber Expo this year due to not having appropriate items to display and timing; will review for 2018. <u>Chamber Leadership Project Request:</u> Brandon David, member of the Chamber Leadership Team briefly discussed. The proposal was for the City of Manistee and after discussion did not have support at this time. <u>Memo of Understanding -- Chamber to oversee Downtown Dollars Program:</u> This discussion was deferred to the Organization Committee.	
Request for Director Travel and Training --Economic Development	Motion by Bergstrom; seconded by Mohr to approve.	Approved
Leakage Report	The consensus was to place on the agenda for discussion at the next meeting.	

**Reduction of Vogue Theatre
Installment Promissory Note --
Dated June 17, 2011
Public Comment**

Comments by Vogue President Greco indicated that the performance requirements of the installment loan were met. Motion to reduce by \$20,000 according to the terms of the loan by Mohr; seconded by Gielczyk.
John Kaser commented on the following: Downtown Dollars need to be more aggressively promoted and that he expressed disappointment that he still had not seen financials of the 2016 Sleighbell Parade.
Motion by Mohr; seconded by Bergstrom at 1:50 pm

Approved

Adjournment

Adjourned

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Marketing & Promotions Committee February 15, 2017 Minutes

Present

Jackie Gielczyk, Tyler Leppanen, Lindsey Swidorski, Carrie Mosher, Eric Gustad, Laura Van Hammen, Mary Nezki, Shelley Doyen, Bonnie Bielefeld

Call to Order/Introductions

The Chair called the meeting to order at 8:06 am.

Tightlines for Troops

Eric Gustad reported on Tight Lines for Troops new staging location at First Street Beach and inquired on working together.

News Advocate Presentation

Bonnie Bielfeld gave a presentation on advertising opportunities. The committee made suggestions for changes which will be emailed for review.

Reorganization of Committee

Laura Van Hammen was introduced as a new committee member. It was noted since the Downtown Development Authority is no longer a Main Street Organization some of the committees will be combined. The Organization Committee will join the Marketing & Promotions Committee going forward.

Frostbite Saturday

Discussion was held regarding Frostbite Saturday which is scheduled for February 18th.

Report from the Chamber

Marketing materials and the event cards were distributed.

Adjournment

There being no further business to be brought before the committee, the meeting was adjourned at the call of the chair at 9:05 am.

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Organizational Committee Minutes of Wednesday February 22, 2017

Present: Valarie Bergstrom, Todd Mohr, Lee Trucks, Colleen Kenny,
Tyler Leppanen

Absent: Cindy Kaminski, Gini Pelton

Call to Order: Meeting called to order by Valarie at 12:10

Approval of Agenda: Agenda items include approval of meeting min. for January, update on other committees, and review of Downtown dollar program.

Motion by: Todd

Support by: Colleen

Approved by: All

Approval of Meeting minutes for January 2017:

Motion by: Lee

Support by: Todd

Approved by: All

Committee Updates: Tyler gave a brief update on Marketing & Promotions who are updating work plans and advertisement; Design – did not meet but working on food truck voucher policies; ER moved meeting date.

Review of Downtown Dollars: Talked about who should oversee the program. The Chamber has offered to do it for a small fee; Marketing and Promotions had at one time talked about running the program. Decided it was best left with Organization Committee with updated work plans.

Update list of businesses accepting DD\$

Organization of list by categories

Where would they be sold, currently at the Chamber, DDA Office and Jackpine

Marketing the DDA\$ - Brochure, advertisements, groups

Possible collaboration with CVB

Tasks for Next Meeting:

Communication Plan: Lee will bring the existing google list to be updated. Tyler will work on having an updated list of current business & building owners and committee members. Colleen will compile current list of City Council, County Board, AES, CVB, Chamber; Gini talk to college about student writing the newsletter.

Downtown Dollars: Tyler will work on getting list of current businesses accepting dollars; look brochure designs – ALL; talk with CVB about any collaboration -Tyler

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Organizational Committee Minutes of Wednesday February 22, 2017

Meeting Adjourned: Meeting adjourned around 1:00 pm

Motion by: Todd

Second by: Colleen

Approved – All

Next Meeting: Next meeting will be held on Wednesday March 15th at noon.

Need to discuss articles for April newsletter

MANISTEE DOWNTOWN DEVELOPMENT AUTHORITY

Transactions by Account

As of February 28, 2017

Type	Date	Num	Name	Memo	Debit	Credit	Balance
248-012 · Revolving Loan Checking - WSB							
Deposit	02/28/2017			Interest	0.58		15,010.30
							15,010.88
Total 248-012 · Revolving Loan Checking - WSB					0.58	0.00	15,010.88
248-014 · Downtown Dollars Checking - WSB							
Check	02/28/2017		House of Flavors.			25.00	6,857.66
Check	02/28/2017		Ideal Kitchen			60.00	6,842.66
Check	02/28/2017		EZ Mart			20.00	6,782.66
Check	02/28/2017		Park Dairy			10.00	6,752.66
Check	02/28/2017		Northern Spirits.			225.00	6,527.66
Check	02/28/2017		Park Dairy			75.00	6,452.66
Check	02/28/2017		EZ Mart			50.00	6,402.66
Check	02/28/2017		Hallmark			95.00	6,307.66
Check	02/28/2017		Park Dairy			25.00	6,282.66
Check	02/28/2017		Vogue Theatre			345.00	5,937.66
Check	02/28/2017		Snyders Shoes			60.00	5,877.66
Check	02/28/2017		EZ Mart			45.00	5,832.66
Check	02/28/2017		Wahr Hardware.			340.00	5,492.66
Check	02/28/2017		Park Dairy			40.00	5,452.66
Check	02/28/2017		EZ Mart			20.00	5,432.66
Check	02/28/2017		Park Dairy			35.00	5,397.66
Check	02/28/2017		Snyders Shoes			65.00	5,332.66
Check	02/28/2017		Forest Path Enterprises			50.00	5,282.66
Check	02/28/2017		Park Dairy			25.00	5,257.66
Check	02/28/2017		Park Dairy			25.00	5,232.66
Check	02/28/2017		Port City Organics			30.00	5,202.66
Deposit	02/28/2017			Interest	0.22		5,202.88
Total 248-014 · Downtown Dollars Checking - WSB					0.22	1,665.00	5,202.88
248-010 · Petty Cash							
Total 248-010 · Petty Cash							1,000.00
248-008 · Money Market Account - WSB							
Deposit	02/28/2017			Interest	1.11		19,324.18
							19,325.29
Total 248-008 · Money Market Account - WSB					1.11	0.00	19,325.29
248-000 · Checking - West Shore Bank							
Liability Check	02/01/2017	eft	INTERNAL REVENUE SERVICE	80-0322654		627.10	177,044.41
Bill Pmt -Check	02/02/2017	3601	City of Manistee	Bond payment		7,175.00	176,417.31
Bill Pmt -Check	02/02/2017	3602	COMMUNITY MEDIA CENTER	Sleighbell Televising		3,645.00	169,242.31
Bill Pmt -Check	02/02/2017	3603	Jackpine Business Centers	Sponsorship Packet		420.97	165,597.31
Bill Pmt -Check	02/02/2017	3604	TJ's Pub	Food for strategic planning meeting		200.80	165,176.34
Bill Pmt -Check	02/02/2017	3605	Tyler Leppanen.	Reimbursement for stamps		49.00	164,975.54
Deposit	02/03/2017			Deposit	5,287.68		164,926.54
Check	02/10/2017		Cardmember Service			201.00	170,214.22
Check	02/10/2017		Merchant Fee			5.00	170,013.22
Paycheck	02/15/2017	3606	Tyler Leppanen			1,921.86	170,008.22
Liability Check	02/17/2017	eft	STATE. OF MICHIGAN	80-0322654		194.80	168,086.36
Bill Pmt -Check	02/17/2017	3607	City of Manistee	City Maintenance		8,000.00	167,891.56
Bill Pmt -Check	02/17/2017	3608	Jackpine Business Centers	Cards and Posters-39535 & 39770.		113.40	159,891.56
Bill Pmt -Check	02/17/2017	3609	Little River Band of Ottawa Indians.	9 Months of Rent		4,000.00	159,778.16
Bill Pmt -Check	02/17/2017	3610	Michigan Economic Developers Association	MEDA Training		770.00	155,778.16
Bill Pmt -Check	02/17/2017	3611	MIKA MEYERS BECKETT & JONES PLC	Legal review of bylaws		540.00	155,008.16
Bill Pmt -Check	02/17/2017	3612	Top Line Electric.	Work on sign on 31		98.25	154,468.16
Bill Pmt -Check	02/17/2017	3613	Vanderwal, Spratto & Richards, P.C.	Accounting Service		675.00	154,369.91
Paycheck	02/28/2017	3614	Tyler Leppanen			1,921.86	153,694.91
Liability Check	02/28/2017	eft	INTERNAL REVENUE SERVICE	80-0322654		627.14	151,773.05
Deposit	02/28/2017			Deposit	4,400.00		151,145.91
Deposit	02/28/2017			Interest	13.82		155,545.91
							155,559.73
Total 248-000 · Checking - West Shore Bank					9,701.50	31,186.18	155,559.73
TOTAL					9,703.41	32,851.18	196,098.78

