

DOWNTOWNMANISTEE

————— *michigan* —————

DATE: March 9, 2018
TO: DDA Board
FROM: Tyler Leppanen
RE: DDA Board Regular Meeting: March 14, 2018

The DDA Board shall convene at 12:00 pm on Wednesday, March 14, 2018 in the council chambers of city hall.

I currently do not have the financial statements from Vanderwal, Spratto and Richards. Vanderwal, Spratto, and Richards was to finish out the month of February, including the financial statements and our new accountant is taking over.

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
March 14, 2018 @ 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 14, 2018 Regular Meeting Minutes
5. Approval of February 23, 2018 Special Meeting Minutes
6. Committee Reports
 - a. Design – Barry Lind (5 minute limit)
 - b. Marketing and Promotions – Rachel Brooks (5 minute limit)
 - c. Business Development – Valarie Bergstrom (5 minute limit)
 - d. Redevelopment – T Eftaxiadis (5 minute limit)
 - e. TIF – Tyler Leppanen (5 minute limit)
7. Financial Report
8. Director’s Report
9. Old Business
10. New Business
 - a. Consider and Approve Business Competition
 - b. Introduce FY 2018/2019 Budget
 - c. American Cleaners Update and Proceed with Closing
11. Public Comment. (Limit 5 minutes per person.)
12. Adjournment

**Manistee DDA
Regular Meeting
Resolutions**

Wednesday, March 14, 2018 at 12:00 p.m.
Council Chambers
Manistee, MI 49660

Resolution 180314-1

Motion: _____
Support: _____

The Manistee DDA hereby approves the agenda of March 14, 2018 as presented.

Ayes: _____
Nays: _____

Approved: ____ Denied: ____

Resolution 180314-2

Motion: _____
Support: _____

The Manistee DDA hereby approves the Regular Meeting minutes of February 14, 2018 as presented.

Ayes: _____
Nays: _____

Approved: ____ Denied: ____

Resolution 180314-3

Motion: _____
Support: _____

The Manistee DDA hereby approves the Special Meeting minutes of February 23, 2018 as presented.

Ayes: _____
Nays: _____

Approved: ____ Denied: ____

Resolution 180314-5

Motion: _____
Support: _____

The Manistee DDA hereby approves the February 2018 Financial Statements.

Ayes: _____
Nays: _____

Approved: ____ Denied: ____

Resolution 180314-6

Motion: _____
Support: _____

The Manistee DDA hereby approves the Spark Manistee business idea competition as recommended by the Business Development Committee.

Ayes: _____
Nays: _____

Approved: ____ Denied: ____

Resolution 180314-7

Motion: _____
Support: _____

The Manistee DDA hereby authorizes the Executive Director and the Board Chair to proceed with closing on the property located at 285 River St.

Ayes: _____
Nays: _____

Approved: ____ Denied: ____

Resolution 180314-8

Motion: _____

Support: _____

The Manistee DDA hereby adjourns at _____ pm.

Ayes: _____

Nays: _____

Approved: ____

Denied: ____

Name

Title

Manistee Downtown Development Authority Board Meeting Minutes – February 14, 2018 at noon

Present: Valarie Bergstrom, Tamara DePonio, Barry Lind, Tyler Leppanen, Todd Mohr, T. Eftaxiadis, Karen Goodman, Mayor Jim Smith, and Shari Wild
 Absent: Rachel Brooks
 In Attendance: Jeff Reau, Stacie Bytwork, Denise Blakeslee, Frank Greco and Ken Talsma

Agenda Item	Discussion	Decision/Recommendation
Call to Order	Meeting called to order by B. Lind at 12:03 p.m.	
Approval of Agenda	Motion by Eftaxiadis; Second by Mohr The Manistee DDA board hereby approves the agenda with modifications to the order of the agenda items.	Approved
Public Comment:	Jeff Reau, Vice President of the Manistee Area Chamber of Commerce addressed the concept of a collaboration with the DDA and responded to board questions.	
Approval of January 10, 2018 Minutes	Motion by Wild; Second by Eftaxiadis The Manistee DDA board hereby approves the Regular Meeting minutes of January 10, 2018 as presented.	Approved
Approval of Special Meeting Minutes on January 17, 2018	Motion by Smith; Second by Goodman The Manistee DDA board hereby approves the Special Meeting minutes of January 17, 2018 as presented.	Approved
Approval of Special Meeting Minutes on January 24, 2018	Motion by Smith; Second by Wild The Manistee DDA board hereby approves the Special Meeting minutes of January 24, 2018 as presented.	Approved
Design Committee Report	Lind updated the board of the committee’s progress on strategic items including the façade grant recommendation later in the meeting.	
Marketing & Promotions Committee Report	No additional update at this time	
Business Development Committee Report	Bergstrom reviewed the highlights of the committee minutes including an update on the progress of the strategic plan items.	
Redevelopment Committee Report	Eftaxiadis passed out meeting notes from the last meeting and updated the board on strategic items.	
Review Audit and Accept Findings	Talsma with Anderson, Tackman and Company, PLC, reviewed the DDA’s audit for the fiscal year ending June 30, 2017.	
	Motion by Smith; Second by Bergstrom The Manistee DDA hereby accepts the Fiscal Year 2016-2017 audit as presented.	Approved

Manistee Downtown Development Authority Board Meeting Minutes – February 14, 2018 at noon

Review and Discharge of the Vogue Promissory Note	<p>Frank Greco, Secretary of the Vogue Theatre’s Board stated that for the fifth year, the Vogue had met the agreed performance standard and asked for the final \$20,000 loan be forgiven and that the mortgage be discharged and recorded.</p> <p>Motion by Wild; Second by Eftaxiadis The Manistee DDA board hereby authorized the DDA Executive Economic Development Director to discharge and sign the Vogue promissory note.</p>	Approved
Financial Reports	<p>Motion by Smith; Second by Eftaxiadis The Manistee DDA board hereby approved the December 2017 Financial Report.</p> <p>Motion by Smith; Second by DePonio The Manistee DDA board hereby approved the January 2018 Financial Report.</p>	Approved Approved
Approval of the 2018 Events Schedule	<p>Motion by Goodman; Second by Wild The Manistee DDA board hereby approves the full 2018 Schedule of Events and requests the Marketing & Promotions committee move forward with the necessary arrangements for a schedule that includes all events.</p>	Approved
Approval of the Façade Grant Application Process	<p>Motion by Bergstrom; Second by Goodman The Manistee DDA board hereby approves the Design Committee’s recommendation to change the Façade Grant application process by creating a balance sheet line item for façade grants and accepting applications as funds are available. In addition, the DDA board requests that the design committee review the current scoring criteria and implement any necessary façade grant scoring criteria changes, as appropriate.</p>	Approved
Memo from Board Chair regarding discussions with the City and Chamber of Commerce	<p>Motion by Bergstrom; Seconded by Wild The Manistee DDA board hereby intends to continue to provide Economic Development Services in the downtown district through our DDA Executive Economic Development Director at this time and can continue to collaborate on other services with the Chamber.</p>	Approved Roll Call Vote as follows: Ayes-- Bergstrom, Lind, Eftaxiadis, Goodman, Smith and Wild Nays-- DePonio & Mohr
Approval of Travel and Training Request	<p>Motion by Smith; Second by Eftaxiadis The Manistee DDA board hereby approves the Executive Economic Development Director’s travel and training request as presented.</p>	Approved
Consider Approval of the Update to the Strategic Plan	<p>Motion by Wild; Second by Eftaxiadis The Manistee DDA board hereby approves the updates to the Strategic Plan as presented.</p>	Approved

Manistee Downtown Development Authority Board Meeting Minutes – February 14, 2018 at noon

Review and Consider Accounting RFP Recommendation	Motion by Eftaxiadis; Second by Wild The Manistee DDA board hereby approves and accepts the proposal for bookkeeping and accounting service from Connie M Tewes CPA LLC to be implemented as soon as possible. The Executive Economic Development Director will prepare and send written notification to the current provider.	Approved
Review the Authority to Address Blight	Motion by Goodman; Second by Wild The Manistee DDA board hereby requests that the Design Committee identify parcels that are potential blight issues in the entire DDA district and provide the list at the next DDA board meeting.	Approved
Update on American Cleaners	Progress to be discussed at the next board meeting. The Executive Economic Development Director will schedule a special meeting to discuss as needed.	
Public Comment	None.	
Adjournment	Motion by Smith; Second by Wild The Manistee DDA board meeting adjourned at 2:35 p.m.	Approved
Signature/Date		

