



Minutes

Downtown Development Authority

November 28th, 2023 – 3:30 p.m.

989-754-8222

- I. **Call to Order-** Chairman Tom Basil called the meeting to order at 3:30pm.
- II. Roll Call- Rachel Morneau took roll.
Members Present: Tom Basil, Mike Hanley, Tim Morales, Jim Hill, Darrick Huff, John Markey, Amy Spadafore, Eric Tankersley, Adam Tompa, Dennis Whalen
Staff Present: Rachel Morneau and Steve Hensley
- III. **Public Comment:** Eric Smith – a Saginaw business owner shared his interest in the DDA’s work and was looking forward to attending today’s meeting.
- IV. **Approval of Minutes – Tuesday, October 24, 2023 – Action Item**
Motion made by Board Member Hanley, supported by Board Member Morales to approve the DDA October 24th meeting minutes. Motion approved.
- V. **Approval of 2024 DDA Meeting Calendar- Action Item**
Motion made by Board Member Hanley, supported by Board Member Tompa to approve the DDA 2024 meeting calendar. Motion approved.
- VI. **Funding for Public Art Committee – Amy Spadafore**
Member Spadafore gave a brief update from the first DDA Public Art Committee meeting. They discussed the committee’s goals, defined public art and discussed a potential budget. The purpose of the committee is to support art projects that contribute to the beautification within the community and encourage people to visit the downtown area. Spadafore shared that preliminary discussion explored a 10k budget and the Public Art Committee agreed to support projects for up to \$2,500. These would foreseeably be smaller projects. Spadafore also shared that staff Morneau and Hensley are going to gather more information regarding the budget, as well as proposing a practical timeframe to ensure a smooth application process. The Public Art Committee will be meeting again in December to firm up details and will report back to the full DDA board in January to discuss and determine next steps.

Board Member Hill shared his concern of potentially repeating a commission that currently exists for public art. Spadafore explained the Great Mural Project is its own project and the Saginaw Arts and Enrichment Commission does not receive funding from the city. Funding the Saginaw Arts and Enrichment Commission receives is from the state which also encompasses the servicing of all of Region 5 – this includes a certain amount of funds for the projects they choose to support. Spadafore also noted that many of these projects are larger scale and can cost an upwards of \$40,000 plus. The DDA Public Art Committee could provide \$2,500 to supplement larger art projects but even more so, smaller public art projects that would help bring beautification within the DDA.

Hill re-stated his concern that the DDA is repeating a commission for arts and enrichment for the community. Hill asked Spadafore if she could join the art focused commissions and be a voice on behalf of the DDA and ask them to support art projects within the DDA district.

Staff member Hensley recollected the concerns the Façade Committee had regarding entertaining murals or art through the façade grant and that the full DDA board approved creating the DDA's Public Art Committee.

Hill shared his concerns regarding the DDA's role in funding art.

Hensley explained the Public Art Committee met for the first time and that the items being discussed have not been finalized.

Member Morales commented that the purpose of the DDA is to improve the district and the majority of the board believes that art improves the district.

Member Markey commented that if the money is appropriated for the DDA area, the organizations that seek these funds are the ones doing the artwork. Markey wanted to clarify that the DDA would not be running the art. Spadafore agreed with Markey's comments and confirmed the DDA is not doing the art.

Member Tankersley asked for clarification regarding the \$7,200 for EV chargers. Staff Hensley explained the DDA agreed to fund those, however, the City has decided to cover the costs associated with the EV chargers. Since the EV Charger line item is no longer needed and is on the City's budget, the \$7,200 is potential funding for the Public Art Committee's budget.

Spadafore explained the Public Art committee is still in the exploratory phase and any potential funding for the committee would not be made until the 24/25 fiscal year.

I. DDA Façade Committee Report/Recommendations – Steve Hensley

- a. 111 N. Hamilton St. – Hensley provided the update. Alex de Parry acquired the 111 N. Hamilton building. He hopes to turn the building into a restaurant before the Memorial Cup. The Façade Committee recommends \$10,000. Board Member Tompa motion to approve the \$10,000 for this application, supported by Board Member Hanley. Motion approved.

II. Beautification Update – Steve Hensley

- a. DDA Holiday Planters
- b. Snowflakes

Hensley provided an update regarding the DDA Holiday Planters and Snowflakes. Both items went up in advance to Holidays in the Heart of the City. There are 29 holiday flowerpots that have been installed. In addition, Garpiel Group installed the snowflakes. Hensley shared that he requested that Garpiel Group revisit the approximately 14 light posts located within the Washington Ave. corridor in Downtown, and to remove flags on the respective posts where there are both snowflakes and flags. The DDA realizes that snowflakes are being obstructed by flags on these certain posts. The flags are the property of Positive Results Downtown Saginaw, and the organization supports the removal of these applicable flags.

