

**OFFICIAL PROCEEDINGS
OF THE
DOWNTOWN DEVELOPMENT AUTHORITY
OF THE
CITY OF LOWELL
INFORMATIONAL MEETING
THURSDAY, APRIL 08, 2021**

1. CALL TO ORDER; ROLL CALL.

The Meeting was called to order at 12:00 p.m. by Chair Reagan.

Present: Board members Brian Doyle, Rita Reister via zoom from Lowell, Rick Seese, Mike Sprenger, Julie DeVoe via zoom from Lowell, Martha Davis via zoom from Fort Meyers, Florida and Chair Jim Reagan.

Absent: Board members Mike DeVore and Eric Wakeman.

Also Present: City Manager Michael Burns, Clerk Susan Ullery, DPW Director Dan Czarnecki, City Treasurer Sue Olin and Chamber of Commerce's Liz Baker

2. EXCUSE OF ABSENCES.

IT WAS MOVED BY SPRENGER and seconded by SEESE to excuse the absences of board members Mike DeVore and Eric Wakeman.

YES: 7. NO: 0. ABSENT: 2. MOTION CARRIED.

3. APPROVAL OF THE AGENDA.

IT WAS MOVED BY DOYLE and seconded by SPRENGER to approve the agenda as written.

YES: 7. NO: 0. ABSENT: 2. MOTION CARRIED.

4. APPROVAL OF THE MINUTES.

IT WAS MOVED BY DOYLE and seconded by SEESE to approve the minutes of February 04, 2021 as written.

YES: 7. NO: 0. ABSENT: 2. MOTION CARRIED.

5. TREASURER'S REPORT.

**DOWNTOWN DEVELOPMENT AUTHORITY FUND
March 30, 2021**

Beginning Balance:	\$427,461.68
Revenue:	
TIFA Revenue	\$706,176.53
Interest	
 Total Revenues	 \$1,133,638.21

Expenditures:

Capital Outlay	\$79,750.31
Salaries	\$23,380.33
Maintenance Supplies	\$29,388.94
Utilities	\$11,648.16
Misc and Community Promotions	\$10,520.19
Accrued Wages	\$4,626.50
Administration	\$33,038.95
Accrued Payables	\$2,901.55
Transfer to Equipment	\$17,340.00
Transfer to General Fund	\$308,632.00
Debt Service to light and power	\$34,263.28

Total Expenditures: \$555,490.21

Ending Balance \$578,148.00

IT WAS MOVED BY REISTER and seconded by DOYLE to accept the Treasurer's Report as submitted.

YES: 7.

NO: 0.

ABSENT: 2.

MOTION CARRIED.

6. **PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA.**

Liz Baker with the Chamber of Commerce asked about more picnic tables for the social district area.

City Manager Michael Burns stated they are planning to put more tables out.

7. **OLD BUSINESS**

a.) Amity.

City Manager Michael Burns stated the Amity Street is currently out for bid with the County and they will approve the bid for us as it is a federal project. We should be ready to go on that project after July 01, 2021.

b.) Social District.

City Manager Michael Burns gave an update on Social District. It is still going very well and a lot of people are coming out to enjoy it. We pulled back on the amount of fires in the warming pits as the weather gets warmer Also pulled back on having an officer there on Thursday nights for now and looking at maybe pulling the officer from Sundays as well to save money. Most of the business is on Fridays and Saturdays., if it changes, we can reinstate the officers as needed. Will look at considering the Social District being permanent once pandemic is over but for now it is temporary and to help the restaurants.

8. **NEW BUSINESS.**

a.) **Chamber of Commerce Marketing.**

Liz Baker spoke stating the Chamber would now like to get out and get things moving again, work with the Social District (maybe have some live music), emphasize Lowell on billboards out by the highway, create a new video series about Lowell (what Lowell is about, targeting young families to Lowell). Asking the DDA to sponsor the Chamber of Commerce for \$50,000 for their marketing.

IT WAS MOVED BY SEESE and seconded by SPRENGER that the Downtown Development Authority provide a sponsorship to the Lowell Area of Chamber of Commerce at a cost not to exceed \$50,000 for their marketing sponsorship.