Manistee Downtown Development Authority (DDA) Special Board Meeting Minutes – February 23, 2018

Present: Valarie Bergstrom, Rachel Brooks, Barry Lind, Mayor Jim Smith, T Eftaxiadis and Tyler Leppanen

Absent: Shari Wild, Karen Goodman, Todd Mohr and Tamara DePonio

In Attendance: Roger Zielinski

Agenda Item	Discussion	Decision/ Recommendation
Call to Order	Meeting called to order by R. Brooks at 8:15 a.m.	
Approval of Agenda	Motion by Lind; Second by T Eftaxiadis The Manistee DDA hereby approves the agenda as presented.	Approved
Consider and Approve Proposal for Environmental Due Diligence Services	<p>Leppanen and T Eftaxiadis distributed and reviewed a document summarizing the Request for Qualification and Cost Proposal for Environmental Due Diligence Consulting Services dated February 2018. Four companies responded to the Request for Proposal sent in January 2018.</p> <p>The Manistee DDA board acknowledges that T Eftaxiadis is providing technical assistance to the DDA Executive Economic Development Director and the Manistee DDA without compensation and that the DDA board authorizes the DDA Executive Economic Development Director and the Board Chair to approve and sign the contract with Compliance Inc for environmental consulting services.</p> <p>Motion by Smith; Second by Lind</p>	Approved (T Eftaxiadis recused)
Public Comment	None	
Adjournment	Motion by Smith; Second by Bergstrom The Manistee DDA Special Board Meeting adjourned at 8:30 a.m.	Approved
Signature/Date		

Design Committee

Barry Lind

Jeff Reau

Denise Blakeslee

Stacie Bytwork

Colleen Kenny

Jeff Mikula

Janet Duchon

Kyle Mosher

Time: 4th Thursday of the month at 8:00am

Location: Chamber

Focus Area 3 - 2018: Continue to improve the physical aesthetics and leverage the historic character of the downtown area.		
Strategy	Timing	Status
Improve Parking Signage	Fall 2018	
MSU SBEI Project Follow Through	Final presentation is in April 2018.	Working on obtaining cost estimates for projects identified in MSU project. I have been unable to get in contact with owners of Art Park so far. I want to see if they would be open to a longer term lease that would allow for the use of grant funds.
Garbage Removal		I receive many complaints regarding trash on River St. Options appear to be having centralized locations for dumpsters or requiring bins and enforcing when businesses can take trash out.
Update Façade Grant Process	March 2018	Board approved changes to the façade grant process at the last meeting. The Design Committee was directed to make changes to the scoring process and begin to accept applications.

Marketing & Promotions Committee

Rachel Brooks

Chelsea Harvey

Carrie Mosher

Lindsey Swidorski

Nicole Knapp

Mary Nezki

Lee Trucks

Cherri Koblinski

Vicki Cooper

Shelley Doyen

Diana Wall

Time: 3rd Wednesday of the month at 8am

Location: The Fillmore

Marketing & Promotions Meeting

21 FEBRUARY 2018 / 8:30 AM / FILLMORE

Attendees

Vicki Cooper, Cathy Lakos, Tyler Leppanen, Mary Neski, Chelsey Harvey, Nicole Knapp, Cherri Koblinski, Shelley Doyen, Rachel Brooks, Carrie Mosher, Lee Trucks

Agenda

Last Meeting Follow-up

1. Frostbite Recap
2. Funds to Market the gap the CVB misses ex. Hamlin, Scottville, Onekama
 - o Since then a few business have asked for a downtown business plan - next month a budget plan will be presented

Notes

- Frostbite Recap:
 - o how to guarantee follow through of information for downtown businesses on the information - it was posted on River Street FB Group, email.
 - o Emphasize the participants pick up items themselves
 - o Attendance was quite large, ex. Bluefish used 570 cups out of 600
 - o Perhaps next year, market things going in the following days and place the info in the stores during President's Day
 - o If keeping the same weekend, February 16th would be the date.
 - o FB Page reached a lot of people, and the article in the paper was very thorough - Ken Grabowski
 - o Radio promotion, matched by Mitten - Shelley mentioned many heard it on the radio
 - o Somehow improve the speed of tallying
- Women's Wine & Chocolate
 - o co-chaired by Karen Goodman, will be meeting with Rachel
 - o Potentially using "Wines from around the World", allowing for various themes done at the locations

- Potentially have it being all inclusive, not just 'Women' so couples could be involved.
- Pair the wine & chocolate samples at one location
- Online sign ups, along with ticket sales at local businesses
- Noteware isn't an option, asking around to the restaurants on "chocolate" treats
- Marketing & Promoting Downtown Manistee - Gaps
 - Advertising your own business is the big start, to reach in our own community. The Radio was a good tool
 - Ex. Frostbite Cards were only put in the downtown businesses, should they have been expanded to other locations aside from Downtown to draw in people - Developing some sort of route plan and division for committee members to distribute certain materials to specific locations. IE one person brings them to all the hotels
 - Press Releases? Cathy has a template that is just plug in so they are all consistent.
 - Rachel - Hamlin Lake is a gap she has noticed through customers to her business. Hit the 2nd homeowners (summer target)
 - Lee - suggested Interlochen, and utilizing the Public Radio there. He will research the cost of advertising through them.
 - Onekama is another location that was mentioned (summer target). Perhaps something as easy as putting up a billboard. Perhaps rack cards/flyers at Portage Point Inn.
 - Shelley - said she had spikes in her sales after the downtown had been mentioned on the news, like 9&10
 - Nicole suggested Geocaching, she'll do some research
 - Cadillac (winter market)
 - Advertising in the Crystal Mountain booklet (Crystal Mountain), it gets sent to your house. Carrie has a few samples at Outpost.

Advertising - Rachel is reaching out to Todd on rates for promotion on the Mitten

Action Items

1. Lee - Researching promotion through Interlochen Public Radio
2. Nicole - Researching geocaching
3. Cathy - Sending template of Press Release
4. Rachel - Contacting Todd Mohr on radio rates

Next Meeting Agenda

Working Budgets on 2018 events - Revenues and expenses from June - June

Pricing on the Downtown Maps - (Sponsorship Opportunities on the backside of the map) - Nicole will be looking in to the research, printing, sponsorships

Meeting Adjourned - 9:37

Focus Area 4 - 2018: Sell the image of Downtown Manistee to visitors, shoppers, and potential new businesses.		
Strategy	Timing	Status
Reorganize and propose marketing and promotions budget.	March 14, 2018	Event chairs were asked to provide revenue and expenses by the next committee meeting.
Reorganize Committee structure	Complete	Events are to be planned and executed by the chairs of the respective events. The Marketing and Promotions Committee will get updates from the event chairs but the meetings will be more focused on marketing.

Business Development Committee Members

Valarie Bergstrom

Tamara Deponio

Stacie Bytwork

Brandon Ball

Denise Blakeslee

Darrell Burchfield

Simone Scarpace

Tom Hinman

Kathryn Kenny

Lisa Leedy

New members are indicated by *

Time: 4th Wednesday of the month at 8:30am

Location: Chamber

Business Development Committee Meeting Minutes
Monday, February 5, 2018
Manistee Chamber of Commerce
8:00 a.m.

Committee Members Present: Darrell Burchfield, Tamara DePonio, Simone Scarpace, Denise Blakeslee, Stacie Bytwork, Kathryn Kenny, Valarie Bergstrom & Tyler Leppanen

Absent: Lisa Leedy, Brandon Ball, & Tom Hinman

Agenda	Minutes
1. Welcome & Call to Order	Called to order at 8:03 a.m.
2. Approval of December Minutes	Motion by Blakeslee; Second by Bytwork. Approved
3. Approval of Agenda	Motion by Kenny; Second by Blakeslee Approved
4. Brief Update from other committees & Executive Director including current status of identified downtown properties and 2018 DDA Board Strategic Objectives	Leppanen presented an update on downtown properties.
5. Technology Infrastructure (Burchfield)	<ul style="list-style-type: none"> • Burchfield presented a technology chart detailing available downtown technology companies and the services offered. • The presentation is attached.
6. Creative Ways to support entrepreneurialism <ol style="list-style-type: none"> a. Volunteers for 5X5 Award Program for update at next meeting. b. Manistee SCORE update c. Other Areas including but not limited to retention, education and other support ideas 	<ol style="list-style-type: none"> a. The 5X5 committee members will remain Leppanen, Bytwork, Hinman and Bergstrom and will meet again this month. b. Bytwork stated the Manistee Chamber of Commerce Board will not be reinstating the SCORE group at this time as they currently work with Tom Hinman and Joni K. from SBDC. AES will be contacted by Bergstrom to see if they can assist. c. Other retention ideas that were discussed to gather more information about the needs from current downtown businesses.
7. Zoning Ordinance Discussion <ol style="list-style-type: none"> a. Brief review of competitive data and identify other communities to review. b. Volunteers to evaluate competitive set to present at next meeting 	<ul style="list-style-type: none"> • Blakeslee presented a summary of downtown zoning ordinances among competing lakeshore communities. It was recommended that we add Charlevoix and Boyne City to the zoning summary chart. • Attached is a copy of the Zoning Summary information. • This zoning information gathered is only one step in the process so that the committee can make a recommendation on zoning to the full DDA board.
8. Other Business	None
9. Next Meeting Date	TBA
10. Adjournment	Meeting adjourned at 9:15 a.m.