Member Markey asked about the Christmas lighting within the Morley Plaza. Member Morales shared that the Mayor may have someone available to assist and will check in with her.

III. DDA TIF Plan Reset – Tom Miller Jr.

Staff Hensley reported on behalf of Staff Miller who was not able to attend today's DDA meeting. Hensley welcomed Saginaw City Finance Director, Lori Brown who provided information to the DDA Board regarding the DDA TIF Plan and its reset. Currently the DDA's TIF Plan is 9 million dollars below the base value which results in no positive capture. The DDA Board will need to vote to abolish the current plan which was established in 2011, and will run through 2031. It would then go to council for a hearing and then a final approval next year, 2024.

Brown explained there has not been any positive capture within the DDA since it was implemented in 2011. The hope is with the new investment occurring in the DDA, any future growth would have a positive capture impact for the TIF revenue. The current taxable value is approximately \$65 million. The taxable value increases at the rate of CPI or by any new construction and can also decrease due to any demolition or loss of property value. For example, if the taxable value goes from \$64.8 million to \$66.8 million, the DDA would have a TIF revenue of approximately \$80,000 for that year. As the taxable value would increase so would the TIF revenue.

Member Spadafore asked if we would be re-setting the base value at 64.8 million.

Brown said yes and that it would go to council in January, an ordinance would be created and is based off of the most recent equalized taxable values from the previous year.

Spadafore asked if there was any risk in abolishing what the DDA currently has.

Member Tankersley shared he would be happy to talk with anyone outside of the meeting on how a TIF plan works. He continued to explain that there is no risk. The DDA currently has a plan that isn't capturing any funds. The advantage for the DDA to re-establish the current TIF plan is to begin capturing additional funds for the DDA that otherwise is not being captured.

Member Hill asked how many different properties are going to be coming off of tax advantages, i.e. churches or schools, and if they would have to pay taxes.

Tankersley explained this would not impact anyone's existing tax liability, this is considering what everyone is paying today that isn't being captured.

Brown explained if the base is reset it will be based off of 2023 and would be the base forever but if an OPRA were to expire in 2025, for example, and the property moves to the after-loan roll, it increases the taxable value for that year and the captured taxable value would increase - for that said year.

Zimmerman asked if it would affect the 2-mil levy. Lori advised no as the 2-mil levy is a separate budget.

Member Huff asked if we make a motion to abolish the TIF plan or abolish and establish a new value.

Morales explained it is one action of abolishing the current TIF plan and the next steps would follow.

Brown explained the motion is to amend the ordinance to re-establish the base at the 2023 taxable values.

Board Member Hill made a motion to reset the base amount of the DDA TIF plan at the 2023 taxable values, supported by Markey. Motion approved.

Brown clarified the 2024 values aren't set until March and if the DDA needed to make another vote to clarify it after its review, the DDA would have time to do so.

IV. Announcements/Miscellaneous

- a.** Hensley wanted to share with the board that he was recently contacted about a past facade project at 808 N. Michigan Avenue. The owners tried to email Zimmerman in April of 2023 with a facade grant application. However, Zimmerman was employed with the city at this time. The owners contacted Hensley in late October and although there was a contact issue in April, the applicant transparently forwarded along to Hensley their attempted communications with Zimmerman. The communications showed that the attempted application submission was made in early April followed up by proof of payment being sent to Zimmerman a few days later. Hensley detailed to the board that he had explained to the applicant that even if their application would have been successfully received, there would not have been enough time for review by the facade committee and full DDA board. He informed the applicant that applications must be submitted and approved prior to work beginning. This was a \$60,000 project, seeking \$30,000 in DDA support. It included outdoor building maintenance. There was no contractor listed. The owner understood the need to apply before finishing the project.
- b.** Memorial Cup Info Meetings:
Morneau shared that there are two informational meetings regarding the Memorial Cup the City is providing. Tuesday, December 5th at 5:30 p.m. at City Hall for local businesses and Thursday December 7th at 5:30 p.m. at City Hall for Organizations. Zimmerman explained the reason the City is holding separate meetings is to have more targeted conversations and provide the right resources that fit both groups.
- c.** Hill shared that STARS announced the routes they have for the downtown areas and the work they are doing with the DDA. Hill wanted to thank them for the way they announced it.

V. Next Meeting – Next Meeting is Tuesday, January 23rd, 2024 – 3:30 p.m., there is no December DDA meeting.

VI. Adjournment

Motion by Board Member Markey, supported by Board Member Morales to adjourn the meeting at 4:33pm. Motion approved.

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