MINUTES

 **ST. IGNACE DDA MEETING**

**February 9, 2018**

**(official)**

Members Present: Chairman Jim North, Barb Brown, Heather Aukeman, Mayor Connie Litzner, Tom DellaMoretta, Phil Ruegg, Secretary Barb Yshinski

Members Absent: Pat Ramsey, Linda Bell

Staff Present: Renee Kosor, DDA Director

Others Present: City Manager Mike Stelmaszek; Carol Bell, John Kling, Kayla Pelter, Tom & Deb Evasheski, Jermaine Harrison; Kevin Hess, St. Ignace News

Chairman North called the meeting to order at 8:02 a.m.

1. **MINUTES:**

**Motion** by Tom DellaMoretta; support by Barb Brown to accept the minutes of January 12, 2018. Motion carried.

# ADDITION TO AGENDA

 Tom DellaMorretta motioned to for Barb Yshinski to serve as Secretary for one year. Barb Brown seconded. Motion carried.

# FINANCIAL REPORTS:

Renee explained receipt of the insurance reimbursement for the damaged and replaced light pole. Tom Della-Moretta asked about the wages allocation in the clerk’s report. Mayor Litzner explained that the system flipped the remaining balance in wages with the year-to-date expense in wages. Vice-Chair Della-Moretta also asked about the expenses listed in the property management fund, wondering if they were associated with the sale of the Chamber Building. Renee said she would look into both and clarify.

**Motion** by Mayor Litzner; support by Heather Aukman to accept financial reports for January 2018 with corrections. Motion carried.

# BUSINESS:

**Excuse Absent Members** – **Motion** by Mayor Litzner, seconded by Barbara Brown to excuse Linda Bell and Pat Ramsey. Motion carried.

**Director’s Updates** –

 **Events Committee:** Renee announced that she resigned from the Events Committee. Barb Brown wanted to know why. Renee explained that due to time constraints and a desire not to be a signatory on accounts, she decided it was best to resign. Barb Brown referenced the Events Committee letter, stating that not being involved in something where the DDA Director is so important makes her uncomfortable. Jim stated that he was unaware that Deb had ever been a member of the Events Committee board and was also unaware that Renee had been placed on that board. He also said that Renee’s contract requires a collaborative relationship with local committees but that it does not require acting as a board member. Heather Auckman said Renee should have asked the board for permission to remove herself from the Events Committee before resigning. Renee countered that she did speak with Mayor Litzner, asking if being on the committee was a requirement of her position. She also checked her job description and contract, neither of which required serving on a board. Barb Brown wants to better understand the make-up of the Events Committee and the official interaction between the DDA and the Events Board. Jim North suggested that board members could step in and attend meetings. Heather Auckman volunteered.

**Conferences:** Renee would like to attend the MEDC grant conference in April, likely taking along a couple local business owners who are looking to expand their businesses through an MEDC grant application. She would also like to go to Lansing for the MDA and Legislator’s conference March 7-8.

**Duluth Trading Company:** Renee has been in contact with Duluth Trading Company, seeking to add St. Ignace to a list of potential outlet store locations. They are considering the request and it’s early in the process but she is optimistic.

**Marketing:** Renee would like to put together a city-wide scavenger hunt/treasure hunt focused on the historical factoids as well as downtown businesses. She explained that Klikaklu is an app that allows for the combination of technology through the use of hand-held devices and the physical act of being outside searching for clues. She would like to run the competition all summer long, maintaining a leader board through social media interaction, with the team with the highest points earned at the end of the season winning a prize that would bring them back to St. Ignace. The project could include the creation and sale of booklets, money to be used to support the façade improvement program. Currently, no other city in the country is using the app for this reason and Renee’s hope is to widen the impact area to include the entire Upper Peninsula. The cost is $99 for up to 500 users.