Business Development Committee Meeting Minutes
 Wednesday, February 28, 2018
 Manistee Chamber of Commerce
 8:00 a.m.

Committee Members Present: Tamara DePonio, Stacie Bytwork, Kathryn Kenny, Brandon Ball & Tyler Leppanen

Absent: Lisa Leedy, Brandon Ball, Tom Hinman, Valarie Bergstrom, Denise Blakeslee

Agenda	Minutes
1. Welcome & Call to Order	Called to order at 8:00 a.m.
2. Approval of January Minutes	Motion by Kenny to approve minutes with changes to comments regarding SCORE; Second by Ball. Approved
3. Approval of Agenda	Motion by Kenny; Second by Bytwork Approved
4. Brief Update from other committees & Executive Director including current status of identified downtown properties and 2018 DDA Board Strategic Objectives	Leppanen presented an update on downtown properties and other committees.
5. Creative Ways to support entrepreneurialism <ul style="list-style-type: none"> a. 5x5 Award Program committee report and timeline. b. Manistee SCORE update c. Other 	a. Leppanen reported some changes to the guidelines and presented the timeline.
6. Zoning Ordinance Discussion <ul style="list-style-type: none"> a. Brief review of competitive data and identify other communities to review. b. Next Steps 	<ul style="list-style-type: none"> • Leppanen suggested recommending animal grooming, day care, commercial, educational facility, motel, tattoo parlor, and veterinary clinic uses by right. There were further discussions about making some of the special land use designations uses by right. Everyone agreed it would be better to have Denise available for questions before making any recommendation.
c. Other Business	<ul style="list-style-type: none"> • None
7. Next Meeting Date	TBA
8. Adjournment	Meeting adjourned at 8:49 a.m.
9.	

Focus Area 2 - 2018: Increase business occupancy in existing buildings and retain or expand current businesses.

Strategy	Timing	Status
Recommend zoning changes to C-3 District to encourage more types of use.	Committee should submit recommendations to Board by March 14, 2018	The committee decided to table this until next month due to absent members.
Create 5x5 business idea competition to encourage entrepreneurs.	Committee should present guidelines and how the competition would work by March 14, 2018.	This is on the agenda for approval.
Explore options to assist small business owners or start-ups to open their business through S.C.O.R.E. or other similar programs.		Valarie has been discussing SCORE with AES.

Redevelopment Committee

T. Eftaxiadis

Todd Mohr

Brandon Ball

Thad Taylor

Lynda Beaton

Steve Brower

Time: 1st Monday of the month at 3pm

Location: Ramsdell Inn Lobby

Focus Area 1 - 2018: Lead and promote the development of under-utilized buildings and spaces in the downtown core.		
Strategy	Timing	Status
Explore options for DDA Board to consider to assist small or inexperienced developers and promoting use of tax abatement and grant opportunities to redevelop vacant upper stories.	Options should be presented to the Board by March 14, 2018.	
Solicit requests for proposals for the American Cleaners property.	Complete	Board approved a proposal at the last meeting. Consultant is preparing Phase 1 at this point. This is an agenda item.
Facilitate a smooth process for developers to work through approval process with the City and other relevant agencies.	Ongoing.	
Prioritize sites the committee will focus on.	Prioritized list should be presented to the Board by March 14, 2018.	

TIF Committee

Barry Lind

T. Eftaxiadis

Jim Smith

Karen Goodman

Time: As needed.