DOWNTOWNMANISTEE

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DATE: March 3, 2017
TO: DDA Board
FROM: Tyler Leppanen
RE: Riverwalk Painting Contract

At the February 8, 2017 meeting the Board moved to pay FastTek Electrocoating up to the original bid amount of \$28,002. After the meeting, I emailed the Finance Director, Ed Bradford, and stated the Board's intentions, however, payment was already made up to \$30,000.

There was miscommunication between myself and Mr. Bradford that led to this payment being made.

Also, I was unclear as to what the Board's intention was for the remaining railing that is unpainted. I recommend authorizing the Executive Director to solicit bids for the remaining portion of the railings. I would work directly with Jeff Mikula, Public Safety Director, to solicit bids and managing the contract. The bids would come back to the DDA for approval. The timeline for completion that I would anticipate is bids would be received in late spring/early summer and painting would begin late summer/fall.

Downtown Development Authority Adopted Policies

Policy 001 Travel & Training Expense Reimbursement - Approved 03-08-2017

The DDA Travel and Training Expense Reimbursement Policy shall govern all employees, Board Members, and volunteers on official business for the DDA. It is the intent of this policy not to restrict travel for DDA business, but to clearly define reimbursable costs associated with travel. All travel and training expenses will be on a reimbursement basis and a pre-approved Travel and Training Form must be completed and approved by the Board. Sound business judgement should be used when incurring travel or training expenses. While it is recognized that expenses will vary with each trip or meeting, any display of extravagance in dining or other expenses should be avoided. Current tax laws do not allow for "lavish or extravagant business meals and entertainment." Expense reports should not include any personal expenses.

Receipts:

Original receipts must be furnished. If a receipt has been lost or not available, a written explanation by the employee, Board Member or volunteer substantiating the expenditure and explaining the lack of receipt shall be provided. The DDA Chair must sign off on lost receipts. Receipts should be detailed as possible.

Non-allowable items for reimbursement:

Only authorized DDA business expenses will be reimbursable. The following items are not considered reimbursable: fines for traffic or parking violation; personal mileage; personal vehicle expense such as gas, oil changes, etc.; spouse's travel unless approved by the DDA Board; meals in the home area of the Manistee DDA office unless attending an authorized business meeting or conference.

Charging expenses to the DDA:

No employee, Board Member or volunteer shall charge directly to the DDA any expenses incurred while traveling. No employee, Board member, or volunteer shall send lodging, car rental, air fare bills to the DDA for payment. All expenses should be paid for by the individual and obtain reimbursement from the DDA upon submittal and approval of an expense report. An exception is made for conference expenses registrations.

~~**Policy 001 Travel & Expense Reimbursement** — Adopted 01-30-2009~~

~~The MSDDA Travel and Expense Reimbursement Policy shall govern all board members, employees and volunteers on official businesses for the MSDDA at the MSDDA expense. It is the intent of this policy not to restrict travel for MSDDA business, but to clearly define reimbursable costs associated with travel. All travel expenses will be on a reimbursement basis.~~

~~**Types of Travel**~~

~~Local travel is defined as travel within Manistee County. Travel is defined as travel outside Manistee County, but in Michigan. "Out of State Travel" is any travel outside of Michigan. All out of state travel must be approved in advance by the MSDDA Board.~~

Travel

Mileage:

~~The DDA does not have a company vehicle and use of a personal vehicle for DDA business will be reimbursed at the current IRS rate based upon submittal of actual receipts.~~

Mileage

~~The mileage rate for use of a personal vehicle will be the current IRS Rate per mile based upon submittal of actual receipts. It will be periodically reviewed by the MSDDA Board and updated accordingly.~~

Meal Reimbursement:

~~The DDA will provide a reimbursement to cover the actual cost of meals incurred for DDA business. Eligible expenses include meals where the employee, Board Member, or volunteer attendance is necessitated by their DDA position. Reimbursement of meals will be based upon submittal of actual receipts. Alcoholic beverages are not a reimbursable. The amount spent for meal should be in keeping with what the employee, Board Member or volunteer would spend if they were traveling on personal matters. Cost of meals should be reasonable.~~

Meal Reimbursement

~~The MSDDA will provide a Reimbursement to cover the actual cost of meals incurred for MSDDA business outside of Manistee County. Eligible expenses include meals where the board member, employee or volunteer attendance is necessitated by their MSDDA position. This includes Michigan Main Street or other related meetings. Reimbursement of meals will be based upon submittal of actual receipts. Alcoholic beverages are not a reimbursable expense.~~

Lodging:

~~The maximum expense for lodging will be the single occupancy room rate per day. Lodging must be reasonable for the location. Only the actual lodging expenses paid are allowable reimbursable with a receipt. Long distance calls should be made by cell phone and not charged to the hotel room. If the hotel phone must be used for long distance calls, only those charges related for businesses purpose only will be reimbursed.~~

Lodging

~~The maximum expense for lodging will be the single occupancy room rate per day. Lodging must be reasonable for the location. Only the actual lodging expenses paid are allowable with a receipt.~~

~~Telephone Calls Charged to Hotel Rooms~~

~~Telephone calls charged to hotel rooms are reimbursable only if the phone call is to the employee's business phone and for business purposes.~~

Conference Expenses:

Many conferences include meals and lodging in a package, as part of the conference expense. These amounts will be pre-paid by the DDA as part of the conference registration package and are not eligible for reimbursement. A copy of the conference registration and agenda are required when submitting a reimbursement request due to attendance of a conference. Anyone attending a conference with the expectation of expenses incurred to be reimbursed by the DDA must have a Travel and Training Request form filled out and approved by the Board.