YES: Board member Riester, Board member Doyle, Board member Sprenger, Board member Seese, Board member DeVore, Board member Davis and Chair Reagan.

NO: None. ABSENT: Board members DeVore and Wakeman. MOTION CARRIED.

b.) **Summer Concerts.**

Baker spoke again stating at this time, they are planning on going ahead with Summer Concerts, they were fortunate enough to re-book everybody scheduled from last year thanks to Rick Seese's great negotiating skills. Planning to start the concerts later in June and are asking the DDA to contribute \$6000 this year, the same amount as last year.

IT WAS MOVED BY SEESE and seconded by SPRENGER that the Lowell Downtown Development Authority approve the contribution of \$6,000. for the Sizzling Summer Concert Series.

YES: Board member Riester, Board member Doyle, Board member Sprenger, Board member Seese, Board member DeVore, Board member Davis and Chair Reagan.

NO: None. ABSENT: Board members DeVore and Wakeman. MOTION CARRIED.

c.) **Holiday Decorations.**

City Manager Michael Burns stated for many years, the DDA has contracted with Hometown Decoration and Display, LLC in Hudsonville for our holiday light decorations. They have provided us a renewal agreement for the next three years.

IT WAS MOVED BY SPRENGER and seconded by DOYLE that the Downtown Development Authority approve a three-year agreement with Hometown Decoration and Display, LLC at a cost not to exceed \$5,032 for the holiday seasons of 2021, 2022 and 2023.

YES: Board member Riester, Board member Doyle, Board member Sprenger, Board member Seese, Board member DeVore, Board member Davis and Chair Reagan.

NO: None. ABSENT: Board members DeVore and Wakeman. MOTION CARRIED.

d.) FY Budget 2021-2022.

City Manager Michael Burns stated the proposed Fiscal Year 2021-2022 Budget is in tonight's packet. This past year we saw an approximate \$104,000 increase to the DDA fund. We originally budgeted \$602,300. in the current year revenues and have taken in \$706,176.53 this current fiscal year. The major increases are the land sales and opening of the marijuana facilities, all of which are in the Downtown Development Authority district. The City will see an increase of \$6 Million in taxable value of real property (land) in the upcoming year. This is a significant increase in value. I anticipate seeing some tax tribunal requests and some value dropping, especially with restaurants and hotels. Since we have both in the district, I am being a little conservative with our revenue estimate for the upcoming year. This is so we can pay back tax revenue on those requests if the Michigan Tax Tribunal grants them. Our new revenue projection in the upcoming fiscal year is \$788,049.57 but for concerns I mentioned, I am budgeting \$755,000 in new revenue for the upcoming fiscal year. The proposed budget and cash flow are in the packet for the DDA. The DDA is going to use a significant amount of fund balances this year to complete the capital projects. That being said, we still have a projected 8.6% fund balance at the end of the upcoming fiscal year. The cushion by under projecting next year's revenue along with this year should provide us manageable financial reserves. In addition to reducing the revenue projection for potential chargebacks, the City is projected to receive \$411,000 from the American Recovery Plan. I intend to set aside \$100,000 to cover potential chargebacks in the event they occur in the next four years. This money could go and address the DDA's needs if this happens.

IT WAS MOVED BY DOYLE and seconded by REISTER that the Lowell Downtown Development Authority amend the current fiscal year budget and approve the Fiscal Year 2021-2022 Budget as presented.

YES: Board member Riester, Board member Doyle, Board member Sprenger, Board member Seese, Board member DeVore, Board member Davis and Chair Reagan.

NO: None. ABSENT: Board members DeVore and Wakeman. MOTION CARRIED.

9. REPORTS AND MEMBER COMMENTS.

Chair Reagan hopes the Social District continues to do well and continues without any problems.

Board Member Davis introduced herself and said she has been in Lowell 6 years, owns the Taphouse Boutique and loves and owes a lot to the City of Lowell.

IT WAS MOVED BY REISTER and seconded by SPRENGER to adjourn at 12:45.

Date:

APPROVED:

James E. Reagan, Chair

Susan Ullery, Lowell City Clerk