DOWNTOWN MANISTEE

— *michigan* —

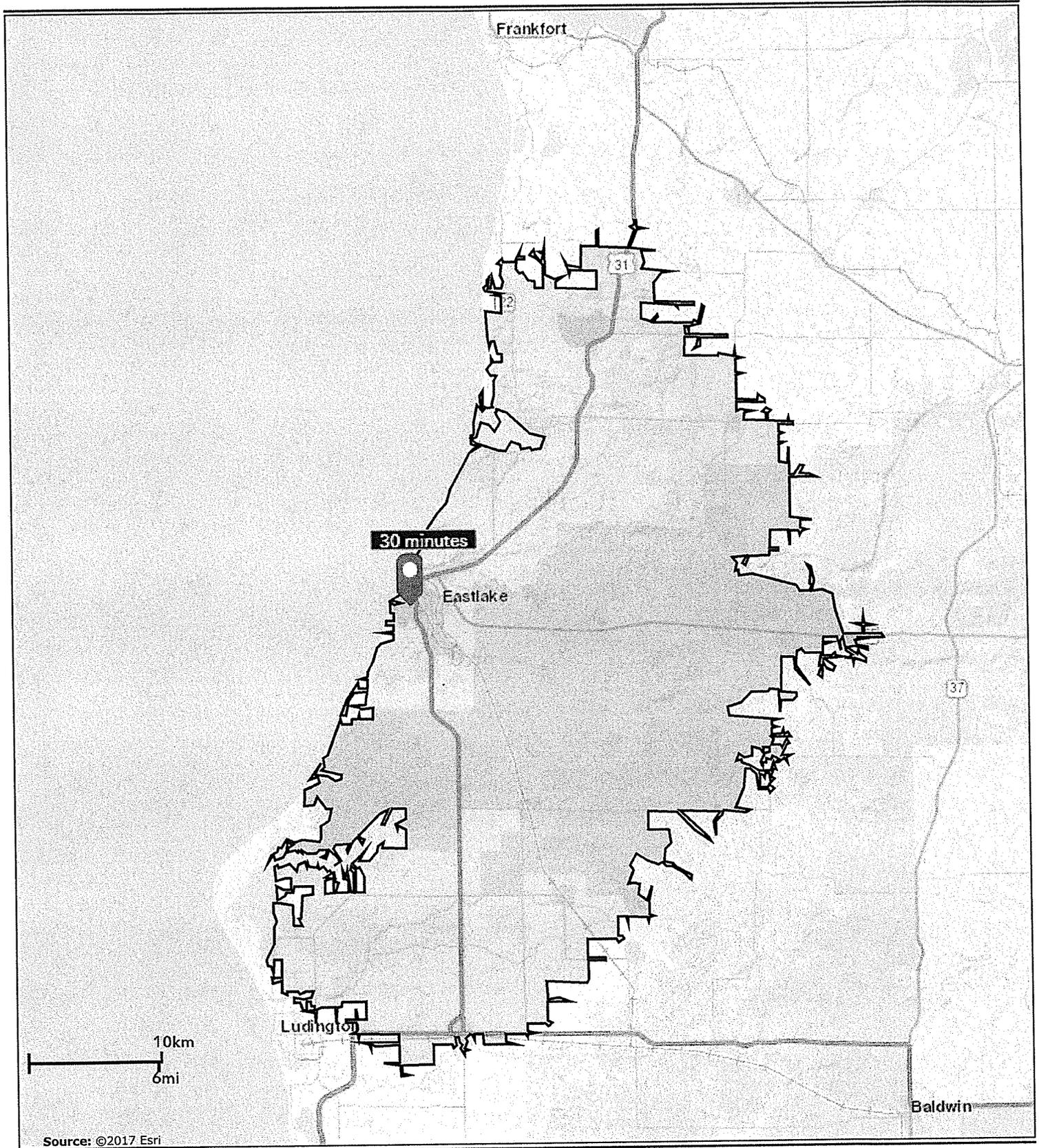
DDA Director's Report March 14, 2018

- This month I attended only one council meeting. There was an item on the agenda regarding a change to the sidewalk ordinance, however the council did not take any action. I also attended a Harbor Commission meeting and they are discussing patio improvements. T. and I also attended the Historic District Study Committee meeting. They are recommending some changes to the boundaries to City Council including a couple properties on Washington St and 400 River being removed from the Historic District. There was no meeting in March for the Historic District Commission because there were too many vacancies on the Commission for a quorum. The problem should be resolved at the next City Council meeting with three members being appointed.
- I also joined two of the housing committees that AES has created, Funding and Policy. The first meetings were held Thursday, March 8.
- I have been in contact with 6 potential businesses in the last month. It looks like 308 River (where Absolute Safety was) will be leased to a bridal/event business and 437 River (next to or part of Manistee Variety building) will be leased to a bike and moped rental business. Another business that I have communicated with has a meeting with a property owner this week. Potentially, there could be 7 to 9 new businesses opening in 2018 with three confirmed being Save-A-Lot, Manistee Beverage Company and Anomalous.
- There was a merchant meeting on March 2, but unfortunately my presenter was not able to make the meeting. I sent a survey out about the merchant meetings to see what I could do to improve attendance.
- We received updated ESRI data, which I included in the packet. I have been working with ESRI data from 2010 and a market profile completed through Main Street from 2012, so I was very happy to get some new data.
- Vanderwal, Spratto and Richards office finished out the month of February including the financial statements and Connie Tewes will be taking over as the accountant.
- A couple Board members have expressed interest in taking initiative with the checklist that Mark Wyckoff from MSU distributed. I think it may be a good idea to go through the checklist as a Board and identify what on that list we believe the DDA is trying to address and then meet with area groups that are also working on economic development efforts to see what they are working on. That would be a good collaborative approach to ensure that the community is working cohesively and effectively on economic development. It would also be a way the DDA could show some leadership in economic development.



Manistee 30-Minute Drive Time Map

From intersection of Water St & Maple St, Manistee, MI 49660



Source: ©2017 Esri

March 07, 2018



Retail MarketPlace Profile

Water St & Maple St, Manistee, Michigan, 49660
 Drive Time: 30 minute radius

Prepared by Esri
 Latitude: 44.24683
 Longitude: -86.32378

Summary Demographics

2017 Population	31,583
2017 Households	12,950
2017 Median Disposable Income	\$38,250
2017 Per Capita Income	\$25,425

Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$413,944,518	\$369,521,667	\$44,422,851	5.7	312
Total Retail Trade	44-45	\$379,763,571	\$340,705,236	\$39,058,335	5.4	238
Total Food & Drink	722	\$34,180,947	\$28,816,431	\$5,364,516	8.5	74

Industry Group

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$86,730,720	\$41,771,017	\$44,959,703	35.0	40
Automobile Dealers	4411	\$70,327,615	\$21,434,120	\$48,893,495	53.3	9
Other Motor Vehicle Dealers	4412	\$8,188,313	\$10,372,248	-\$2,183,935	-11.8	11
Auto Parts, Accessories & Tire Stores	4413	\$8,214,792	\$9,964,650	-\$1,749,858	-9.6	20
Furniture & Home Furnishings Stores	442	\$10,844,578	\$5,668,617	\$5,175,961	31.3	11
Furniture Stores	4421	\$6,540,280	\$4,321,593	\$2,218,687	20.4	6
Home Furnishings Stores	4422	\$4,304,299	\$1,347,024	\$2,957,275	52.3	6
Electronics & Appliance Stores	443	\$10,688,306	\$4,165,637	\$6,522,669	43.9	7
Bldg Materials, Garden Equip. & Supply Stores	444	\$29,222,667	\$25,514,557	\$3,708,110	6.8	29
Bldg Material & Supplies Dealers	4441	\$26,295,324	\$19,076,031	\$7,219,293	15.9	22
Lawn & Garden Equip & Supply Stores	4442	\$2,927,342	\$6,438,526	-\$3,511,184	-37.5	8
Food & Beverage Stores	445	\$66,066,332	\$139,195,611	-\$73,129,279	-35.6	37
Grocery Stores	4451	\$58,215,321	\$115,251,006	-\$57,035,685	-32.9	22
Specialty Food Stores	4452	\$3,233,935	\$18,625,602	-\$15,391,667	-70.4	12
Beer, Wine & Liquor Stores	4453	\$4,617,076	\$5,319,003	-\$701,927	-7.1	2
Health & Personal Care Stores	446,4461	\$28,649,260	\$23,242,470	\$5,406,790	10.4	15
Gasoline Stations	447,4471	\$45,664,283	\$47,194,192	-\$1,529,909	-1.6	14
Clothing & Clothing Accessories Stores	448	\$16,270,207	\$6,324,650	\$9,945,557	44.0	16
Clothing Stores	4481	\$11,048,417	\$3,871,450	\$7,176,967	48.1	12
Shoe Stores	4482	\$2,376,201	\$1,053,355	\$1,322,846	38.6	1
Jewelry, Luggage & Leather Goods Stores	4483	\$2,845,589	\$1,399,845	\$1,445,744	34.1	3
Sporting Goods, Hobby, Book & Music Stores	451	\$9,088,603	\$9,755,441	-\$666,838	-3.5	14
Sporting Goods/Hobby/Musical Instr Stores	4511	\$7,729,179	\$7,415,695	\$313,484	2.1	13
Book, Periodical & Music Stores	4512	\$1,359,424	\$2,339,746	-\$980,322	-26.5	1
General Merchandise Stores	452	\$54,627,147	\$17,828,399	\$36,798,748	50.8	13
Department Stores Excluding Leased Depts.	4521	\$36,367,572	\$10,735,188	\$25,632,384	54.4	4
Other General Merchandise Stores	4529	\$18,259,576	\$7,093,211	\$11,166,365	44.0	9
Miscellaneous Store Retailers	453	\$14,776,203	\$16,799,997	-\$2,023,794	-6.4	37
Florists	4531	\$643,671	\$1,181,310	-\$537,639	-29.5	5
Office Supplies, Stationery & Gift Stores	4532	\$2,525,943	\$1,552,481	\$973,462	23.9	9
Used Merchandise Stores	4533	\$1,981,267	\$3,920,670	-\$1,939,403	-32.9	13
Other Miscellaneous Store Retailers	4539	\$9,625,322	\$10,145,537	-\$520,215	-2.6	11
Nonstore Retailers	454	\$7,135,264	\$3,244,648	\$3,890,616	37.5	3
Electronic Shopping & Mail-Order Houses	4541	\$5,189,996	\$541,084	\$4,648,912	81.1	1
Vending Machine Operators	4542	\$377,574	\$0	\$377,574	100.0	0
Direct Selling Establishments	4543	\$1,567,694	\$2,703,565	-\$1,135,871	-26.6	2
Food Services & Drinking Places	722	\$34,180,947	\$28,816,431	\$5,364,516	8.5	74
Special Food Services	7223	\$1,028,869	\$2,312,096	-\$1,283,227	-38.4	5
Drinking Places - Alcoholic Beverages	7224	\$1,733,398	\$2,356,333	-\$622,935	-15.2	11
Restaurants/Other Eating Places	7225	\$31,418,680	\$24,148,002	\$7,270,678	13.1	59

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement.
<http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

Source: Esri and Infogroup. Retail MarketPlace 2017. Copyright 2017 Infogroup, Inc. All rights reserved.

