

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

Held on Thursday, October 20, 2016
In Council Chambers at City Hall

Members Present: Antaya, Barnes, Gorman, VanSlambrouck, Briggs, Blastic, Grimminck, Urie, Clement

Absent: Tyler, Dumas

Staff: DDA/Main Street Director Perry, City Clerk Miller

Guests: Council Member Johnston, Nick Sandborn of Sandborn Real Estate, Tom Gerdom of Gerdom Management, Kathy Parsons

The meeting was called to order at 3:30 P.M.

Motion by Barnes, supported by Briggs, to excuse the absence of members Dumas and Tyler and to approve the Agenda as presented.
All in favor. Adopted.

Motion by VanSlambrouck, supported by Blastic, to approve the minutes of the September 15, 2016 meeting as presented.
All in favor. Adopted.

Motion by Barnes, supported by VanSlambrouck, to approve the Treasurer's Report as presented.
All in favor. Adopted.

Under Old Business, Director Perry reminded the members that the Main Street – Year End National Accreditation visit will be on Wednesday, November 9, 2016 at 8:00 A.M.

Under New Business, Director Perry reported both the Façade and Sign Grants through the Design Committee are open. The application deadline will likely be extended by a couple of weeks.

Director Perry presented information on Redevelopment Ready Communities and suggested the application process be started as having this status is becoming critical to the grant process. The program is through the MEDC and supports communities to become development ready.

City Manager Gorman stated that as Portland is a small community its processes are streamlined so the development process is simplified.

Director Perry reported that the DDA Annual Report to the State Tax Commission has not been filed; only 20% of DDA communities in Michigan comply with this requirement. She will work to with City Finance Director Kinde to file the necessary paperwork.

Director Perry noted that Scout Park has become quite overgrown. She is gathering prices and information to clean it up. She is also looking into a longer term low maintenance plan for the park.

There was discussion of who actually “owns” the park, the DDA or the City. Previously it has been under the care of the DDA.

City Manager Gorman suggested that if the trees are going to be moved out of the park that they be moved to the DPW complex.

The board concurred with moving forward.

Director Perry introduced Tom Gerdom of the Gerdom Management Group.

Mr. Gerdom provided his background and information on his services along with former and current projects. He presented his ideas for a feasibility plan for a potential Opera House project. He stated his belief that this may be an opportunity to define the downtown of Portland to attract more retail establishments and restaurants.

Director Perry suggested pursuing a Feasibility Study Grant through the USDA. She stated that they have shown interest in working with the Portland on this type of project. She further stated that she has spoken with an attorney at Hoort Law about the possibility of an option on the properties that comprise the Opera House which would allow time for the feasibility study to be completed.

City Manager Gorman asked for clarification of how a possible grant from the USDA is related to the Mr. Gerdom.

Director Perry stated that funding through the USDA would be used for the feasibility study done by Gerdom Management. She further stated that per conversations with representatives of the USDA they advised that once they award this type of funding they like to continue with a project.

City Manager Gorman further confirmed with Director Perry that the DDA could move forward with a grant application and have no further obligation to Gerdom Management. He suggested the DDA would like to see a more formal proposal before a final decision is made on the feasibility study. He further stated he would like more information and to understand the legal issues further before moving forward with an option on the properties.

Director Perry advised that if the DDA decides to move forward with the feasibility study they would want to have an option on the properties so the DDA would have some control over the properties to prevent one of the properties being sold or another scenario developing that would prohibit the execution of a possible development.

Motion by Barnes, supported by Clement, to begin the application process for the USDA feasibility study.

All in favor. Adopted.

There was discussion about how the process will move forward.

Director Perry stated she will work on having an option for the properties developed.

City Manager Gorman stated that he likes the idea but would like further details before a decision on an option is made. He clarified that at this time the DDA is moving forward with gathering more information on an option and what the terms might be.

City Manager Gorman further stated that the feasibility study would provide a renewed vision for the properties that comprise the former Opera House; it could even be used for a private investor.

City Manager Gorman also stated the DDA currently has a plan of which the introduction discusses the kinds of projects a DDA can undertake. This project is not listed in the proposed projects in the DDA plan. He commented that the DDA should be mindful of its plan and how to interpret it.

Member Clement commented that the DDA should be flexible when opportunities arise. This is a unique opportunity as this is the first time that both properties that comprise the former Opera House are for sale. He suggested revising the current DDA plan.

Mayor Barnes noted that revising the current DDA plan would open the door for the other taxing jurisdictions affected by the DDA to not agreeing to the plan which would affect funding. He further stated that point of the DDA plan is to lay out a plan to follow.

There was discussion of how the DDA plan was adopted.

There was discussion about when the library and other entities could opt out of the DDA.

Member Grimminck, who is the Librarian for the Portland District Library, stated the library would have opted out of the DDA given the opportunity.

Director Perry stated that she would research when jurisdictions would have the opportunity to opt out of a DDA.

City Manager Gorman stated that he wants to always keep the public's perception in mind. The DDA is almost all of the commercial area in Portland and he doesn't feel that all of the DDA's funds should be put into the downtown.

There was discussion.

