

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

Held on Thursday, May 17, 2007
In Council Chambers at City Hall

Members Present: Barnes, Briggs, Clement, Dempsey, Dumas, Kavanagh, Kolarik Pontz

Members Absent: Antaya, Urie

Guests: Julie Clement

Chairman Dumas called the meeting to order at 3:33 P.M.

Motion by Barnes, supported by Kavanagh, to approve the agenda as presented.
All in favor. Adopted

Motion by Barnes, supported by Clement, to approve the minutes of the April 19, 2007 meeting.
All in favor. Adopted

Motion by Kavanagh, supported by Briggs, to approve the Treasurer's Report.
All in favor. Adopted

D.D.A. Director Melissa Christensen stated we are revisiting the Internal Control Process for the D.D.A. and the Main Street purchase orders and invoices. She stated when she started with the City of Portland she felt there was a lack of this process. She stated the reason she is bringing it up is to clarify how the process should be worked for budget spending. She stated there seems to be some confusion between the committees and who is controlling what. She stated she has changed some of the wording from last month's version. One thing that is going to remain the same is any purchases under \$500.00 will be approved by the D.D.A. Director, and anything over the \$500.00 limit must be approved by the D.D.A. members. She stated what the Internal Control Process does is to filter the Main Street Committees purchases through the D.D.A. Director, and then to the D.D.A. if approval is needed for purchases over \$500.00.

Chairman Dumas asked Ms. Christensen if she had given the Internal Control Process to the Main Street Committees for their input.

Ms. Christensen replied they talked about the process at a Main Street Chairs meeting, but have not brought it before the Organization and Finance Committee yet because they have been busy with the Pancake Breakfast on Sunday. She said; "However they all know about the process and what we are trying to do".

She stated the only suggestion that the Main Street Chairs Committee had was that the Main Street Manager go to bat for them when it come to the Main Street Budget. She stated sometime the D.D.A. takes on a large project and the funding is taken away from the Main Street Budgets. She also stated that they liked that the Main Street Manager can approve up to the \$500.00 giving them the freedom to make some purchases instead of going to the D.D.A. for approval.

Boardmember Kolarik asked if the purchases that the Main Street Committees make will be seen by the D.D.A.

Ms. Christensen answered they will appear each month on the Treasurer's Report.

Boardmember Clement asked how the Internal Control Process works with the work plan, and what happens if something comes up that we feel is a good idea, but is not in the work plan.

Ms. Christensen replied that the projects will filter through the work plan, but the plans certainly can have additions or subtractions. She stated the work plans are created by what you want to do for the coming year. She said, "If you have an idea that comes along at a later date the work plan can be revised".

Boardmember Kavanagh stated it is his understanding that each subcommittee in the Main Street Program can't just go ahead and spend \$500.00 without the consent of the Main Street Manager. Ms. Christensen said, "That is correct".

Chairman Dumas reiterated that the Main Street Manager has to approve all purchases under \$500.00. He stated so we need to rely on Mel to say if it fits into the work plan.

Ms. Christensen stated it comes down to trusting the Main Street and D.D.A. Manager. She stated that trust is built in each of the committees. She stated if there is any discrepancy in the committees they are free to come before the D.D.A. to discuss it.

Chairman Dumas said, "The Treasurer's Report will list all of the expenses and if we see something that we have not approved, then we can take it up with the D.D.A. Director".

Boardmember Pontz stated at the last D.D.A. meeting there was discussion that language be added to the Internal Control Process "That the Main Street Manager can approve purchases up to \$500.00 that are consistent with the intent of the work plan". That language could be added to protect the decisions of the Main Street Manager.

Mayor Barnes recalled there was discussion on an appeals process where if the Main Street Manager does not approve a request, the committee can then come to the D.D.A. for a decision. He also stated the other suggestion that he has is if there comes a time when there are revenues coming into the Main Street Committees that there would be a report showing the revenues consistent with the expenditures.

Mayor Barnes asked Ms. Christensen to walk through the Internal Control Process for purchase orders, which she did.