~~Conference Expenses~~

~~Many conferences include meals and lodging in a package, as part of the conference expense. These amounts will be pre paid by the MSDDA as part of the conference registration package and are not eligible for reimbursement. A copy of the conference registration and agenda may be required when submitting a reimbursement request.~~

Travel and Training Eligibility:

Training for employees, Board Members and volunteers requires Board approval. All Out of State travel by the DDA employees, Board Members or volunteers shall be approved by the DDA board in advance. DDA board members and DDA volunteers are eligible to participate in training sessions related to DDA activities with advanced approval by the DDA board. All training and travel requiring Board approval must fill out a Travel & Training Request Form to be approved by the Board.

~~Travel and Training Eligibility~~

~~It is expected that the MSDDA Director will attend all Michigan Main Street Training Session and other related DDA training sessions. All Out of State travel by the MSDDA Director shall be approved by the MSDDA board in advance.~~

~~MSDDA board members and MSDDA volunteers are eligible to attend Michigan Main Street Training as well as other DDA training sessions with advanced approval by the MSDDA board~~

Air Travel:

Any air travel must be pre-approved by the Board and will only be reimbursed for coach seats. If no coach seats are available or other flights which cannot be scheduled without delay or disruption of the business event, approval from the DDA Chair must be obtained to book non-coach seats.

It is the general intent and purpose of this policy to assure that purchasing of goods and services for the DDA results in the most economical and/or advantageous procurement in accordance with sound purchasing principles. All purchases, regardless of size, shall be covered by this principle. It is also the intent of this policy that the DDA will attempt to purchase goods and services from businesses located within the City limits when the price, quality, service and other relevant factors relating to the goods and services are comparable with out-of-town businesses.

Budgetary Control:

All purchases must be in accord with approved budgetary allocations and policies.

Interpretation of Policy Provisions:

It is recognized that on occasion, there may be a question as to the application of this policy to a particular purchasing situation or circumstance. In these cases, the affected committee chair shall consult with the DDA Director to determine the appropriate course of action.

Internal Purchasing Procedures

The DDA Director shall establish the necessary practices and procedures to ensure that the general intent and specific provisions of this policy are adhered to.

Purchasing Practices and Methodologies:

This policy recognizes the need to use a variety of purchasing techniques in order to obtain the product or service that is in the best interest of the DDA. Depending on the situation, one or more of the following techniques may be used:

- a. A General-Purpose Purchase (GPP) is a purchase arising in the normal course of day to day operations. These purchases should be evaluated based on the price, quality, service, and other relevant factors. If the relevant purchasing threshold is met quotes may be required, as specified below.
- b. A Request for Bids (RFB) is a technique whereby the DDA develops detailed specifications for a particular good or service and solicits sealed bids from vendors.

Committee Chairs or DDA Director shall prepare plans and specifications which identify the goods or services desired in sufficient detail to permit the receipt of competitive bids. ~~Notice of the availability of the bid documents shall be published in the official publication as a box ad in the classified section at least three times. In addition,~~ Copies of the bidding documents shall be mailed or sent electronically to a reasonable number of known vendors who provide this good or service. Sealed bids will be accepted until the date and time specified in the bid documents. Bids will be opened by the DDA Director. A record of all bids received shall be kept and filed with the paid invoice in the DDA office.

Purchasing Practices and Methodologies

This policy recognizes the need to use a variety of purchasing techniques in order to obtain the product or service that is in the best interest of the MSDDA. Depending on the situation, one or more of the following techniques may be used:

a. A **General Purpose Purchase (GPP)** is a purchase arising in the normal course of day to day operations. These purchases should be evaluated based on the price, quality, service, and other relevant factors. If the relevant purchasing threshold is met, quotes may be required, as specified below.

b. A **Request for Qualifications (RFQ)** is a technique where service providers are solicited to provide detailed information about them. The purpose of the RFQ is to evaluate various service providers and determine which one(s) can best meet the MSDDA needs. Following a RFQ process, the MSDDA would typically either negotiate a contract or solicit a Request for Proposal.

c. A **Request for Proposal (RFP)** is a technique where the MSDDA is interested in procuring a good or service, but has not developed detailed specifications for the item. This would be typically used in a situation where the MSDDA is procuring a professional service, has limited expertise in an area, is considering new technology or has already narrowed the list of prospective vendors.

d. A **Request for Bids (RFB)** is a technique whereby the MSDDA develops detailed specifications for a particular good or service and solicits sealed bids from vendors. Committee Chairs or MSDDA Director shall prepare plans and specifications which identify the goods or services desired in sufficient detail to permit the receipt of competitive bids. Notice of the availability of the bid documents shall be published in the official publication as a box ad in the classified section at least three times. In addition, copies of the bidding documents shall be mailed or sent electronically to a reasonable number of known vendors who provide this good or service. Sealed bids will be accepted until the date and time specified in the bid documents. Bids will then be publicly opened and read in the presence of the MSDDA Director. A record of all bids received shall be kept by the MSDDA with the paid invoice.

e. A **State Bid item (SB)** is any good or service that has been specified and competitively bid by the State of Michigan through MI Deal or other similar programs.

A GPP or GPP with quotes is considered a "standard purchasing practice". An RFQ, RFP, RFB or SB is considered an "extended purchasing practice".

All RFQ's, RFP's and RFB's shall be reviewed by the MSDDA Director.

When purchasing goods or services, the employee shall ensure the vendor is aware of the MSDDA tax exempt status.

Purchasing Approval Levels:

a. Purchasing Goods or Services of \$1,000 or Less.

Committee Chairs and DDA Director are authorized to purchase goods and services with a budgeted value of \$1,000 or less exercising sound judgment in the best interest of the DDA. Such purchases will generally be made in the local market area.

b. Purchasing Goods or Services between \$1,000 to \$2,000

Committee Chairs and DDA Director are authorized to purchase goods or services with a budgeted value between \$1,000 to \$2,000 based on quotes received from known vendors. At least three quotes must be solicited unless fewer known vendors supply the required goods or services. The quote deemed most advantageous to the DDA, considering price, quality, service, and other relevant factors will be accepted. While written quotes are generally required, it is recognized that verbal or telephone quotes are sometimes necessary. In that event, the verbal or telephone quotes shall be recorded in writing. All quotes received, whether written or recorded verbal, will be submitted to the DDA office and filed with the paid invoice.

c. Purchasing Goods or Services More Than \$2,000. Any acquisition anticipated by the DDA with an estimated value of \$2,000 or more shall be subject to an extended purchasing practice, unless otherwise addressed in this policy. The DDA Director shall determine the preferred extended purchasing practice in consultation with the affected Committee.

Purchasing Thresholds

~~a. Purchasing Goods or Services. \$500 or Less. Committee Chairs and MSDDA Director are authorized to purchase goods and services with a value of \$500.00 or less exercising sound judgment in the best interest of the MSDDA. Such purchases will generally be made in the local market area.~~

~~b. Purchasing Goods or Services \$501 to \$1,500. Committee Chairs and MSDDA Director are authorized to purchase goods or services with a value between \$501 to \$1,500 based on quotes received from known vendors. At least three quotes must be solicited unless fewer known vendors supply the required goods or services. The quote deemed most advantageous to the MSDDA, considering price, quality, service, and other relevant factors will be accepted. While written quotes are generally required, it is recognized that verbal or telephone quotes are sometimes necessary. In that event, the verbal or telephone quotes shall be recorded in writing. All quotes received, whether written or recorded verbal, will be submitted to the MSDDA office and filed with the paid invoice.~~

~~c. Purchasing Goods or Services More Than \$1,500. Any acquisition anticipated by the MSDDA with an estimated value of \$1,500 or more shall be subject to an extended purchasing practice, unless otherwise addressed in this policy. The MSDDA Director shall determine the preferred extended purchasing practice in consultation with the affected Committee.~~

Budgeted Goods or Services:

For those items that are specifically identified in the DDA budget, the DDA Director may purchase those goods or services without DDA Board approval even if it exceeds \$2,000. Purchasing thresholds established in above will still be required. If through the purchasing thresholds process the goods or services exceed \$2,000 and is more than 10% above the budgeted amount, DDA Board approval will be required.