Barb Brown wanted to make sure that if the DDA set up such a program that it would focus on the local history. Tom DellaMoretta said that his store hosted a scavenger hunt and it was a big success. He experienced an increase in Facebook likes. He also said that central to the success of such a program is the prize at the end. He spoke to the age group of buyers and the need to focus the clues and prizes toward the Facebook demographic. Jim North said that as a parent, he felt that young people would prefer to engage through Snap Chat, Instagram, etc. Renee said that the plan was to use multiple social media platforms for the contest and that the clues would combine history with required visits into DDA district businesses.

**Façade Improvement:** Barb Brown believes that the lighting project needs to be at the top of the DDA’s priority list and that the Railroad Grade project with a focus on rear access to businesses as second. City Manager Mike Stelmaszek spoke up in support of the façade improvement program, saying that he believed such a program would encourage business owners to rally around an updated, picturesque downtown. Jim North explained that there had been a low-interest loan program available through the bank for a number of years. He also said that any kind of façade improvement program required standards and should not allow for exceptions to those set standards. Renee said that this kind of a grant program could be used in tandem with the low interest loan program and asked for a committee to review the program as proposed. Jim asked if there was a set dollar amount for the program. Renee suggested that a committee consider what that amount should be and bring it back to the board for consideration based on what the budget allows for.

**St.** **Anthony Park Restrooms:** Renee said that she, Carol Bell, and Mike Lilliquist Jr. will be working together to finish the project in spring.

**Little Bear East:** Renee has begun building relationships with local contractors, including the Amish, who will hopefully be willing to bid on the project. In the meantime, she will be working with Brian on making slight adjustments to the project plan as required by grant coordinator, Merrie Carlock. Phil Ruegg asked about the maintenance plan. Renee said that as far as she knew, the DDA would be required to pay the DPW to maintain the bathrooms.

**Streetlights:** Renee shared that she spoke with the lighting representative about the possibility of expanding on the lighting project however, did not want to move forward until hearing back from the TAP grant. Tom wanted to know if the grant was specific, general, adjustable, etc. Jim said that the biggest issue with the grant was that the cost of the light study would fall on the DDA. This would require use of funds from the sale of the Chamber of Commerce. He would like to replace the lighting fixtures but leave the poles. Tom is not a fan of leaving the poles and would like a study done to determine the proper height of the lighting poles based on driver safety. He would also like to ensure that the lighting faces downward rather than shining in a global fashion. He believes this should be a long term project. Barb Brown said she believes that the project needs done and wondered about the overall cost of the project and whether the DDA could just fund it without a grant. She would like a committee set up to discuss streetlights in detail.

**Gateway Beer Garden, Mike Lilliquist:** Renee said she is part of a small committee of business consultants who are helping Mike put together a business plan, apply for licensing, and apply for grants to transform the current Mulcrone Carwash building into the Gateway Pub & Beer Garden.

Barb Brown spoke up disagreeing with Renee’s participation on such a committee. She is uncomfortable having a director advising start-up services and advising individuals. She is fine if Renee writes grants, but does not want the DDA director using tax dollars to provide business advice to individual business owners. Phil Ruegg suggested that a committee be put together to begin reviewing the projects Renee is involved in. Tom said that if liability was the issue then Renee could make sure future meetings of the like could take place in her office rather than in the businesses in her district. Barb Brown said the location of the meeting did not matter. Renee said that a priority in her job was to help economically develop the business district. To do that well, she needed to meet with the business owners in her district and work in concert with the Small Business Association and Mackinac Economic Development. Both of these organizations are on the committee she is currently working on the Lilliquist project with.

**Kayak Launch:** Renee explained that she was working on completing two grant applications to help pay for the kayak launch that is scheduled to go into the marina. Barbara Brown said she would prefer if the launch was built further north from the marina. Renee said she would discuss that option with the project team.

**Railroad Grade:** Renee will be presenting this project to the Regional Resource Providers who represent a number of Michigan stakeholders interested in where MEDC grant program dollars go. She will be working with Betsy Dayrell Hart on the presentation. If successful, she will be writing in application of $3M to begin the project as early as 2019.

