

Downtown Development Authority

Workshop Minutes

Wednesday, December 2, 2015
Noon, City North Side Marina



City of South Haven

MISSION STATEMENT: The Downtown Development Authority (DDA) is to be a leader in helping to fulfill the City of South Haven Municipal Plan; through planning, funding, and development of projects within the DDA District which promote, encourage and contribute to the overall economic growth and development of the community.

Present: Braun (12:20 p.m.), Frederick, Marcoux, Maxwell, Newton, Olson

Absent: Burr, Whiteford

Also present: Wendy Hochstedler, Finance Director; Larry Halberstadt, City Engineer; Fred Becht, Dairy Queen Owner; Ryan Storr, Dairy Queen Manager

1. DDA will be asked to review projects, cost estimates, and prioritize future projects.

Davidson explained the spreadsheets in the packet and the updated spreadsheet with estimates. The working list from the plan has check marks to indicate completed projects.

In response to a question regarding funding for Black River Park Parking project, Davidson explained that the city is now looking at doing the Phase II part of the project which would be funded by another city fund so the DDA's commitment does not change. The result would be a total of thirty-two (32) plus four (4) handicapped with a total of thirty-six (36) parking spaces.

Marcoux asked if the Old Harbor Inn settlement money has been applied to develop more parking to which Hochstedler responded that she has had no direction from the city manager of where to put those funds. Marcoux said he was told by the city manager that the settlement would be used to increase the parking at the ~~Baar's~~ *Black River* site.

Davidson noted that the Huron Street Parking (where the old Baar's building was) will provide twenty-six (26) spaces, just the construction of the parking lot, leaving space for a future restroom. Marcoux inquired whether it will be big enough for the ice rink storage and office. Davidson said she was told to count on approximately two hundred dollars (\$200) per square foot per space. Hochstedler said it depends on how much space you want to have for the ice rink portion. Marcoux said he distinctly remembers asking the Abonmarche representative whether there was enough space for both restroom and ice rink facility, and the representative saying yes. Newton said she wondered how Abonmarche could say that without knowing what was needed for the ice rink. Maxwell wondered what it could be used for outside of the winter months. Davidson noted that the ice rink office and rental facility has been expanded this year at the ice rink manager's expense, spending eleven thousand

dollars (\$11,000) to do so. Currently, the ice rink office has 527 sq. ft. behind the Visitor's Bureau plus approx. 800 sq. ft. additional space in Knytych's building. If someone would buy and tear down Knytych's building, the ice rink operation would lose a large amount of space.

Discussion moved to the Broadway Street improvement project and Davidson noted that there were strict elements for the grant for Broadway Street Improvement and the city only met one (1) of the four (4) in the grant application.

Center Street Improvements. Davidson noted that Halberstadt provided figures and the city needs hefty grants for both Center Street and Broadway improvements. Halberstadt noted half of the cost of the Broadway improvement is for the lighting and that is included in the estimate; that amount does not include Wi-Fi improvements. Marcoux inquired what the Wi-Fi improvements would be which Halberstadt noted would be to expand the coverage area, which is spotty on most of Broadway. Discussion ensued regarding where the signal can be accessed on a good day.

Water Street Improvements. Halberstadt noted that is for one stairway with a small landing level deck on which the city has received negative feedback. Exactly what will be proposed is not finalized.

Davidson noted the last amendment to the plan was for the South Beach Building Project, one element of which is the splash pad. Abonmarche is working on cost estimates for this now because the city wants to go for a Trust Fund Grant and possibly DDA can help fund this. The City will also seek donations. Marcoux asked if those potential donors included naming rights to which Davidson responded that she did not know but the theme proposed will be related to the Friends Good Will tall ship. Marcoux commented it could be a good way to keep kids out of the lake when there are red flags and added that the Community Foundation is looking for a notable kids' project that they could have their name on.

Olson asked about getting some budget figures. Hochstedler referred to the DDA Financial sheet in the packet. A projected sixteen thousand (\$16,000) of two hundred twenty-eight thousand dollars (\$228,000) is planned for this year. One of the items included in the budget is one hundred fifty thousand dollars (\$150,000) for the Water Street project, which Hochstedler does not think will make the cut, so that money may be able to go for the other projects. Olson said we have two hundred twenty-eight thousand dollars (\$228,000) going forward and Hochstedler reiterated that the one hundred fifty thousand dollars (\$150,000) may get moved there if it is not spent on Water Street.

Davidson asked whether the board thinks we are on the right track or if there is something the board would rather see the DDA focus on for the future. Marcoux asked about the Capital projects category and what projects are included in there. Black River Parking, per Halberstadt. Hochstedler said the majority of that is under Capital Projects; Revenue Expenditure Report with the detail and Hochstedler thinks there is more included in the budget. Hochstedler noted there are twenty-thousand dollars (\$20,000) of hazard elimination which is mostly sidewalk work and we capitalize that, so some of that is in there.