~~**Budgeted Goods or Services**~~

~~For those items that are specifically identified in the MSDDA budget, the MSDDA Director may purchase those goods or services without MSDDA Board approval even if it exceeds \$1,500. Purchasing thresholds established in above will still be required. If through the purchasing thresholds process the goods or services exceed \$1,500 and is more than 10% above the budgeted amount, MSDDA Board approval will be required.~~

Vendors of Record:

It is recognized that it can be advantageous to the DDA to enter into long-term, negotiated agreements with vendors to supply goods and services. The DDA Director shall recommend to DDA Board which goods or services should be procured in this fashion. A Vendor of Record (VOR) shall be chosen through an extended purchasing practice. All VOR agreements shall be reviewed by the DDA Director Attorney prior to consideration by the Board. The VOR agreement shall specifically identify what goods and services will be provided, and when the DDA may go outside of the VOR agreement for these goods and services.

Awarding of Bids and Contracts:

DDA Board shall award all purchases, bids and contracts which exceed \$2,000 and all Vendor of Record Agreements regardless of value. The DDA reserves the right to accept any or all quotes or bids and/or waive any irregularity or defect if deemed to be in the best interest of the DDA.

~~**Awarding of Bids and Contracts**~~

~~MSDDA Board shall award all purchases, bids and contracts which exceed \$1,500; and all Vendor of Record Agreements regardless of value. The MSDDA reserves the right to accept any or all quotes or bids and/or waive any irregularity or defect if deemed to be in the best interest of the MSDDA.~~

Emergency Purchases:

In case of an emergency which requires the immediate purchase of supplies or contractual services, the DDA Director shall be empowered to purchase on the open market, under the most advantageous arrangement, for any necessary contractual services or supplies. Emergencies are generally, but not exclusively, limited to those situations that threaten the health, welfare, safety and well-being of the community. A full report of the circumstances of an emergency purchase shall be provided to the DDA Board and be filed with the paid invoice.

Exceptions to Purchasing Thresholds:

The following items and situations are exempt from the specific guidelines established under the purchasing thresholds. However, all exempt purchases are expected to comply with the general intent of the policy:

- Emergency purchases
- Purchases of goods & services as specified under a Vendor of Record agreement
- Utilities, including but not limited to, electricity, gas, phone, water,
- Insurance renewals
- Change orders, additions or extensions to existing contracts where the DDA Director determines that such action is reasonably necessary to meet the intent of the contract to be performed, and the amount is within 10% of project or up to \$5,000, whichever is less.
- Vendor specific software or hardware maintenance agreements and additional modules on existing software
- ~~- Goods or services only. Available through one known vendor may be exempt from this policy, upon consultation with the DDA Chair and Director~~
- ~~- Intergovernmental contracts~~
- ~~- Gasoline & diesel fuel~~

Policy 003 - Strategic Planning Retreat for Board – Approved 03-08-2017

Every year the DDA Board will hold a strategic planning meeting to discuss upcoming projects and events of the coming fiscal year and set strategic objectives. The Mission and Vision Statement will be reviewed to verify that both are accurate to the current program and that the organization is on course to achieve the vision and mission set by the strategic objectives.

Date:

The date for the Strategic Planning Retreat will be held in January ~~before December~~ of the current fiscal year to set the next fiscal year objectives, goals and events. The strategic goals will be distributed to the committees in ~~December~~ February to form action plans and budget development.

Location:

To be determined by the current DDA Director and Chair.

Attendants:

All DDA Board members are required to attend. The board may elect to have stakeholders of the downtown community including but not limited to business and property owners; City Council Members and/or Staff; County Commissioners and/or Staff; DDA committee members; interested community members; and residents of the downtown.

Policy 004 - DDA Annual Budget process – Approved 03-08-2017

The fiscal year of DDA shall coincide with the City of Manistee's fiscal year which is from July 1st to June 30th. The budget shall be created mainly from the workplans generated by the four committees. The DDA Director is responsible for completing and submitting an annual budget to be approved by the Board of Directors. The approved DDA budget should be submitted to the City of Manistee finance director by mid-April to be included in the Manistee City Council budget packet.

Workplans:

In December, the committees will receive the next fiscal year objectives and plans from the strategic planning session held by the DDA Board. Each committee will create work plans to support the strategic plan and their committee objectives. The work plans will then be forwarded to the DDA Director by February 1st. The DDA Director will accumulate the plans into the budget to be submitted to the DDA Board for review at their February meeting. The DDA Board will then approve projects and events based on expected revenues in the coming fiscal year.

Budget:

The DDA Director at the direction of the Board Treasurer shall create and update the budget from the DDA Board approved workplans. In addition to the work plans the budget will utilize the prior year's financial reports, contracts, other known expenses, ect to develop the upcoming year budget. The DDA Director will submit the budget to be reviewed by the DDA Board of Directors at their March meeting. The DDA Directors must have an approved budget to be submitted to Council by mid April.

Council Meeting.

The DDA Director, Chair and Board members are required to attend the Council Meeting in which the DDA budget will be discussed.

Policy 005 - Communication of the Organization to Public - Approved

Policy 006 - Committee Chairs serving as Board Members - Approved

Policy 007 - Revenues of Fundraising Projects and Events - Approved

Policy 008 - Use of River Street Community Forum - Approved

Policy 009 - Use of Manistee Main Street DDA Logo - Approved

Policy 010-WebsiteUpdatesandPrograms-Approved Policy

011 - Facebook and other social Media outlets – Approved

Policy 012 - DDA Sponsored Food Events – Approved 1-11-2017

Events that serve foods to the public must be compliant with Michigan Food Law. Generally, foods need to be prepared and served in/from a licensed/inspected food service preparation facility by trained individuals.

However, Michigan law allows for “home prepared foods” as an exemption, under the following conditions:

- 1) The food is provided by a not for profit organization. (As a governmental entity, the DDA is considered a not for profit organization)
- 2) The event must be a fundraiser.
- 3) The not for profit organization assumes liability for the food being served.

DDA Food Events need to be conducted in the following manner in order to be compliant with the law. Each event with “home prepared food” shall:

- 1) Have a sign describing the “fundraising” event at each food location
- 2) Have a donation bucket for receiving donations at each food location
- 3) Have a publicly displayed list of all ingredients for each food item served (i.e. allow the public to avoid items they may be allergic/sensitive to)
- 4) Have the DDA boards approval (and therefore acceptance of the liability) for the “home prepared food” fundraising event

DOWNTOWNMANISTEE

michigan

DATE: March 3, 2017
TO: DDA Board
FROM: Tyler Leppanen
RE: Committees

At the Strategic Planning Session there was discussion of eliminating the Organization Committee and to have the Marketing and Promotions Committee take over the responsibilities, including but not limited to, of the Downtown Dollars Program, communication with external stakeholders, and volunteer management. Other responsibilities of the Organization Committee would be assumed by the Executive Director in cooperation with the Treasurer, which include accounting and financial management.

Another committee change that was discussed was the creation of another committee focused on business development. The Chair and I have developed a structure for the priorities of this committee. The committee focus would be on business retention and attraction. Identifying the needs of the current businesses and solutions to resolve issues they may be having.

I would also suggest creating a loan review committee consisting of three (3) members myself, Steve Brower from West Shore Bank, and a Board Member, to review loan documents and make recommendations to the Board. I think this would improve the efficiency of the program and provide adequate oversight of loans. The loan review committee would review revolving loans and "Growing Manistee" loan applications.

A Standing Committee Policy has also been drafted and is similar to the section that was eliminated from the bylaws. Some items that I would like the Board's input on as well are: Should there be a maximum of committee membership, is there a point where committee membership gets too large to be productive, can we make a distinction between volunteer and committee member, because committee members are able to vote on DDA business it seems important that the Board keep a record of active membership; should there be a section on the agenda for appointments and each time a committee chair wants a committee member to be approved it is put on the agenda and approved by the Chairperson?

The goal of making these changes is to improve efficiency of the DDA by focusing committees on working towards achieving strategic goals as identified by the Board. Please review the Strategic Plan document in conjunction with the committee changes.

Policy 013 – DDA Standing Committees

Standing Committees are an integral part of how the Manistee DDA operates. It is the intent of this policy to provide guidance as to how standing committees are structured and function. The committees shall be reviewed and priorities established by the Board at the annual Strategic Planning Meeting. The standing committees shall include: The Design Committee, Re-development Committee, Business Development Committee, and the Marketing & Promotions Committee.

No fewer than five (5) committee members shall serve on each committee. No more than three (3) Board members of the Board shall serve on one committee with the understanding there is an open invitation to the Board Chair to join the committee. The Chairperson of each committee shall be a Board Member. The Executive Director shall act as a permanent consultant to each committee and shall be in regular attendance to all committee meetings.

The Chairperson of each committee shall be nominated by the DDA Board Chair and approved by the DDA Board. Committee Chairs shall be reviewed and approved in conjunction with the review of committees at the annual Strategic Planning Meeting.

Committee members may be anyone residing in the immediate Manistee area and must express an interest in participation in strengthening the downtown district. Committee members shall be appointed by each Committee Chair with the consent of the DDA Chair. It is the responsibility of the Committee Chair of each committee to keep a record of approved committee members, which shall be kept on file with the Executive Director. Meeting shall be open to the public.

Standing committees shall determine and schedule their meeting times, dates (minimum of monthly) and locations; consult with outside sources; interface with other city appointed Boards and Commissions for an exchange of ideas that would then be presented to the Board prior to any action of the Board.

The duties of the committees are to notify the Executive Director and DDA Chairperson of all meeting times, dates and locations; keep written minutes of each meeting to be filed with the Manistee DDA; keep the Executive Director informed of the events of each meeting; fulfill charges of and answer to the Manistee DDA Board of Directors; present monthly committee reports at board meetings; act in the best interest of the Manistee DDA at all times.

DOWNTOWNMANISTEE

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BUSINESS DEVELOPMENT COMMITTEE

Purpose: The Business Development Committee's purpose is to create a vibrant downtown business atmosphere by retaining current businesses and attracting new businesses.

Primary Responsibilities:

- Identifies what is needed in downtown Manistee and actively recruit new businesses to the area.
- Defines businesses that have the highest potential of success, through the use of ESRI data and SET data so that it's data driven, and then uses business recruitment packets to bring in new businesses.
- Engage with current businesses to identify issues they may have; seek solutions and connect them to the necessary resources.
- Use best practices to strategically plan clusters of uses to promote a synergistic mix of businesses that complement each other.

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DESIGN COMMITTEE

Purpose: The Design Committee creates an inviting atmosphere by capitalizing on the downtown's assets, such as the historic buildings, layout, and Riverwalk.

Primary Responsibilities:

- Maintenance of the downtown infrastructure and planning for public improvements.
- Activating public spaces.
- Manage the DDA Façade Program.

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MARKETING & PROMOTIONS

Purpose: The Marketing & Promotions Committee sells the image of Downtown Manistee to visitors, shoppers, and potentially new businesses by coordinating, communicating, and connecting with existing merchants and property owners.

Primary Responsibilities:

- Plan and execute DDA events and promotions.
- Carry out advertising initiatives for the DDA and businesses.
- Develop systems to effectively communicate with external stakeholders.
- Promote the Downtown Dollars Program.

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REDEVELOPMENT COMMITTEE

Purpose: The Redevelopment Committee's purpose is to rehabilitate, redevelop, or develop properties within the DDA to help make downtown properties productive and useable spaces.

Primary Responsibilities:

- Objectively evaluate development proposals, make recommendations to the Board in regards to projects that will require a DDA vote and engage with developers to ensure projects are complementary of the district.
- Identify key redevelopment sites within the district and develop strategies to successfully rehabilitate the property into productive use.
- Identify and attract developers for properties as needed.
- Develop programs to convert unused space within buildings to increase cash flow for properties to prevent deterioration.
- Manage the following DDA Programs: revolving loans, Growing Manistee Program, and redevelopment liquor licenses.

DOWNTOWNMANISTEE

michigan

DATE: March 3, 2017
TO: DDA Board
FROM: Tyler Leppanen
RE: FY 2017-2018 Proposed Budget

The budget that has been presented is a draft with a deficit of \$36,062, which appears to be significantly closer to being balanced than the starting point from last year. The most significant impact to the budget is a projected decrease in revenue of 4.6% or \$12,545. The trend in recent years has been a slowdown in commercial property decreases from 9.1% in FY 14/15 to 0.5% in FY 16/17. It appears the decrease this year is market driven as a result of investigation into commercial property sales in the Manistee area. There has been approximately a 15% decrease in tax revenue in the last four years. The district is also greatly affected by PPT reform at the State level.

The Small Taxpayer Exemption on Personal Property revenue is highlighted because the Finance Director is still working on calculating the numbers and may be revised.

I have also highlighted a number of line items that the Board should consider. Professional services increased due to our relationship with Vanderwal, Spratto, & Richards. I foresee the amount budgeted at \$6,000 to be much lower as I take over more accounting responsibilities. The City requested an allocation amount of \$30,000 last year and is requesting \$22,000 this year. This is a \$12,000 increase from the budget that was approved last year. I also highlighted much of the advertising section of the budget and is a possible area where the Board could decrease costs.

Even if the Board decided to cut all the advertising and reach an agreement with the City to in regards to maintenance the deficit would remain at \$12,562, which would equate to the decrease in the upcoming year's revenues. The Board needs to make difficult decisions as to what will be prioritized in this year's budget. The Hotel Chippewa property being developed will provide significant additional revenue in the following year's budget. However, the most substantial budgetary pressure is from declining commercial values and should be the highest priority of the Board when considering future projects in the district.