City Manager Dempsey stated that the City has petty cash money to reimburse people if they have paid for small purchases, and some of the merchants in Portland take purchase orders and bill us for the items purchased. He stated there needs to be flexibility for some of the mechanism that are in place.

City Manager Dempsey stated that we need to rely on the Manager to approve items that are in each of the work plans, and doesn't feel that we need to have an appeals process in writing.

Boardmember Kavanagh agreed with the City Manager's comment saying that there have always been public comments welcomed at this meeting, and hopes that anyone can come and voice the opinions.

City Manager Dempsey stated that people should know that City Government and the D.D.A. are accountable for their decisions, and this Board has the ability to make changes. If a change in the process is brought up to the Main Street Manager and she does nothing about it, it can then be brought up to the Board for consideration.

Mayor Barnes stated in the way that the Main Street Program is set up he does not want to see the roll of the Organization and Finance Committee discounted in matters of Organization and Finance if the Main Street Program. The purpose of the Organization and Finance Committee was discussed.

Boardmember Clement stated that he has a booklet the lays out what the Organization and Finance Committee for Main Street Committees are supposed to do. He stated he believes that the Organization and Finance are to be looking over the work plans and budget for all the Main Street Committees.

D.D.A. Director Christensen stated that is correct unless you have a D.D.A Board.

Mayor Barnes stated he wants to make sure that we don't get to the evaluation portion of our program in the fall and find out that we are not administering the Main Street Programs as it was set up.

Ms. Christensen stated she has spoke from representatives from MSHDA and she was informed that the way things are set up with the D.D.A. is the ultimate way for the budget process. D.D.A. Director Christensen gave Boardmembers of copy of Organization and Finance Guidelines that were downloaded from the National Trust website from Marion Illinois. She also stated she has ordered Main Street Committee booklets for all of the Main Street Committees for reference.

Motion by Dempsey, supported by Briggs, to approve the Internal Control Process for the D.D.A. Main Street purchases with the addition of consistent with the intent of the work plan after #6. All in favor. Adopted

Ms. Christensen stated she will have a revised copy at the next D.D.A. Meeting. City Manager Dempsey stated that the City of Portland is not unique with an Internal Control Process and he

suggested that Mel contact other Main Street Committees that also have D.D.A. Board to see what they have for their Internal Control Process.

Julie Clement was present with a power point presentation and information regarding Creating Entrepreneurial Committees Pilot Program that Ionia County is involved in. She discussed the process for Creating Entrepreneurial Communities and the process for helping people to create businesses to help the community grow and be successful.

D.D.A. Director Christensen stated that Kevin and Lori Rademacher had a loft walk through at the Peake Building this past month, and stated the loft apartments are very beautiful.

Ms. Christensen stated that she went to a quarterly forum in Ishpeming and stated it was very exciting to meet the other Michigan Main Street Managers. She stated they will be changing their year end review from November to August 22nd. She stated there have also been changes in the review process. All D.D.A. Members will be expected to fill out a Main Street Assessment by next month, which will be reviewed by the State.

Ms. Christensen stated that Portland had its Boardwalk Ribbon Cutting Ceremony on May 15th, in conjunction with Mayor's Exchange Day with the City of Lowell. She stated it was a very nice ceremony, and we had the Portland High School Marching Band leading us across the Boardwalk.

Ms. Christensen stated the big thing this weekend is the Senior Center Pancake Breakfast that will be held on May 20th at 144 Kent Street from 9:00 A.M. to 2:00 P.M.

Ms. Christensen once again explained the Portland Pay Day saying there are 24 merchants signed up for the program. She stated the program started May 1st and will continue through July 31st. She said there is \$2,400 to give away, and the drawings will be at the Bandshell on Wednesday, August 1st at 7:00 P.M.

Ms. Christensen stated the Economic and Revitalization Committee have been focusing on their work plan for 2008, which includes their Incubator Program and their Small Incentives Program.

Boardmember Pontz publicly thanked Julie Clement for her involvement in the Entrepreneurial Program stated that it is absolutely critical in revitalizing our community with economic development.

Motion by Pontz, supported by Barnes, to adjourn the meeting at 4:28 P.M.
All in favor. Adopted

Respectfully submitted,

Vicki Pontz, Secretary