



**DOWNTOWN MANAGEMENT BOARD**

August 16, 2016

A regular meeting of the City of Petoskey Downtown Management Board was held in the City Hall Community Room, Petoskey, Michigan, on Tuesday, August 16, 2016. The meeting was called to order at 7:00 P.M., and the following were

Present: Lawrence Rochon, Chairperson  
Robin Bennett  
Doug Buck  
David Carlson  
Daniel Harris  
S. Reginald Smith, Vice Chairperson

Absent: William J. Fraser, Mayor

Also in attendance were the Downtown Director Becky Goodman and City Manager Robert Straebel.

Chairperson Rochon welcomed new Board member Dan Harris.

Approve Consent Agenda Items Downtown Management Board members discussed the first item of routine business, the July 19, 2016 regular session meeting minutes; acknowledgement of bills since July 19, 2016; and acceptance of the July expense and income reports as prepared by the Downtown Director.

Upon motion made by Mr. Carlson, and seconded by Mr. Smith, the July 19, 2016 regular session meeting minutes were approved; acknowledgement of bills since July 19, 2016, that totaled \$31,355.44; and expense and income reports for July were approved. Said motion was unanimously approved as submitted.

Discuss Road Trolley The Downtown Director reviewed that at the July meeting there was extensive discussion about the possibility of purchasing a road trolley and extending trolley service to the outlying hotels and also shuttling employees from a parking lot outside of town. Staff reviewed maintenance items that will need to be addressed on current trolley before next season; that ridership increases every year; that the trolley driver believes there is a demand for a new trolley; that the Mackinaw Trolley Company is for sale which the entire company can be purchased for approximately \$130,000 or road trolleys can also be purchased separately for prices between \$35,000 and \$50,000; and that Hometown Trolley Company, Crandon, Wisconsin, offers a municipal financing plan which is basically a lease to own with a \$1 buy out at the end, with the average cost of a new trolley being \$130,000 with annual payments of \$28,130.27, APR of 4.10%, and that the lease arrangement could be broken if no longer provide the service. The Downtown Director prepared a preliminary, potential, non-detailed scenario for a trolley route and expenses and recommended that if there is interest, to include funding in the 2017 Parking Fund and establish a committee that would work on a final project plan to be recommended to the Board for implementation in 2017.

Board members inquired what the cost would be to refurbish existing trolley; if Mackinaw trolleys could be purchased individually; if Board is paying a premium to look like a trolley vs. shuttle bus image; inquired how purchases would be funded; if Mackinaw Trolley Company had a lease option; that limiting investment risk is ideal by contracting with a similar company and doing a trial period; concurred to have a breakdown on purchases including sponsorship possibilities from outlying hotels and other miscellaneous items; heard comments that outlying hotels already have on-demand schedules, but a schedule in residential areas might be more viable; and heard concerns if the existing trolley will last another season.

The Downtown Director commented that the existing trolley is classified as an amusement and antique and does not have to be ADA compliant; that the project would be funded through the Parking Budget; that the Mackinaw Trolley Company does not have a lease option since the entire company is for sale; and that the trolley is successful and a nice asset to the community.

Chairperson Rochon asked for public comments and heard from those in favor of a trolley if cost effective and if money is set aside in 2017 budget; inquiries on how long the lease would be; if City Council could help with expenditures; and that riders could be charged a fee to ride to start generating revenue to cover some expenses.

Board members concurred to have the Downtown Director further research and tabled discussion for a future meeting.

Discuss 2017 Downtown Programs & Services and Parking Fund Budgets

Downtown Director reviewed recommendations for the DMB's programs-and-services budget for 2017, which would be included in the City's proposed 2017 Annual Budget to be presented to the City Council in November.

Board members then reviewed and discussed the proposed 2017 Downtown Programs and Services and Parking Fund budgets. Following the Downtown Management Board's routine procedure, the

The Downtown Director reviewed that in creation of the Programs and Services Budget, staff considered comments from the previous two Board meetings where the events schedule was discussed; reviewed items that were eliminated; that there will be three signature events, Petoskey Rocks!, Summer Open House and the Winter Carnival; that there was no support on raising special assessments; and that revenue includes \$15,000 from carry over funds, the usual sponsorships from Downtown business owners, ticket sales and two grants from the Petoskey Area Convention and Visitors Bureau.

Board members inquired on Petoskey Rocks! sponsorships and what sponsors receive in return; heard positive comments on increased attendance at both movies and bands in the park; and thanked the Downtown Director for her efforts in creating a balanced budget.

Chairperson Rochon asked for public comments and heard that the budget process is moving in a positive direction; that reserves need to be projected rather than keep taking money out; and that events are less effective if people don't come further into downtown shopping district.

The Downtown Director then reviewed the Parking Budget and that a strategic plan would need to be developed since the current one expires in 2017; that carry over in the past now is referred to as Reserve Funds to get a more realistic view of funds available for capital projects; that there is expected to be an increase in revenue due to increased revenue from the Elks Lot pay stations, chronic abuser fees, late fees and better and continued rates of past due collections; that approximately \$20,000 in expenses will be incurred to do spot repairs on the Park Garden Lot, which the CIP includes \$125,000 in 2019 for a total rehabilitation; that there is a new line item for bank charges which have been paid all along, but not listed in reports; that a \$15,000 expense is included for a pay station in the Park Garden Lot; and an increase in downtown office line item due to wages for extra hours of enforcement.

Board members inquired on what all is included in the Contracted Services line item and if pay stations for the Park Garden Lot could be deferred.

Chairperson Rochon asked for public comments and heard concerns that people don't know about pay by cell phone and that stickers should be bigger and more obvious; life of the new pay stations; and why the property lease line item was \$0.

The Downtown Director will bring the proposed budgets back to review at the September meeting.

Hear Committee Reports

The Downtown Director reported on behalf of the Marketing Committee and that the Committee is on summer hiatus.

The Downtown Director reported on behalf of the Downtown Events Committee and that Sidewalk Sales survey responses were mixed; that there was low attendance this year; no activity until 7:00 A.M.; and hours and days will be discussed for future events; that Petoskey Rocks! ended and the movie in the park was cancelled due to weather, but will be shown over Labor Day weekend; that Shopping Scramble is next and working on details; and that the Committee will formally meet in two weeks and begin fall and winter events.

In downtown beautification, the Downtown Director reported that marigolds and petunias looked pretty good throughout town despite the dry weather.

In economic enhancement, the Downtown Director reported that a new clothing store from Grand Haven is interested in finding available space; that North Perk Coffee is moving to Howard Street; and that Public Pour House opened on Mitchell Street next to Tap 30.

The Downtown Director reported on behalf of Parking and that the Luke pay stations were installed in the Elks Lot and seem to be working great with no major complaints.

The Downtown Director also reported that she would be attending the MDA workshop in Grand Haven at the end of the week and Festival on the Bay is this weekend and the Committee is in need of volunteers.

Hear City Staff Report

The City Manager reported on the status of the public art plan; that City Council requested a joint meeting with the DMB; and that the CIP was going to be reviewed by Planning Commission Thursday with City Council approval in September.

Board members inquired when downtown restrooms will be considered. The City Manager responded that they are scheduled for 2018.

Miscellaneous Comments

There was a public comment that the public art plan should be revisited and DMB still have the opportunity to approve temporary art.

There being no further business to come before the Downtown Management Board, the meeting was adjourned at 8:45 P.M.