**Manistee City
DDA 2017-2018 Proposed Budget**

	2015-2016 Total Budget \$	2015-2016 Actual YTD	2016-2017 Budget	2017-2018 Budget
TIF Revenue	\$277,380.00	\$240,549.78	\$ 271,622.00	\$ 259,077.00
Delinquent Personal Property Taxes		\$561.95		
Delinquent Taxes		\$23,023.12		
Total TIF Revenue	\$277,380.00	\$264,134.85	\$ 271,622.00	\$ 259,077.00
Small Taxpayer Exemption on Personal Property			\$ 18,560.00	\$ 18,000.00
Misc. Rev				
Interest Income	\$	\$98.76	\$ 115.00	\$ 100.00
Event Merchandise			\$ -	\$ -
Misc. Income	3000	\$168.49	\$ -	\$ -
Loan Application Fees	300	\$800.00	\$ -	\$ -
Hanging Baskets Sponsors	1500		\$ -	\$ -
Tree Sponsors			\$ -	\$ -
Holiday Decoration Sponsors			\$ -	\$ -
Grants			\$ -	\$ -
Fund Balance	2000		\$ -	\$ -
Total Misc. Revenue	\$6,800.00	\$1,067.25	\$ 115.00	\$ 100.00
Total Revenue	\$284,180.00	\$265,202.10	\$ 290,297.00	\$ 277,177.00
Required Expenditures				
Payroll	(\$62,380.00)	(\$59,239.37)	\$ (80,655.00)	\$ 80,000.00
Relocation			\$ -	\$ 1,500.00
Admin			\$ -	\$ -
Bond Payment	(\$139,750.00)	(\$140,500.00)	\$ (139,750.00)	\$ 140,000.00
Insurance	(\$1,800.00)	(\$1,552.00)	\$ (1,800.00)	\$ 1,800.00
Bank Service Charge	(\$150.00)	(\$11.04)	\$ -	\$ 100.00
Total Required	(\$204,080.00)	(\$201,302.41)	\$ (222,205.00)	\$ 223,400.00

Manistee City
DDA 2017-2018 Proposed Budget

	2015-2016 Total Budget \$	2015-2016 Actual YTD	2016-2017 Budget	2017-2018 Budget
<u>Office Related</u>				
Phone	(\$480.00)	(\$918.76)	\$ (1,200.00)	\$ 1,800.00
Meeting Refreshment	(\$600.00)	(\$14.88)	\$ -	\$ -
Credit Card	(\$200.00)	(\$118.33)	\$ (200.00)	\$ 200.00
Training	(\$500.00)	(\$490.01)	\$ (500.00)	\$ 1,250.00
Printing & Reproduc	\$0.00	(\$739.26)	\$ (250.00)	\$ 250.00
Misc	(\$300.00)	(\$2,089.25)	\$ (300.00)	\$ 300.00
Membership due	(\$750.00)	(\$700.00)	\$ (750.00)	\$ 750.00
Advertising	(\$300.00)	(\$219.60)	\$ (300.00)	\$ 300.00
Rent	(\$10,668.00)	(\$4,889.00)	\$ (6,000.00)	\$ 6,000.00
Postage	(\$350.00)	(\$961.96)	\$ (350.00)	\$ 350.00
Office Supplies / Equip	(\$1,200.00)	(\$6,836.61)	\$ (1,500.00)	\$ 1,000.00
Travel	(\$900.00)	(\$360.95)	\$ (1,000.00)	\$ 1,000.00
Business Expo	(\$300.00)	(\$440.19)		\$ 300.00
Total Office Expenditures	(\$16,548.00)	(\$18,778.80)	\$ (12,350.00)	\$ 13,500.00
<u>Prof. Services</u>				
Accounting				\$ 6,000.00
TIF Plan Redevelop	\$0.00	\$0.00		\$ 500.00
Annual Audit	(\$1,500.00)	(\$1,500.00)	\$ (1,500.00)	\$ 1,500.00
Local Banks (\$25,000 Loan)	(\$250.00)			\$ -
IRP Loan Program			\$ -	\$ -
Revolving loan Fund	(\$250.00)		\$ (250.00)	\$ -
Legal Fees	\$0.00	(\$1,786.50)	\$ (750.00)	\$ 750.00
Total Professional Services	(\$2,000.00)	(\$3,286.50)	\$ (2,500.00)	\$ 8,750.00
<u>Maintenance</u>				
City Allocation	(\$7,200.00)		\$ (10,000.00)	\$ 22,000.00
Cross Walks			\$ -	\$ -
Downtown Maint			\$ -	\$ -

Manistee City
DDA 2017-2018 Proposed Budget

	2015-2016 Total Budget \$	2015-2016 Actual YTD	2016-2017 Budget	2017-2018 Budget
Total Maintenance	(\$7,200.00)	\$0.00	\$ (10,000.00)	\$ 22,000.00
<u>Beautification</u>				
Trees			\$ -	\$ -
Hanging Baskets + Watering	(\$5,000.00)	(\$3,750.00)	\$ (8,000.00)	\$ 5,000.00
Landscaping	(\$22,500.00)	(\$15,616.68)	\$ (18,000.00)	\$ 18,000.00
Holiday Decorations	(\$8,000.00)	(\$3,325.00)	\$ (10,000.00)	\$ 10,000.00
Façade Grant	(\$10,000.00)	(\$10,000.00)	\$ (8,000.00)	\$ 10,000.00
Flowers	(\$3,900.00)		\$ -	\$ -
Total Beautification	(\$49,400.00)	(\$32,691.68)	\$ (44,000.00)	\$ 43,000.00
<u>Projects</u>				
Loop Signage	(\$700.00)	(\$91.98)		\$ -
Window Wraps			\$ (3,000.00)	\$ -
Historic Tour Plaques				
Redevelopment Liquor Licenses			\$ (375.00)	
Marketing & Incentivizing Residential Space			\$ (500.00)	
Educational Series	(\$500.00)	(\$2,111.00)	\$ (500.00)	\$ 1,000.00
Recruitment Team	(\$1,000.00)	(\$1,022.69)	\$ (1,000.00)	\$ -
Business Assistance - other				
Property Acquisitions			\$ -	\$ -
Contribution Farmer's Market			\$ -	\$ -
Downtown Dollars	(\$900.00)	(\$390.41)	\$ (900.00)	\$ 900.00
Total Projects	(\$3,100.00)	(\$3,616.08)	\$ (6,275.00)	\$ 1,900.00
<u>Volunteers</u>				
Volunteer Appreciation	(\$1,500.00)		\$ 1,000.00	\$ 1,000.00
Volunteer Recruitment		(\$79.98)	\$ -	\$ -
Total Volunteer Expenditures	(\$1,500.00)	(\$79.98)	\$ 1,000.00	\$ 1,000.00