Director Perry stated her belief that under the DDA's definition a project that would include the redevelopment of the Opera House would be allowed.

City Manager Gorman stated that he is not arguing that the DDA has the authority to take on this type of project but he wants to be aware of the public perception. Previously, the DDA made amendments to its plan. With the current thinking, the DDA had the authority to take on different projects than stated in its plan and wouldn't have had to make any amendments.

There was continued discussion of how to move forward; more specifically, the DDA plan need to be amended or not.

Member VanSlambrouck stated that the committee met a couple of times to discuss new regulations from the Federal government that changed the exemption level on overtime worked. The United States Department of Labor, Fair Labor Standards Act has updated the salary threshold under which workers are entitled to overtime. The final rule raises the salary threshold from \$23,660.00 to \$47,476.00 effective December 1, 2016. This requires the reclassification of the DDA Director position from salary exempt to either salary non-exempt or hourly. Either classification will require the tracking of over time.

Director Perry stated her feeling that the Federal regulations do not require the tracking of hours. She acknowledged that the board can require it so she is willing to move forward with the contract.

Member Grimminck asked for clarification of the amount of salary comp time that Director Perry can accumulate.

Member Urie stated that no more than 60 hours can have accumulated at the end of the Fiscal Year as those hours can be cashed out. Any more than that would have a significant negative affect on the DDA budget.

There was continued discussion.

Motion by Grimminck, supported by Barnes, to move to accept the DDA Director Employment Contract as written.

All in favor. Adopted.

Under Approval of the Job Description for the DDA/Main Street Director, Member Grimminck stated that she would feel more comfortable if the section under Hours stated "40-hour work week" rather than "during regular business hours". She interprets that to mean 9:00 to 5:00 and the position does not work that way.

City Manager Gorman stated that he believes flexibility of the 40-hour work week is inherent. He further stated his belief that it would not be appropriate to get into revising the contract during the meeting.

There was discussion of last sentence of that section, "...Reasonable reduction of regular weekday hours may be allowed when these other obligations are heavy, subject to the approval of the Board Chair."

Director Perry stated her belief that she feels like that sentence is in conflict with tracking her hours.

There was discussion of whether approval of the job description should be tabled.

City Manager Gorman noted that this job description went through a committee and this is the document they approved.

Members VanSlambrouck and Urie both stated their feeling that everyone realizes there is flexibility in the DDA/Main Street Director position.

Member Briggs this is the DDA/Main Street Director position and does not fall under City Hall hours and it needs to be understood that this position works flexible hours.

Mayor Barnes stated there was no formal description of what the job details. This is not “Shelley Perry’s” job description it is the DDA/Main Street Director job description.

Member VanSlambrouck noted that under the DDA/Main Street Director contract there is supposed to be annual review and that hasn’t been done. She further stated that she and Member Urie plan to work on completing the annual review.

Member Urie stated that previous Director Reagan asked for an evaluation and it wasn’t done. He felt that he couldn’t fix what he didn’t know was wrong.

Motion by Barnes, supported by VanSlambrouck to approve the Job Description for the DDA/Main Street Director.
All in favor. Adopted.

Director Perry asked how much vacation time she has. When she started this position she had 3 weeks of vacation time. Vacation time is not addressed in her contract.

Vice Chair Antaya stated that she should discuss the question with Chair Dumas.

Under the Director’s Report, Director Perry stated the Volunteer Recognition event will be held Monday, October 24, 2016 at 6:30 P.M. at the Gallery Brewery.

Main Street will be partnering with Goodwill on an education program. Main Street will direct people to Goodwill to take advantage of the resources they have available.

Director Perry noted that she has extended an invitation to Laura Krizov to join the Organization and Finance Committee.

Director Perry stated that she received quotes right before the meeting to have Christmas garland hung on the bridges and the black fencing. Sid’s Flower Shop will install and remove the garland at a cost of \$1,581.00. Country Cupboard Floral will make the garland at a cost of \$1,248.00 but

that price does not include installation. She further stated her recommendation to approve the bid from Sid's Flower Shop which includes the installation and removal of the garland.

Motion by Urie, supported by Briggs, to approve the quote from Sid's Flower Shop for Christmas garland.
All in favor. Adopted.

Director Perry noted that Holidayfest will be held Saturday, December 10, 2016.

Director Perry informed the Board that representative of Senator Stabenow contact the DDA office on Monday. They stated that they had heard good things about Portland's Downtown and would like to visit some of Portland's small businesses. Representatives of Portland will meet Senator Stabenow and her team at Scout Park and will then visit the Chocolate Moose, the Gallery Brewery, and the Quilt Shop.

Director Perry reported that she has attended the Michigan Downtown Association (DDA) Annual Conference in Traverse City, MI and the Michigan Department of Labor webinar regarding the new overtime rule.

The board concurred to skip the committee reports due to the length of the meeting.

Under Board Member Comments, Member Briggs reminded everyone that the Cemetery History Walk will be held Sunday, October 23, 2016.

Motion by Barnes, supported by Antaya, to adjourn the meeting at 5:23 P.M.
All in favor. Adopted

Respectfully submitted,

Kory Blastic, Secretary