**Public Comment** –

 Tom Evashevski said that he believed that the January closed session violated the open meetings act. He said that going into the closed session violated the open meeting act in six different ways. He believes that the Mayor and Kayla Pelter, City Councilmember, were behind the request and does not blame the rest of the DDA board. He said he believes whoever gave advice to go into closed session is guilty of gross incompetence. Mayor Litzner referenced a meeting she had with Mr. Evashevski wherein he explained to her that going into a closed session upon the advice of an attorney was permitted. She made very clear that it was not her intention to break any rules. He said he does not believe he ever gave her that advice. Mr. Evashevski turned to address Kayla Pelter, who was sitting in the audience. Mayor Litzner objected, stating that the DDA meeting was not the proper venue for having an open disagreement with someone in the crowd. Barbara Brown disagreed, stating that she believed he’d earned the right. Mr. Evashevski said he believed her advice caused the DDA board to violate the open meetings act in 15 different ways and that he thought her to be grossly incompetent.

 Jim North said that he had already spoken to the mayor and other responsible parties and made it clear that no closed session requests would be made without the advice of the legal city attorney. He said that moving forward, the agenda would be followed.

 Barbara Brown said that she was not happy about the way the January meeting was handled and was not sure after that meeting if she could continue serving on the board. However, due to the fact that Jim addressed the issue, she was more comfortable. She said she agreed with Mr. Evashevski, but intent to violate the act would be difficult to prove.

 Deb Evashevski spoke up about the pocket park bill from Belonga’s, saying that she does not believe the board should pay it because the city was unable to fulfill its in-kind commitment. She said that Les Therrian ordered the work done by Belonga’s and so the work done was at his request, not hers. Since the digging for the water and sewer lines for the project required breaking through rock, there was no way the DPW staff could complete the promised work. She said she was sorry that the artist rendering did not look like the finished project but that Renee needs to embrace the project and sell it. Don’t share just what a few business owners think.

 The light poles have plugs in them. In the 30 year plan, the Museum was supposed to have money from the chamber sale to invest in the museum. Sundry has never been an issue before. Benches, picnic tables, and trash cans belong in the sundry line item. I’ve talked to Carol Bell and there’s no $8k increase in the garden project. I expected phone calls. I have been available for the last two weeks. Please don’t give up on streetlights or leave events.

 Tom Evashevski added that the bill the DDA went into closed session over was approved in writing by the current city manager and then was approved by the city council.

 John Kling stood up and shared that a phone call was made to his director from the DDA Director stating that she would no longer participate with the Chamber. Barbara Brown wanted to know what Renee’s relationship with the chamber is. Renee said that the relationship between the two organizations has not changed. Jim asked Renee to explain. Renee said that she and Rene Halberg had been asked to book bands for the summer music downtown. To search for information on band names and cost, they opened the QuickBooks program where they saw discrepancies that required explanation. Renee said her questions led to a situation where John Kling was angry and made it very clear that he did not want her involved with chamber business. Renee said she then contacted the chamber director and explained that they needed to sever their relationship and keep it only to the absolutely necessary professional interactions. John Kling maintained that there was much more to the story, saying that he does not believe the DDA Director should be the face of this community. He continued to say that they had never had issues like these before.

 Jermaine Harrison, owner of Harrison’s Restaurant, spoke up and shared that he had interactions with both Rene Halberg and Renee Kosor and believed that they both had good intentions for the community. He also said that it takes more than a couple months to settle into new jobs and that mistakes would be made. He believes that Renee wants to see St. Ignace grow and that she will do good things for this town.

 Carol Bell said she was asked to come to the meeting to discuss the gardens and the plan for the summer, but would continue working with Renee on the plan and would present officially at a later meeting.

 Jim North said that it was customary to conduct a 90-day performance evaluation and suggested that the board do the same with the new DDA Director.

 Barbara Brown wants a copy of Renee’s job description.

 Heather wants a listing of committee assignments added to next month’s packet.

There being no further business: Meeting adjourned at 10:02 am

Respectfully submitted: Barb Yshinski, Secretary