Manistee City
DDA 2017-2018 Proposed Budget

	2015-2016 Total Budget \$	2015-2016 Actual YTD	2016-2017 Budget	2017-2018 Budget
<u>Advertising</u>				
Revenue Co-Op			\$ -	\$ -
Promo Expense Pass Through		(\$725.00)	\$ -	\$ -
Co-Op Advertising	\$0.00	(\$225.00)	\$ -	\$ -
Database			\$ -	\$ -
Promotions PSA's			\$ -	\$ -
PR			\$ -	\$ -
Advertising	(\$4,000.00)	(\$4,391.60)	\$ (4,000.00)	\$ 4,000.00
Newsletter + Mailing	(\$448.00)	(\$329.00)	\$ (1,300.00)	\$ 300.00
Retainer for Rightside Design (promotions)			\$ (5,000.00)	\$ 5,000.00
Website Redevelopment	(\$2,500.00)	(\$2,005.00)	\$ (500.00)	\$ 2,500.00
MSDDA Website (hosting)	(\$100.00)	(\$77.83)	\$ (100.00)	\$ -
Downtown brochure	(\$1,000.00)	(\$874.50)	\$ -	\$ 1,000.00
Total Advertising	(\$8,048.00)	(\$8,627.93)	\$ (10,900.00)	\$ 12,800.00
Total Expenditures	(\$291,876.00)	(\$268,383.38)	\$ (307,230.00)	\$ 326,350.00
Income/Loss before Events	(\$7,696.00)	(\$3,181.28)	\$ (16,933.00)	\$ (49,173.00)
<u>Events</u>				
Wine & Chocolate Walk Rev	\$8,500.00		\$ 8,500.00	\$ 6,300.00
Wine & Chocolate Walk Exp	(\$6,000.00)		\$ (5,700.00)	\$ (4,329.00)
	<u>\$2,500.00</u>	<u>\$0.00</u>	<u>\$ 2,800.00</u>	<u>\$ 1,971.00</u>
Frostbite Sponsorships	\$1,500.00	\$2,029.00	\$ 1,500.00	\$ 1,000.00
Frostbite Saturday Exp	(\$950.00)	(\$894.63)	\$ (2,500.00)	\$ (660.00)
	<u>\$550.00</u>	<u>\$1,134.37</u>	<u>\$ (1,000.00)</u>	<u>\$ 340.00</u>
Side Walk Sales Rev	\$0.00	\$0.00	\$ -	\$ -
Sidewalk Sales Exp	(\$500.00)	(\$721.00)	\$ (500.00)	\$ (500.00)

Manistee City
DDA 2017-2018 Proposed Budget

	2015-2016 Total Budget \$	2015-2016 Actual YTD	2016-2017 Budget	2017-2018 Budget
	(\$500.00)	(\$721.00)	\$ (500.00)	\$ (500.00)
Hops & Props Rev	\$28,000.00	\$36,570.72	\$ 33,000.00	\$ 33,500.00
Hops & Props Exp	(\$24,815.00)	(\$23,309.06)	\$ (25,000.00)	\$ (25,000.00)
	\$3,185.00	\$13,261.66	\$ 8,000.00	\$ 8,500.00
Boos, Brews & Brats Rev	\$7,750.00	\$9,897.00	\$ 9,500.00	\$ 9,500.00
Boos, Brews & Brats Exp	(\$6,550.00)	(\$6,860.83)	\$ (6,500.00)	\$ (6,500.00)
	\$1,200.00	\$3,036.17	\$ 3,000.00	\$ 3,000.00
Sleighbell Weekend Rev	\$20,000.00	\$28,735.00	\$ 21,500.00	\$ 21,500.00
Sleighbell Weekend Exp	(\$20,000.00)	(\$26,615.18)	\$ (20,000.00)	\$ (20,000.00)
	\$0.00	\$2,119.82	\$ 1,500.00	\$ 1,500.00
Red White & Blue Rev	\$7,300.00	\$250.00	\$ 10,000.00	\$ -
Red White & Blue Exp	(\$4,900.00)	\$0.00	\$ (5,000.00)	\$ -
	\$2,400.00	\$250.00	\$ 5,000.00	\$ -
Men's' & Ladies Night	(\$1,700.00)	(\$1,456.25)	\$ (1,700.00)	\$ (1,700.00)
Homegrown Saturdays	\$0.00		\$ -	\$ -
Other Event	(\$1,700.00)	(\$1,456.25)	\$ (1,700.00)	\$ (1,700.00)
Event Income/(Loss)	\$7,635.00	\$17,624.77	\$ 17,100.00	\$ 13,111.00
Total Income/(Loss)	(\$61.00)	\$14,443.49	\$ 167.00	\$ (36,062.00)

DOWNTOWNMANISTEE

michigan

DATE: March 3, 2017
TO: DDA Board
FROM: Tyler Leppanen
RE: Economic Restructuring Committee Evaluation Form

The ER Committee has been working on creating an evaluation form to be used to develop recommendations to the Board for projects within the DDA district. The form was created by attempting to objectively measure and award points for aspects of individual projects that impact the district. Each member of the Committee gave their own point system to each item on the evaluation form and the average of the points were used to create the final document. A range of the most points to the least points possible from the evaluation form was identified and then broken into five equal categories: Very Desirable, Desirable, Neutral, Undesirable, and Very Undesirable. The form was created with the intention of evaluating projects based on DDA priorities and potential financial impacts to the DDA.

CITY OF MANISTEE
REDEVELOPMENT / REHABILITATION PROJECT FUNDING EVALUATION CRITERIA

Project:			
Address:			
Applicant:			
Review Date:			
Reviewers:			
Recommendation:			
	QUALITATIVE CRITERIA		
A	Consistent with City Master Plan (Relevant DDA District Components)	PASS	
B	Consistent with DDA Priorities and Goals (NOTE 1)	FAIL	
	QUANTITATIVE CRITERIA	WEIGHT	SCORE
1	Architectural Design Compatibility with District		
	Very Desirable	55	
	Acceptable	0	
	Undesirable	-35	
2	Results in Rehabilitation of a Blighted and/or Obsolete Building		
	Yes to Both	45	
	Yes to Either	30	
	No	0	
3	Preserves Historic Resource		
	Yes	35	
	No	0	
4	Creates New Housing in Upper Floor(s) of Existing Building		
	Yes; add 10 points/unit MAX	90	
	No	0	
5	Removes Housing from Existing Building		
	Yes; deduct 10 points/unit MAX	-70	

CITY OF MANISTEE
REDEVELOPMENT / REHABILITATION PROJECT FUNDING EVALUATION CRITERIA

	No	0	
6	Creates New Commercial Space(s) in Existing Building		
	Yes (1st Floor)	35	
	Yes (2nd Floor)	10	
	No	0	
7	Improves Existing Commercial Space in Existing Building		
	Yes (1st Floor)	55	
	Yes (2nd Floor)	20	
	No	0	
8	Removes Commercial Space from Existing Building?		
	Yes (1st Floor)	-30	
	Yes (2nd Floor)	0	
9	Employment Loss/Creation (permanent FTEs w/i 5 yrs)		
	Loss; deduct 10 points/FTE MAX	-100	
	Creation; add 10 points/FTE MAX	100	
10	Net Unfunded Infrastructure (Utilities) and Service Requirements		
	<\$50,000	-20	
	\$50,000 to \$500,000	-50	
	\$500,000 to \$1,000,000	-100	
	>\$1,000,000	-200	
11	Infrastructure (Utilities) and Service Contributions to DDA		
	<\$50,000	0	
	\$50,000 to \$500,000	20	
	\$500,000 to \$1,000,000	50	
	>\$1,000,000	150	
12	Parking Requirements (permanent housing)		
	0 - 5 Surface Parking Spaces	0	
	>5; Deduct 10 Points/Space MAX	-260	
13	New Parking Creation - Available to District Users		

CITY OF MANISTEE
REDEVELOPMENT / REHABILITATION PROJECT FUNDING EVALUATION CRITERIA

	0 - 2 Parking Spaces	10	
	>2; Add 10 Points/Space MAX	220	
14	Net DDA TIF Capture Minus Incentives (total 10 years) NOTE 2		
	\$0 - \$50,000	0	
	\$50,000 - \$500,000	20	
	\$500,000 - \$1,500,000	150	
	\$1,500,000 - \$5,000,000	300	
15	Developer Reputation / Ability to Perform		
	Substantial Similar Project Experience	15	
	Minimal Similar Project Experience	5	
	No Similar Project Experience	0	
	Negative Reputation	FAIL	
16	Developer Financial Contribution		
	>75%	40	
	75% - 50%	25	
	10% - 50%	10	
	<10%	-25	
17	Redevelopment/Rehabilitation Completion Schedule		
	1 to 2 years	20	
	2 to 5 years	0	
	5 to 10 years (Evaluate Phasing)	-40	
	>10 years (Evaluate Phasing)	-200	
18	Project Catalytic Value		
	Negative	-90	
	None	0	
	Minimal	25	
	Substantial	100	
19	Environmental Improvement		
	None or Limited	-5	