March 07, 2018

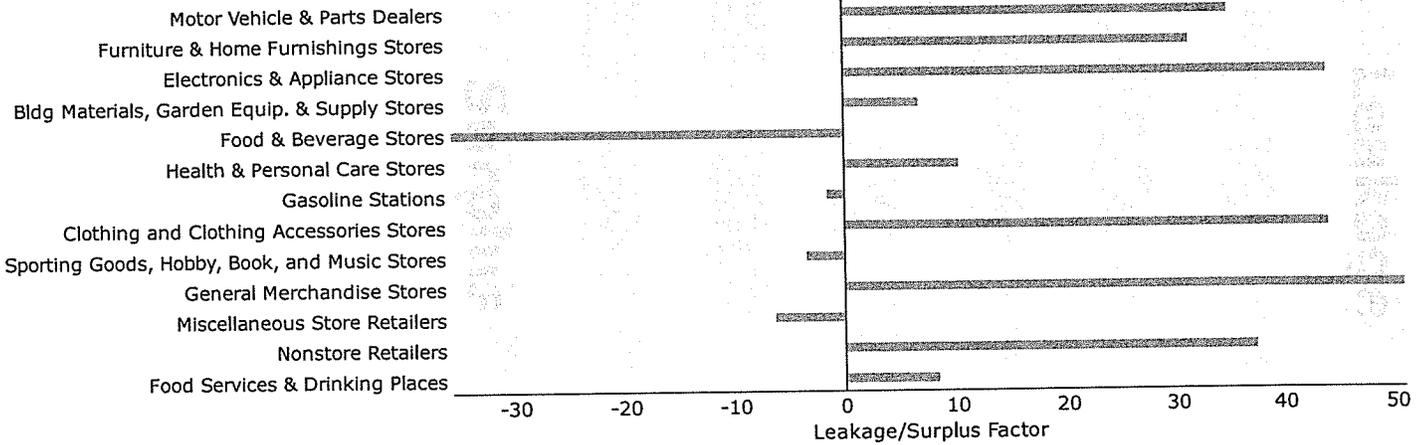


Retail MarketPlace Profile

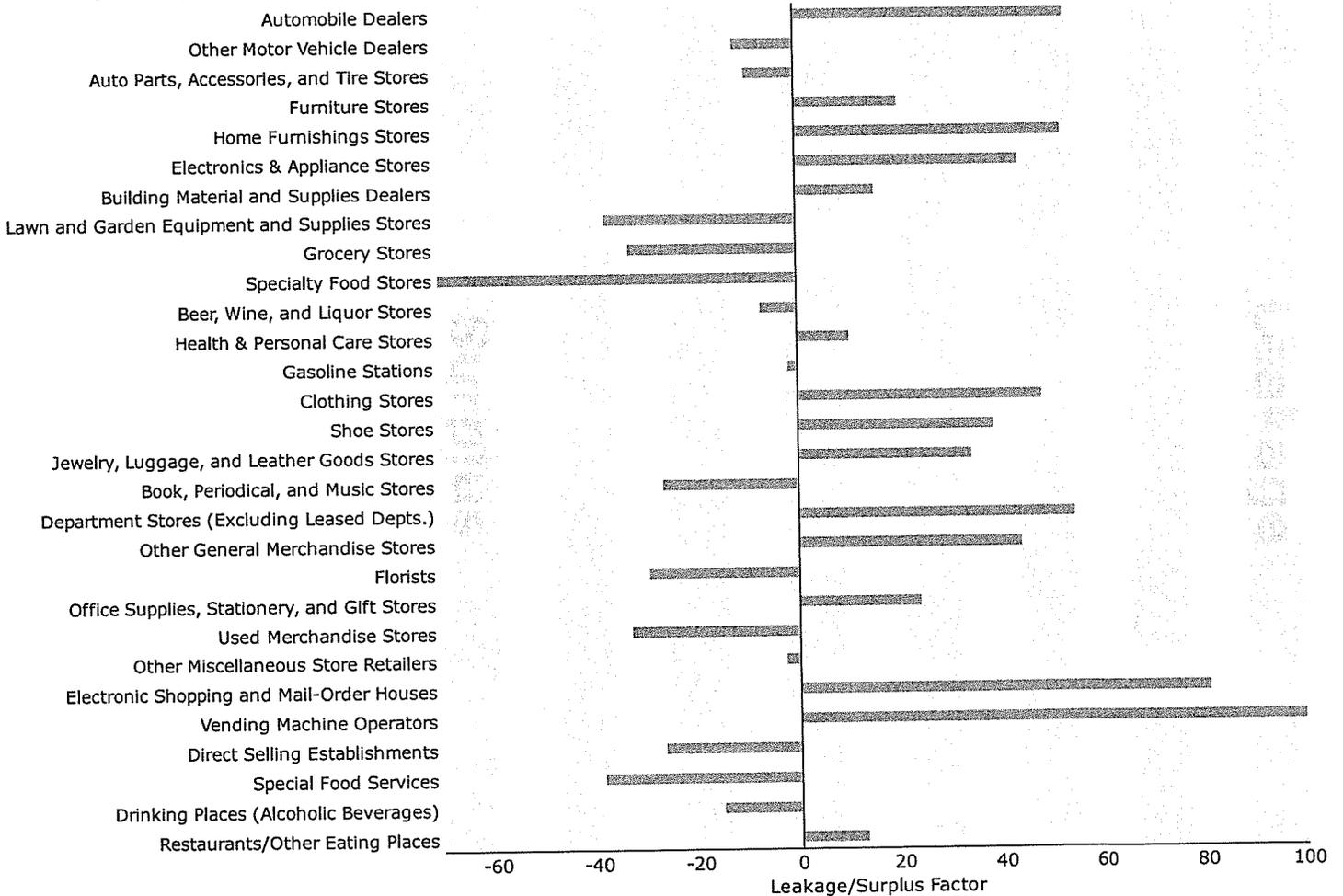
Water St & Maple St, Manistee, Michigan, 49660
 Drive Time: 30 minute radius

Prepared by Esri
 Latitude: 44.24683
 Longitude: -86.32378

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



Source: Esri and Infogroup. Retail MarketPlace 2017. Copyright 2017 Infogroup, Inc. All rights reserved.

DOWNTOWNMANISTEE

— *michigan* —

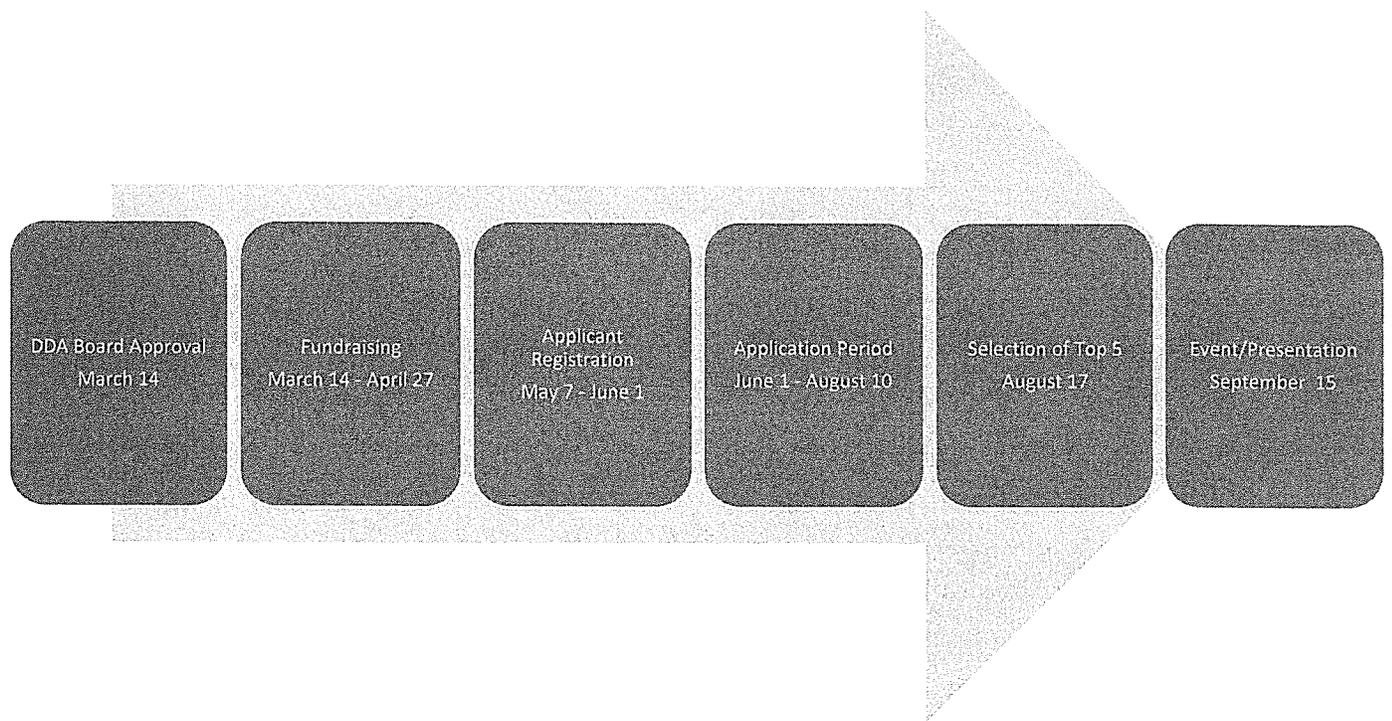
DATE: March 9, 2018
TO: DDA Board
FROM: Tyler Leppanen
RE: Manistee 5x5

The event has been named “Spark Manistee.” The purpose of the event is to generate business interest and “spark” the entrepreneurial thinking of the community. Included are the guidelines, a project timeline and tasks, and a sponsor letter.

The way the committee envisions this working is that we will get sponsors for the event. Then we will open ask for people to submit their business ideas with basic information. Valarie has already been contacting people to create a Spark Manistee logo and website to accept submissions. We intended to make this as simple and as easy as possible to submit their idea. Then the Spark Manistee committee will pick the top five business ideas. Those five semi-finalists will work with Tom Hinman, Talent & Entrepreneur Coordinator with the Mason County Growth Alliance and West Shore Community College, to create their presentations that will address certain criteria that the judges will use to vote on the final winner.

The semi-finalists will do a 5-minute presentation to a panel of 4 judges with the community counting as one vote. The winner of the event will receive \$5,000, a \$5,000 revolving loan from the DDA, and donated professional services. The award will be paid out according to the guidelines.

I am looking for the Board to approve and support the Spark Manistee event.



Manistee 5x5 Project Tracking				
Task	Who	Start	Deadline	Status
Name of event	Committee		February 28	Complete
Complete guidelines and plan for Board approval	Tyler		February 28	Complete
Two separate fundraising letters	Valarie		February 28	Complete
Contact sponsors	Valarie	March 14	May 4	
Request donated professional services	Chamber	March 14	May 4	
Create application and registration form	Tyler	March 14	April 27	
Promote event to potential businesses	Committee	April 27	June 1	
Plan event	Committee	April 27	September 15	
CVB Video	Tyler/Kathryn		May 7	
Other event promotions	Committee	April 27	September 15	

Name
Business Name
Address
City/State/Zip

Date

Dear Sir:

The Manistee Downtown Development needs your help to fund new business ideas and encourage small business entrepreneurs in our community. Downtown Manistee Marketplace is home to nearly 150 business and community resources. Working with and on behalf of the Manistee downtown business community, the Manistee Downtown Development Authority wants to make Manistee a great place to live, work and build a business. One of the Authority's goals is to incentivize entrepreneurial growth and support business development by offering a "shark tank style" award in 2018 called [insert name].

Championing Manistee as a great place is critical to attracting new talent and businesses to our community and supporting Manistee's long-term economic success.

Join us as a sponsor of this first annual event!

What is Spark Manistee?

Spark Manistee provides an opportunity for an entrepreneur to win the gift of a \$5,000 award, \$5,000 loan and possible business consulting services to jump start a business at a public pitching competition event with judges. Five finalists will be selected to participate in [insert name].

The small business entrepreneur finalists will have five minutes to pitch a new business concept or entrepreneurial idea for a chance to win the \$5,000 award, \$5,000 loan and consulting services at a public event. The five finalists will also have the opportunity to display any products, services or marketing materials before the event and will be available to answer questions about their business or business idea. The judges will rank the presentations based on which company they would most likely invest. This competition is a great way for entrepreneurs to make connections, find resources, and grow their business idea.

Funded entrepreneurs will be expected to return and give a public update on how the money was used. Our goal is to kick off [insert name] this year.

How can I sponsor Spark Manistee?

We have three sponsorship levels that you can sponsor this small business growth incentive including the sponsorship package listed on the following page:

SPONSORSHIPS

Title Sponsor (\$5,000) – One Available

- Recognition as the Annual Supporting Sponsor
- Company logo on printed event marketing materials
- Company signage at the event
- Logo on the event web page as title sponsor
- Opportunity to provide brief introductory or opening remarks at the event
- Social media recognition as title sponsor
- One position on the finalist selection committee
- One position on the judge's panel. Panelist names will be featured on promotional materials.

Gold Sponsor (\$1,000) – Multiple Available

- Company logo on printed event marketing materials
- Logo on the event web page and social media as a sponsor
- One position on the finalist selection committee or on the judge's panel

Silver Sponsor (\$500 or Donate Consulting Services for the winner valued at a minimum of \$500 or more) – Multiple Available

- Logo on all print advertising, posters and rack cards
- Company Name in all media information

Help support entrepreneurial spirit in the Manistee downtown and grow our community by supporting this small business opportunity and make someone's dream a reality. Please complete the attached Sponsorship Form to commit your support. We welcome your questions and feedback.

Sincerely,

Tyler Leppanen
Executive Economic Development Director

ⁱ Possible services might include accounting, design, printing, legal or any other service that would encourage entrepreneurs to take the next step.

[INSERT NAME]

SPONSORSHIP FORM

Please fill out the following form to confirm your sponsorship package. Completed forms can be returned to Tyler Leppanen at tyler.leppanen@manisteedowntown.com or mailed to: Manistee Downtown Development Authority, 70 Maple Street, Manistee, MI 49660. Please contact us with any questions.

Company Name:	
Contact Person	
Contact Person Email Address:	
Contact Phone Number	
Company Address:	
City/State/Zip Code:	

SPONSORSHIP PACKAGES:

Please check your sponsorship level.

<input type="checkbox"/>	Title Sponsor (\$5000)
<input type="checkbox"/>	Gold Sponsor (\$1,000)
<input type="checkbox"/>	Silver Sponsor (\$500 or possible consulting services – Please indicate type below.) ¹

PAYMENT METHOD

Please send me an invoice

I have enclosed a check made payable to the Manistee Downtown Development Authority

THANK YOU FOR YOUR SUPPORT

Once we receive your completed sponsorship form, the staff will contact you to discuss consulting sponsorships, event arrangements, sponsorship benefits and recognition.

Please send your high-resolution color and black and-white logos to tyler.leppanen@manisteedowntown.com.

¹ Opportunities for consulting service sponsorships may be limited due to duplication of services and are available on a first come basis. Every attempt will be made to maximize their benefits for participants.

DOWNTOWNMANISTEE

michigan

DATE: March 9, 2018
TO: DDA Board
FROM: Tyler Leppanen
RE: Fiscal Year 2018-2019 Budget

The budget being presented is a draft budget with a slight increase of 0.68% which is the first increase in revenue in a few years and an increase in Personal Property Tax reimbursements. There are still a few unknowns, such as how much the City is going to request for services, and event profits. I have asked the event chairs to provide me with revenue and expenses by the next meeting.

As of right now there is a \$3,737 surplus that the Board may allocate. My two suggestions would be either into façade grants or advertising or use for a pilot program to assist upper floor rehabs. Keep in mind that this amount may decrease based on the two issues mentioned above.

**Manistee City
DDA 2018-2019 Proposed Budget**

	2016-2017 Budget	2017-2018 Budget	2018-2019 Budget
TIF Revenue	\$ 271,622.00	\$ 259,077.00	\$ 262,667.00
Delinquent Personal Property Taxes			
Delinquent Taxes			
Total TIF Revenue	\$ 271,622.00	\$ 259,077.00	\$ 262,667.00
Small Taxpayer Exemption on Personal Property	\$ 18,560.00	\$ 18,000.00	\$ 20,000.00
<u>Misc. Rev</u>			
Interest Income	\$ 115.00	\$ 100.00	\$ 100.00
Event Merchandise	\$ -	\$ -	\$ -
Misc. Income	\$ -	\$ -	\$ -
Loan Application Fees	\$ -	\$ -	\$ -
Hanging Baskets Sponsors	\$ -	\$ -	\$ -
Tree Sponsors	\$ -	\$ -	\$ -
Holiday Decoration Sponsors	\$ -	\$ -	\$ -
Grants	\$ -	\$ -	\$ -
Fund Balance	\$ -	\$ -	\$ -
Total Misc. Revenue	\$ 115.00	\$ 100.00	\$ 100.00
Total Revenue	\$ 290,297.00	\$ 277,177.00	\$ 282,767.00
<u>Required Expenditures</u>			
Payroll	\$ (80,655.00)	\$ 65,000.00	\$ 65,000.00
Relocation	\$ -	\$ -	\$ -
Admin	\$ -	\$ -	\$ -
Bond Payment	\$ (139,750.00)	\$ 140,000.00	\$ 140,000.00
Insurance	\$ (1,800.00)	\$ 1,800.00	\$ 1,800.00
Bank Service Charge	\$ -	\$ 100.00	\$ 100.00
Total Required	\$ (222,205.00)	\$ 206,900.00	\$ 206,900.00
<u>Office Related</u>			
Phone	\$ (1,200.00)	\$ -	\$ -
Meeting Refreshment	\$ -	\$ -	\$ -
Credit Card	\$ (200.00)	\$ 200.00	\$ 200.00
Training	\$ (500.00)	\$ 1,250.00	\$ 1,250.00
Printing & Reproduc	\$ (250.00)	\$ 250.00	\$ 250.00
Misc	\$ (300.00)	\$ 300.00	\$ 300.00
Membership due	\$ (750.00)	\$ 430.00	\$ 430.00
Advertising	\$ (300.00)	\$ 300.00	\$ 300.00
Rent	\$ (6,000.00)	\$ -	\$ -
Postage	\$ (350.00)	\$ 350.00	\$ 350.00
Office Supplies / Equip	\$ (1,500.00)	\$ 1,000.00	\$ 1,000.00
Travel	\$ (1,000.00)	\$ 1,000.00	\$ 1,000.00
Business Expo	\$ -	\$ -	\$ -
Total Office Expenditures	\$ (12,350.00)	\$ 5,080.00	\$ 5,080.00
<u>Prof. Services</u>			
Accounting	\$ -	\$ 3,000.00	\$ 5,000.00

**Manistee City
DDA 2018-2019 Proposed Budget**

	2016-2017 Budget	2017-2018 Budget	2018-2019 Budget
TIF Plan Redevelop		\$ 500.00	\$ -
Annual Audit	\$ (1,500.00)	\$ 1,750.00	\$ 1,500.00
Local Banks (\$25,000 Loan)		\$ -	\$ -
IRP Loan Program	\$ -	\$ -	\$ -
Revolving loan Fund	\$ (250.00)	\$ -	\$ -
Legal Fees	\$ (750.00)	\$ 1,000.00	\$ 750.00
Total Professional Services	\$ (2,500.00)	\$ 6,250.00	\$ 7,250.00
<u>Maintenance</u>			
City Allocation	\$ (10,000.00)	\$ 22,000.00	\$ 22,000.00
Cross Walks	\$ -	\$ -	\$ -
Downtown Maint	\$ -	\$ -	\$ -
Total Maintenance	\$ (10,000.00)	\$ 22,000.00	\$ 22,000.00
<u>Beautification</u>			
Trees	\$ -	\$ -	\$ -
Hanging Baskets + Watering	\$ (8,000.00)	\$ 13,000.00	\$ 13,000.00
Landscaping	\$ (18,000.00)	\$ 18,000.00	\$ 18,000.00
Holiday Decorations	\$ (10,000.00)	\$ 8,000.00	\$ 8,000.00
Façade Grant	\$ (8,000.00)	\$ 10,000.00	\$ 10,000.00
Flowers	\$ -	\$ -	\$ -
Total Beautification	\$ (44,000.00)	\$ 49,000.00	\$ 49,000.00
<u>Projects</u>			
Loop Signage		\$ -	\$ -
Window Wraps	\$ (3,000.00)	\$ -	\$ -
Historic Tour Plaques			
Redevelopment Liquor Licenses	\$ (375.00)		
Marketing & Incentivizing Residential Space	\$ (500.00)		
Revitalize LLC Contract		\$ 500.00	
Educational Series	\$ (500.00)	\$ 500.00	\$ -
Recruitment Team	\$ (1,000.00)	\$ -	\$ -
Business Assistance - other			
Property Acquisitions	\$ -	\$ -	\$ -
Contribution Farmer's Market	\$ -	\$ -	\$ -
Downtown Dollars	\$ (900.00)	\$ 900.00	\$ 900.00
Total Projects	\$ (6,275.00)	\$ 1,900.00	\$ 900.00
<u>Volunteers</u>			
Volunteer Appreciation	\$ 1,000.00		\$ -
Volunteer Recruitment	\$ -	\$ -	\$ -
Total Volunteer Expenditures	\$ 1,000.00	\$ -	\$ -
<u>Advertising</u>			
Revenue Co-Op	\$ -	\$ -	\$ -
Promo Expense Pass Through	\$ -	\$ -	\$ -
Co-Op Advertising	\$ -	\$ -	\$ -
Database	\$ -	\$ -	\$ -

Manistee City
DDA 2018-2019 Proposed Budget

	2016-2017 Budget	2017-2018 Budget	2018-2019 Budget
Promotions PSA's	\$ -	\$ -	\$ -
PR	\$ -	\$ -	\$ -
Advertising	\$ (4,000.00)	\$ 3,100.00	\$ 4,100.00
Newsletter + Mailing	\$ (1,300.00)	\$ 300.00	\$ 300.00
Retainer for Rightside Design (promotions)	\$ (5,000.00)	-	\$ -
Website Redevelopment	\$ (500.00)	\$ 1,000.00	\$ -
MSDDA Website (hosting)	\$ (100.00)	\$ -	\$ -
Downtown brochure	\$ -		\$ -
Total Advertising	\$ (10,900.00)	\$ 4,400.00	\$ 4,400.00
Total Expenditures	\$ (307,230.00)	\$ 295,530.00	\$ 295,530.00
Income/Loss before Events	\$ (16,933.00)	\$ (18,353.00)	\$ (12,763.00)
Events			
Wine & Chocolate Walk Rev	\$ 8,500.00	\$ 6,300.00	\$ 6,300.00
Wine & Chocolate Walk Exp	\$ (5,700.00)	\$ (4,329.00)	\$ (4,300.00)
	\$ 2,800.00	\$ 1,971.00	\$ 2,000.00
Frostbite Sponsorships	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00
Frostbite Saturday Exp	\$ (2,500.00)	\$ (660.00)	\$ (1,000.00)
	\$ (1,000.00)	\$ 340.00	\$ -
Side Walk Sales Rev	\$ -	\$ -	\$ -
Sidewalk Sales Exp	\$ (500.00)	\$ (500.00)	\$ (500.00)
	\$ (500.00)	\$ (500.00)	\$ (500.00)
Hops & Props Rev	\$ 33,000.00	\$ 33,500.00	\$ 33,500.00
Hops & Props Exp	\$ (25,000.00)	\$ (21,500.00)	\$ (21,500.00)
	\$ 8,000.00	\$ 12,000.00	\$ 12,000.00
Boos, Brews & Brats Rev	\$ 9,500.00	\$ 9,500.00	\$ 9,500.00
Boos, Brews & Brats Exp	\$ (6,500.00)	\$ (6,500.00)	\$ (6,500.00)
	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Sleighbell Weekend Rev	\$ 21,500.00	\$ 21,500.00	\$ 21,500.00
Sleighbell Weekend Exp	\$ (20,000.00)	\$ (20,000.00)	\$ (21,500.00)
	\$ 1,500.00	\$ 1,500.00	\$ -
Red White & Blue Rev	\$ 10,000.00	\$ -	\$ -
Red White & Blue Exp	\$ (5,000.00)	\$ -	\$ -
	\$ 5,000.00	\$ -	\$ -
Men's & Ladies Night Rev	\$ (1,700.00)	\$ 500.00	\$ 1,100.00
Men's & Ladies Night Exp	\$ -	\$ (300.00)	\$ (1,100.00)
Other Event	\$ (1,700.00)	\$ 200.00	\$ -
Event Income/(Loss)	\$ 17,100.00	\$ 18,511.00	\$ 16,500.00

Manistee City
DDA 2018-2019 Proposed Budget

	2016-2017 Budget	2017-2018 Budget	2018-2019 Budget
Total Income/(Loss)	\$ 167.00	\$ 158.00	\$ 3,737.00

DOWNTOWNMANISTEE

michigan

DATE: March 9, 2018
TO: DDA Board
FROM: Tyler Leppanen
RE: Update on American Cleaners

Compliance Inc has begun work at the American Cleaners site. A Phase 1 assessment will be complete by the end of the month. I have included communications from Compliance Inc to myself and T., as well as a draft summary section for the Phase 1 assessment. T. Eftaxiadis will provide an update at the meeting.

The Phase 1 assessment will tell us if there are Recognized Environmental Conditions (REC). The Phase 2 assessment will show what specific contaminations are on site.

Our purchase agreement deadline is the end of the month. The Board could authorize the Executive Director to proceed to closing.

[Print](#) | [Close Window](#)

Subject: RE: Manistee DDA Agreement

From: Jim Rossi <rossi@complianceinc.com>

Date: Fri, Mar 09, 2018 10:13 am

To: ""tyler.leppanen@manisteedowntown.com"" <tyler.leppanen@manisteedowntown.com>, 'eftaxiadis' <eftaxiadis@charter.net>

Attach: 285 River Street - Draft Phase I ESA Summary.pdf

285 River Street - Aerials and Topos - 1.pdf

285 River Street Sanborn Maps - 2.pdf

Hi Tyler and T,

We have completed a large portion of the Phase I assessment process. There are some things yet to complete, notably a FIOA records review of some nearby sites of contamination. But it appears unlikely that any of those records are going to identify known contamination on the subject site from an off-site source and the Phase I ESA will likely list some nearby sites as having a potential (which does not appear high) to affect the subject site. Also, I have not received information yet from the Historical Society.

Attached is a draft of a summary section for the Phase I ESA report based on information to date. I am relatively comfortable that our final conclusions will be similar to this. If you can review this and let me know if it is sufficient to continue with the plan of completing a Phase II Assessment next Friday (March 16), that would be great. As you will see, the main concerns are the former handling of dry cleaning fluids in the southern part of the dry cleaners building and a former, apparent fuel oil underground storage tank (UST) that was removed from the site on or about 1990 with no confirmation sampling. I interviewed both the owner of the site (Don Miller, who was also a former operator of the dry cleaners) and the most recent operator (Byron Joseph). Neither was aware of any USTs for the storage of dry cleaning fluids and each thought the several pipes in the floor were related to water or sanitary sewer connections. However, their knowledge of the site only goes back to about 1980 and the possibility that a below grade tank for dry cleaning fluid storage (e.g., PCE which was used at the site) was used prior to that cannot be ruled out.

I believe the scope of the Phase II ESA as proposed is adequate (seven GeoProbe borings, three of which are in the building(s) and four of which are exterior to the buildings). We can work out the final boring locations next week. The original scope did specify analyzing the samples for Volatile Halogenated Hydrocarbons and given that there was a known UST that apparently was used for fuel oil, we might want to expand that to full scan VOCs for some/all samples.

Please let me know your thoughts. I would like to make a go/no go decision on the Phase II field work on Monday.

Thanks.

Jim Rossi

Copyright © 2003-2018. All rights reserved.

DRAFT

**PHASE I
ENVIRONMENTAL SITE ASSESSMENT**

**Former American Cleaners Property
285 River Street
Manistee, Michigan**

1.0 SUMMARY

At the request of the Manistee Downtown Development Authority (Manistee DDA), Compliance, Inc. performed a Phase I Environmental Site Assessment (Phase I ESA) of a parcel of land located at 285 River Street in Manistee, Michigan (hereafter referred to as the “Site” or the “subject Site”). The site is owned by Donald and Linda Miller and was formerly operated as a dry cleaners known as the American Cleaners. There is a second building on the site that was originally constructed to be a public laundromat and which had various other light-commercial uses. The Site is located on the south side of River Street west of Cypress Street in downtown Manistee.

This Phase I ESA was performed in conformance with the scope and limitations of the American Society for Testing and Materials (ASTM) Practice E 1527-13. The assessment of the site was completed over the period February 28 to March ___, 2018. The findings of this assessment are summarized below and presented in detail in the main body of this report.

Four recognized environmental condition (RECs) as defined by ASTM were revealed during the assessment of the site.

- **Prior Dry Cleaners Use of the Site.**

From 1949 to 2015, the property was operated as a dry cleaners known as American Cleaners. That operation was conducted in the northwestern-most building at the site (hereafter referred to as the dry cleaner building). The American Cleaners site is not a state or federal regulatory listed site of contamination. However, the former dry cleaning activities involved the storage and handling of dry cleaning fluids containing tetrachloroethene (also known as perchloroethylene or PCE) from at least 1982 to 2000 and alternate, non-PCE containing, dry cleaning fluids from 2000 to 2015. The operations also involved the storage and handling of dry cleaning machine bottoms and spent filters.

DRAFT

According to the current property owner, who was also a past site operator, and the subsequent site operator, dry cleaning fluids, including PCE, were primarily stored in the dry cleaning machine with additional fluids stored in drums. According to these personnel, during their periods of operation (1982 to 2015), no dry cleaning fluids were stored in above ground storage tanks (ASTs) or underground storage tanks (USTs) and no transfer piping (below or above ground) for dry cleaning fluids were used at the site. Neither the current owner or subsequent site operator knew of any significant spills or releases of dry cleaning fluids at the site. However, multiple drains/pipes in the building floor were observed during the site visit. While the site owner and the subsequent operator reported these were likely water or wastewater lines, that could not be confirmed during the site visit. Given: 1) the absence of information concerning dry cleaning operations that occurred prior to 1982 (which also likely included the use of PCE), 2) the presence of multiple pipes and drain in the building floor, 3) the presence of cracks in the concrete floor in the former dry cleaning area, and 4) the fact that the site's early dry cleaning operations occurred during a period in which the handling of dry cleaning fluids and wastes was largely unregulated, the potential for releases of dry cleaning fluids at the site is considered an REC.

- **Past Use of an Underground Storage Tank, Presumably for Fuel Oil Storage**

According to the current site owner and assessment records obtained from the City of Manistee, fuel oil was originally used to heat and generate steam (for ironing) in the dry cleaner building. While the use of fuel oil had ceased prior to 1980, the site owner indicated that sometime around 1990 a UST, presumed to formerly store fuel oil, was encountered by a utility company doing work near the southeast corner of the dry cleaners building. The site owner estimated the steel tank to be approximately 5,000-gallons in size and reported that it was excavated and removed from the site at that time. He stated that the steel tank appeared to be in good condition at the time of its removal and that he did not observe indications of a fuel oil release. However, no testing of soils was completed as a part of the UST removal. Given the apparent past storage of fuel oil at the site in a UST, its likely conveyance in underground piping, and the absence of any soil or groundwater testing at the time of the apparent fuel oil UST's removal, this former UST is considered an REC.

- **Adjoining and Nearby Sites of Environmental Concern.**

Several sites of known environmental concern are located near the subject site. These include an open Leaking Underground Storage Tank (LUST) site located at the northeast corner of River and Cypress Streets and a second open LUST site located approximately

DRAFT

500 feet south of the site. Additionally, a closed LUST site is located adjoining the site to the north (the current House of Flavors property north of River Street) and a second closed LUST site is located approximately 300 feet west of the site. While the groundwater flow direction at the subject site has not been determined and Compliance, Inc.'s review of information concerning these adjoining and nearby sites is ongoing, none are known sources of contamination at the subject site. Nonetheless, the potential exists for a petroleum or other hazardous material release at a nearby site to affect the subject site. The significance of any such contamination would be mitigated, in part, by the fact that municipal water is provided to the site and all nearby properties. However, because contamination from another site could pose a risk via other pathways of exposure, such as migration to indoor air, these adjoining and nearby sites are considered an REC for the subject site.

- **Historic Commercial Use of Site**

Prior to the realignment of Cypress Street, the northeastern portion of the site was part of property used for commercial purposes which according to Sanborn fire insurance maps, included a hotel. That building appears to have been removed at the time of the Cypress Street realignment that occurred on or about the 1940s. While the past uses of that part of the property do not suggest a significant environmental concern, the former buildings may have been heated by fuel oil or coal, the storage and handling of which poses some environmental concern and is therefore considered an REC for the site.

While not considered to be an REC, the following other findings of this Phase I ESA are noted.

- **Laundromat/Commercial Building.** In addition to the past dry cleaning operations that occurred at the site, a second building exists on the southern portion of the site and was originally constructed in 1960 for use as a public laundromat. Historical records indicate that the building was heated with natural gas with no indications of past fuel oil use (although the former UST listed above was near this building). Subsequent uses of that building other than as a laundromat included a dress shop, an antique shop, a pawn shop and a bicycle shop. Compliance, Inc. was not provided with any specific information regarding historical chemical use in this building, but it is possible that hazardous chemicals or wastes were handled on that portion of the subject site in the past. While the known past uses do not suggest a high risk of environmental impairment, given the extended period of its operations, these past uses are considered notable.

DRAFT

It is Compliance, Inc.'s best professional judgment, based upon all appropriate inquiry and the nature of the site and surrounding properties, that this Phase I ESA is sufficient to discover potential RECs at the site. The results of this assessment are intended to serve as indicators of the potential for environmental impact arising from reasonably discoverable chemical and fuel management and waste disposal activities conducted at the site, or the existence of sensitive environmental attributes in the immediate vicinity. However, the results of this evaluation should be used with the knowledge that no environmental site assessment can wholly eliminate uncertainty regarding potential environmental impairment in connection with a property. Therefore, this assessment is intended to appropriately reduce, but not eliminate, uncertainty regarding the potential for RECs in association with this property.