

D.D.A. members reviewed a letter of resignation from Amy Williams. Carolyn publically thanked Amy for her years of service on the D.D.A.

Director Bennett stated there will be a Creating Entrepreneurial Communities Conference on October 26th in Lansing. Any Boardmembers interested in attending the conference are asked to contact Director Bennett.

Director Bennett stated there will be a Michigan Downtown Conference on September 28 & 29 in Ann Arbor.

Director Bennett also stated there will be a Michigan Hometown Competitiveness Academy for any interested persons October 3 – 5 in Mount Pleasant.

Director Bennett stated that the annual report has been submitted for MSHDA including information from August 2005 to August 2006. City Manger Dempsey thanked Director Bennett for diligence in collecting the information for last year's report.

Director Bennett stated the Portland postcards are now available at 16 locations in Portland.

Director Bennett stated the next D.D.A. meeting will be back on schedule for September 21st.

Motion by Antaya, supported by Kolarik, to adjourn the meeting at 4:43 P.M.

Respectfully submitted,

Yvonne M. Miller, City Clerk

Director Bennett went over the availability of funds for the purchase of a building stating there will be a projected fund balance of \$30,642.00. Ms. Bennett stated she has contacted an appraiser and he will do the appraisal for \$3,000 and have it completed by September 14th. She also stated the deadline for filing for the grant is September 15th. She stated there is a requirement for two appraisals so the D.D.A. would have an investment of \$6,000. She also stated if the D.D.A. had already had a Downtown Plan in place that would have been the commitment the State was looking for prior to a grant being granted. She stated if the City received a \$100,000 grant for the purchase of a building, our matching grant obligation would be \$25,000. She stated the D.D.A. would also be responsible for the closing costs. She stated that none of the match money can be spent in advance for appraisals or other costs. The closing costs could possibly be included in our match money. She highlighted the money not spent this year from the D.D.A. budget stating that we would have enough money for the matching grant. She also stated that the D.D.A. would not have a fund balance at the end of this year. Boardmember Antaya questioned the need to have funds available for heat and utilities for the building until a developer is located. Ms. Bennett agreed that the building would need to be heated. City Manager Dempsey also stated that the D.D.A. would still have to pay property taxes on the building until December 31, 2006 at which time the property would be tax exempt.

Motion by Antaya, supported by Barnes, to adjourn to Executive Session to discuss the purchase of land at 3:34 P.M..

All in favor. Adopted

Returned from Executive Session at 4:25 P.M.

Chairman Dumas stated it is the consensus of the Board that we are not interested in applying for the N.O.I at this time. Chairman Dumas asked Director Bennett collect more information on other properties in the downtown, so when other grants come available we will be more informed.

Mayor Barnes stated there has been catching up being done between the State of Michigan and MEDC with the newly appointed members taking inventory of the Main Street Programs. The City of Portland has received a letter from Joseph Borgstrom, Director of the Community Assistance Team (CA Team) regarding the possibility of suspending the City of Portland from the Main Street Program. The letter stated that Portland has not fulfilled its obligations to the State of Michigan under the Main Street Community Requirements and Expectations Agreement by filing its monthly and annual reports. The letter also indicated their concern regarding a part-time Main Street Manager. Mayor Barnes explained that D.D.A. Director Flanders was not well at the end of his employment with the City and that Carolyn Bennett will be working hard to duplicate the necessary reports.

Commissionmember Briggs asked if the Design Committee should be working on a Rear Façade Improvement Plan. Director Bennett explained it is not currently on our work plan; however it may be time to revisit the work plan.

Commissionmember Antaya asked Director Bennett if any of the Façade Grant recipients would be finishing their facades this year. Director Bennett stated that Wanda Urie would be finishing hers.

Mayor Barnes stated that volunteers are needed for the Design Committee.

**Minutes of the Downtown Development Authority
City of Portland**

Held on Thursday, August 31, 2006
In Council Chambers at City Hall

Members Present: Antaya, Barnes, Briggs, Dempsey, Dumas, Kavanagh, Kolarik

Members Absent: Clement, Hoppes, Pontz, Urie

Guests: None

Chairman Dumas called the meeting to order at 3:31 P.M.

Motion by Antaya, supported by Kolarik, to approve the agenda as amended with the addition of 2. Letter from Joseph B. Borgstrom, under new Business.

All in favor. Adopted

Motion by Dempsey, supported by Kavanagh, to approve the minutes of the July 20, 2006 meeting.

All in favor. Adopted

Motion by Kavanagh, supported by Barnes, to approve the Treasurer's Report.

All in favor. Adopted

Director Bennett passed out a report showing the funds available from the 2005-2006 fiscal year. Ms. Bennett stated she has not completed the Notice of Intent for the purchase of property as yet, but what she has done is to list the money available for matching funds. She stated one of the options for a grant is to purchase a building requiring a 25% match. She stated when we reviewed this in April we determined that we did not have enough money to pursue a grant. She stated with the cost savings the D.D.A. has had over the last 6 to 8 months we might be able to do that now. She stated there is another option for the D.D.A. to apply for and that is the Façade Grant. She stated when we applied in April there were 6 insufficiencies with the application. She said among them was that there was no Downtown Plan for the facades at the back of the stores. She stated we may want to consider spending some money to come up with a plan to open up the back of the buildings. She stated all the other insufficiencies can be dealt with; however, we need to work on a Façade Plan. She also stated MSHDA has extended their job creation requirement until December 2008. She stated we have had an obstacle in our way that we could not work on the facades until the boardwalk has been completed.

Director Bennett stated the other grant option we can apply for is the grant for the purchase of a building, and that is her recommendation. She stated she has had numerous conversations with a building owner over the past 8 to 9 months regarding the sale of his building in the downtown for a quarter of the value of the building.

She also enclosed in the packets the guidelines for attracting a developer for the building. She stated as time goes on, we can work out a lease agreement with the developer for the lease of the building and the improvements. She reiterated there needs to be a job creation mechanism at the end of the project.