CITY OF MANISTEE
REDEVELOPMENT / REHABILITATION PROJECT FUNDING EVALUATION CRITERIA

	Substantial	50	
	Detrimental	FAIL	
20	Cultural / Entertainment Value		
	None or Limited	0	
	Substantial	55	
21	Community Spirit / Public Interest /		
	None or Limited	0	
	Substantial	40	
22	Commercial (Office) & Retail Market Need / Saturation		
	Meets Identified Commercial Need	100	
	Saturates Commercial Market	-75	
	No Impact on Commercial Market	0	
23	Residential Market Need / Saturation		
	Meets Identified District Housing Need	100	
	Saturates District Housing Market	-95	
	No Impact on District Housing Market	0	
24	Aesthetic / Green Space Issues		
	Green Space Creation	35	
	Green Space Reduction	-35	
	View Corridor Creation	45	
	View Corridor Reduction	-45	
25	Project Longevity / Sustainability		
	Long Term Positive Impact on District	80	
	Short Term Benefit to District	-15	
26	Other DDA-Specific Issues		
QUANTITATIVE CRITERIA TOTAL:			

DOWNTOWNMANISTEE

michigan

DATE: March 3, 2017
TO: DDA Board
FROM: Tyler Leppanen
RE: Liquor License Process

I have included a description of the Redevelopment Liquor Licenses from the Michigan Economic Development Corporation for your review. The law requires that the applicant for this type of license to provide documentation that the attempted to purchase a quota license, if no quota license is available the applicant must demonstrate \$75,000 in investment in the property, and seating for 25 people in addition to meeting the requirements for a liquor license from the Michigan Liquor Control Commission. The local municipality must also demonstrate that their development district has had \$200,000 worth of investment for every one (1) license issued.

Our process currently requires the applicant to submit a business plan and proforma, which the ER Committee reviews and recommends to the Board, the Board then approves the application, then the Public Safety Director approves the application, and finally the application goes to Council for their approval.

After speaking with the Traverse City DDA and Ann Arbor and looking at their processes, Manistee has a much lengthier process. Those cities the applicant applies directly to the city clerk and they are approved if the applicant meets the requirements in the state statute, without DDA approval or oversight. They correspond more closely with the typical liquor license process.

The district has enough investment to demonstrate the availability for realistically unlimited amount of liquor licenses to be issued. In my opinion the way the state statute is written allows the market to regulate the liquor license. If there was a limited number of licenses available for the number of people applying it may make sense for the DDA to want to vet applications based on the business plan, but there is not at this time. I recommend that the liquor license applications be packaged and administratively approved by the Executive Director and sent directly to City Council for approval.

REDEVELOPMENT LIQUOR LICENSES

Through the provisions of Public Act 501 of 2006, the Liquor Control Commission (LCC) may issue new public on-premises liquor licenses to local units of government. In order to allow cities to enhance the quality of life for their residents and visitors to their communities, the LCC may issue public on-premises licenses in addition to those quota licenses allowed in cities under section 531 (L) of the Michigan Liquor Control Code, Public Act 58 of 1998 as amended.

WHO IS ELIGIBLE TO APPLY?

A business must be located in either a Business District listed below or in a City Redevelopment Area, as defined in Sec. 521a (2)(c)

- Tax Increment Finance Authority (TIFA) PA 450 of 1980
- Corridor Improvement Authority (CIA) PA 280 of 2006
- Downtown Development Authority (DDA) PA 197 of 1975
- Principal Shopping District (PSD) PA 120 of 1961

Applicants in these businesses districts must:

Be a business engaged in dining, entertainment or recreation and open to the general public.

- Have a seating capacity of at least 25 people.
- Have spent at least \$75,000 for the rehabilitation or restoration of the building where the license will be housed over a period of the preceding five years or a commitment for a capital investment of at least \$75,000 that will be spent before the issuance of the license.
- Show that the total amount of private and public investment in real and personal property in a District listed above was at least \$200,000 in the period covering the preceding five years.

The LCC may issue one license for each of the above (\$200,000) monetary thresholds reached and for each major fraction thereof after the initial threshold is reached.

The LCC may also issue Redevelopment Liquor Licenses to businesses located in a City Redevelopment Area (there may be more than one in a city).

Applicants in City Redevelopment Areas must:

- Be a business engaged in dining, entertainment or recreation.
- Be open to the general public at least 10 hours per day, five days per week.
- Have a seating capacity of at least 25 people.
- Adopt a resolution from the governing body of the city establishing the redevelopment project area.
- Provide a map which clearly reflects and outlines where the redevelopment project area is located within the local unit of government.
- Provide an affidavit from the assessor, as certified by the city clerk, stating the total amount of investment in real and personal property within the redevelopment project area of the city during the preceding three year time period.
- Relative to a license issued in a City Redevelopment Project Area, the amount of commercial investment in the redevelopment project area within the city shall constitute not less than 25 percent of the total investment in real and personal property as evidenced by an affidavit of the city assessor as certified by the city clerk.
- A resolution which approves a specific applicant (individual, corporation, limited liability company, limited partnership) at a specific location.
- Have total investment over the last three years in real and personal property in the redevelopment area of:
 - At least \$50 million in cities having a population of 50,000 or more, or at least \$1 million per 1,000 people in cities of less than 50,000.

The LCC may issue a license when one of the abovementioned monetary thresholds is met.

HOW TO APPLY

To be considered for the license by the LCC: The local unit of government must pass a resolution approving the applicant for an on-premise liquor license pursuant to PA 501 of 2006. If the business is located in a City Redevelopment Project Area the resolution should indicate the license be issued under Section 521a (1)a of PA 501 of 2006. If the business is located in a DDA, TIFA, PSD, etc., the resolution should indicate the license be issued under Section 521a (1)b of PA 501 of 2006.

- The resolution and application ideally should be submitted at the same time.

Applications can be obtained from the LCC by downloading via the internet at www.michigan.gov/documents/cis/CIS_LCC_lc687_181912_7.pdf or by calling 517.322.1400.

All applicants will:

1. Need to demonstrate that they have attempted to purchase a readily available escrowed or quota onpremise license within the municipality that they want to operate, and that a license was not available.
2. Pay a \$20,000 fee for the license. Upon receipt of the documentation from the local unit of government, the necessary application forms, other required documents and inspection fees, the application will be authorized for investigation.

The LCC will not transfer a license issued under this act to another location. If the licensee goes out of business, the licensee shall surrender the license to the LCC. The governing body of the local governmental unit may approve another applicant within the redevelopment project area or development district to replace

IMPORTANT NOTE

Do not invest any money in improvements or bind yourself in any agreements until you have been officially notified by the LCC that your request has been approved.

SUPPORTING STATUTE

Public Act 501 of 2006

CONTACT INFORMATION

For more information contact the Michigan Economic Development CorporationSM (MEDC) Customer Contact Center at 517.373.9808.