The \$75,000 upgrade to the Broadway light is the cost to the city to upgrade to the black poles and mast arms instead of the MDOT standard poles and wires.

Marcoux asked if the figure in the report is what is spent on the ice rink every year to which Davidson responded that yes, it is a very expensive operation. In response to questions, Davidson pointed out that the income from the ice rink is Spencer's; the city does not have income from the ice rink. Marcoux asked about the employee costs shown, which Hochstedler explained are not to pay Spencer or his employees but what the city pays city employees to do the set up and tear down of the ice rink. Olson asked whether Spencer carries his own insurance and Davidson confirmed that he does.

Newton commented we need to spend two hundred thirty thousand dollars (\$230,000). Olson asked whether the DDA should stay with the plans we have or change the priorities. Frederick said the board should stay with the plans we have. Davidson commented that parking and street repair were often mentioned as priorities in the past.

Streets within the DDA are in pretty good shape, according to Halberstadt. Outside the DDA, for the last two or three years, the City has been working with Abonmarche on completing sewer studies because of heavy rainwater issues. Halberstadt projected that about thirty million dollars (\$30,000,000) worth of improvements have been identified between the plant and the sewers; when it comes time to do the sewers, the streets and water will be improved as needed. Tentatively next year there will be a lot of discussions about how the City is going to fund these projects. Halberstadt said the City is lined up to get some state revolving funding for some of the work and traditional bonding. The total scope by next fall is to start on Monroe Boulevard all the way to Aylworth, unless it is broken into two projects. On the heels of that, about a year later, winter of 2016 and 2017, the road commission is going to be rehabbing the bridge on Blue Star Highway over the Black River due to it being in poor condition. Baseline, North Shore and Dyckman will be used as the detour. The next year we plan to work on North Shore Drive due to condition, probably with the project being split into two (2) phases.

Olson threw out the idea to have the DDA fund the demolition of Hale's to make it more marketable. Discussion ensued regarding the liens exceeding any cost people are willing to pay.

Olson asked whether an approval is needed of the direction DDA is on to which Davidson replied that discussion is the intent. Newton said the dollars may spend themselves as the DDA keeps rolling in on the plan; it is a great plan. Marcoux noted the stairway is in there. Halberstadt said he thought DDA talked about going ahead with the restroom and leaving the space for the rink facility. Olson said the board talked about, as well, doing the building all at one time to be more cost effective. Davidson interjected we do not have a floor plan for all uses. The City needs to see if it would allow adequate room for efficient ice rink rental, office, etc. Marcoux stated that he is just talking about trying to figure out how to spend the money; more parking - parking should probably be at the top of the list. Marcoux remembers the Black River Park and a trolley being discussed; that needs to be a priority. Marcoux asked, "If we threw in one hundred thousand bucks (\$100,000); how many more spots could we buy?" Davidson said we have an area which we have a grant for and the city is looking at adding more, which they are calling Phase 1A. Newton said, "For one hundred twelve thousand seven hundred dollars (\$112,700) we are getting Phase One, you could theoretically add on to that but we have no guarantee that people will use that. We can do our best to direct people there." Marcoux said people will use it if you advertise it. Newton pointed out that would involve breaking habits of people who have come here for a long time; maybe we should see after the grant and see how it's used. Marcoux stated, "We are

going to end up with people doing overflow parking even though it's not paved or striped." Olson pointed out if it is done all at one time it will be cheaper than doing it in two phases. Marcoux noted that the last five (5) years has been "build it and they will come", like the trails, and this last year it boomeranged on us. We had more upset people because they couldn't find a parking space.

Davidson mentioned other alternatives to expand the proposed Huron Street parking lot addition. Discussion ensued about who owns the Stepping Stones building. Frederick and Newton asked about the lot the old Baptist church is on and how many parking spaces could be made there, to which Halberstadt responded possibly twenty (20). Frederick also expressed concern about the corner by the bridge and adding more traffic there with the addition of the Black River Park parking lot, which generated some discussion. Olson suggested leasing the parking lot of the Save-A-Lot, even for the next season if it is not sold, because she has observed it is not used. Discussion ensued regarding ownership of the Save-A-Lot building and leasing the lot could mean some income for the owner.

Frederick asked what "Building Improvements" entails to which Davidson responded it includes working with business owners to improve facades, but is on hold at the moment as MSHDA is reorganizing. Newton suggested a list to work from that would be just for the DDA's use.

A question about Trash Removal prompted Davidson to note that includes research and planning concerning how trash removal can be improved i.e. is there a way to reduce the number of dumpsters you see; maybe do trash compactors instead; maybe work with Reliable or someone who is an expert to come up with a plan.

Olson asked when the last amendment change was which Davidson noted was December 2013.

2. Board Member Comments

There were none.

Discussion ensued regarding the rental registration ordinance and various aspects of it.

Adjourned 1:30 p.m.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary