

**REGULAR MEETING MINUTES
OWOSSO DDA / MAIN STREET
Council Chambers, City Hall
APRIL 6, 2011**

Meeting was called to order at 7:27 a.m. by Chairman John Hankerd.

Roll Call was taken by Recording Secretary Marty Stinson.

MEMBERS PRESENT: Chairman John Hankerd, Authority Members Dave Acton, Barb Bucsi, Ben Frederick, Alaina Kraus, and Barb Spagnuolo.

MEMBERS ABSENT: Authority Member Bill Gilbert and two vacancies.

OTHERS PRESENT: Deana Doan, Main Street Manager/DDA Director; Adam Zettel, Assistant City Manager and Director of Community Development; and Donald Crawford, City Manager.

AGENDA:

MOTION BY AUTHORITY MEMBER FREDERICK, SUPPORTED BY AUTHORITY MEMBER BUCSI TO APPROVE THE AGENDA FOR APRIL 6, 2011 WITH THE ADDITION OF ITEM OF BUSINESS # 5. DISCUSSION OF MAIN STREET OFFICE.

YEAS ALL. MOTION CARRIED.

MINUTES:

MOTION BY AUTHORITY MEMBER FREDERICK, SUPPORTED BY AUTHORITY MEMBER BUCSI TO APPROVE THE MINUTES OF THE REGULAR MEETING OF MARCH 2, 2011.

YEAS ALL. MOTION CARRIED.

COMMUNICATIONS:

- 1) Staff memorandum
- 2) Meeting minutes of March 2, 2011
- 3) March invoices
- 4) March check register
- 5) Employment agreement
- 6) Fiscal year 2012 budget worksheet

PUBLIC COMMENTS: None

ITEMS OF BUSINESS:

1. Farmers' Market

Deanna Doan, Main Street Manager/DDA Director, stated there are nine vendors for the Farmers' Market that have paid their registration, and about 45 more that have verbally expressed interest in being in the Farmer's Market downtown this year. Charlie Keenan, Market Master, is positive and excited about the plans.

Chairman Hankerd asked if that would be enough to fill the first block of W. Exchange. Ms. Doan replied yes, and they have plans to fill any blank areas with benches and other items.

2. Employment Agreements

Adam Zettel, Assistant City Manager and Director of Community Development, has a primary agreement with Mr. Keenan, but it isn't quite ready yet. Ms. Doan is an employee of the city while contracting with the DDA. DDA/Main Street was meant to be self-sufficient in a few years, but now we're looking at 2012. Property values and revenue sharing have been going down and the city has to look to the DDA to take over sooner instead of five years as previously planned.

Authority Member Bucsi stated there are fundraising events to help fund Main Street, but not enough to pay a salary. What effect will it have on our events? Mr. Zettel responded that the proposed budget is balanced with the manager included. He explained other items about the budget.

**AGREEMENT BETWEEN THE CITY OF OWOSSO AND OWOSSO
DOWNTOWN DEVELOPMENT AUTHORITY FOR LEASED EMPLOYEES**

The parties to this agreement, the city of Owosso, Michigan ("city"), a municipal corporation organized under the laws of the state of Michigan and the Owosso Downtown Development Authority ("DDA") created by the city pursuant to Act No. 197 of the Public Acts of Michigan of 1975 (MCL 125.1651 et seq.,) who enter into this agreement for the leasing of certain employees to the DDA; and for other purposes. The city and DDA are each a "party" to this agreement and may be collectively referred to as "parties."

The parties to this agreement agree to the following terms:

Section 1. The city agrees to provide administrative services and to lease employees to DDA ("leased employees") to assist in the carrying out of DDA's duties and obligations. Leased employees provided by the city shall include the following:

- A. main street manager

The city and DDA may agree from time to time to provide additional positions as leased employees to DDA or to alter the number or titles of positions, provided any such changes shall be made as provided in Section 20 of this agreement.

In addition to the employees designated as leased employees under this agreement, DDA shall receive assistance from the city manager and the city's community development director at no charge to DDA. The city's community development director shall be charged with supervising all leased employees under this agreement, unless another person is designated by the city manager.

Section 2. The board of directors of DDA retains the right to accept or reject the services of any offered leased employees. Anytime that DDA is dissatisfied with the performance of a leased employee, it may provide notice to the city manager of the unsuitability of the employee and the city agrees, upon receipt of such notice, to remove such employee from DDA's facility and from work for DDA. The city reserves the right to terminate its employment of any leased employee at any time. No property rights in employment are created by this agreement for any leased employees and all leased employees remain subject to employment at will.

Section 3. For each position to be filled with a leased employee, DDA shall establish a written job description, including qualifications, education and experience requirements, representative duties, and necessary skills and knowledge. Such job descriptions are subject to review and revision by the city to correspond with city personnel practices.

Section 4. While assigned to DDA, leased employees shall conform to hours of work and attendance requirements as established by DDA's board. Leased employees shall continue to accrue personal leave, retirement, and other benefits in the same manner as other city employees.

Section 5. The board of directors of DDA shall establish compensation levels for available positions for leased employees and the city shall endeavor to fill those positions with leased employees at the compensation rates established by DDA. Provided that, if the city provides

supplemental assistance in covering the salaries and benefits of leased employees, the city has the right to reject compensation levels for those leased employees which exceed a reasonable rate for the work to be performed.

Section 6. The DDA shall be a self-sustaining agency and shall cover the costs of all leases employees, at cost.

Section 7. DDA shall provide formal, written input to the city for all leased employees with respect to performance of those leased employees on at least an annual basis, coordinated with the timing of performing personnel evaluations for other city employees. Upon request, DDA shall provide to the city more frequent input with respect to the performance of any or all leased employees.

Section 8. While operating as leased employees, all leased employees shall be subject to the direct supervision of the city's community development director. DDA agrees to follow the personnel policies in effect in the city of Owosso. Should disciplinary action be necessary toward any leased employee, DDA shall refer the matter to the city's human resources director for appropriate action. Such referrals shall be made through the city manager.

Section 9. Leased employees shall be paid through the city's payroll service as other city employees. Time sheets for the leased employees, submitted and certified by the community development and neighborhood services director, shall be submitted to the city according to the city's payroll deadline.

Section 10. As leased employees, the city shall continue to provide workers' compensation coverage to leased employees in the same manner as other city employees. The city shall also provide health insurance and retirement plan participation to leased employees in the same manner as other city employees. The city shall also provide general liability insurance coverage to the leased employees in the same manner as other city employees. DDA assumes full responsibility for supervising the leased employees and DDA shall indemnify and hold harmless the city, its officers, and employees for any and all liability and costs, including attorneys' fees, and against any claims of whatever nature arising from the acts of the leased employees while assigned to DDA.

Section 11. City will provide DDA and leased employees support services at cost including, but not limited to use of vehicles, copy services, IT services, space rental (excluding meeting space for which there will be no charge), mapping and design services, and support services including payroll, accounting, purchasing, accounts payable and the annual audit.

Section 12. In addition to the leased employees identified under this agreement who are installed on properties owned and administered by DDA on an indefinite basis, the city may also, from time to time, loan temporary employees to DDA at no expense to DDA to perform certain functions required by DDA on a short-term basis. The discretion as to the availability of employees to lend on a temporary basis remains with the city manager, and the city has no obligation to provide employees if doing so would render it unable to perform its city functions. All requests for the loan of temporary employees under this paragraph shall be made by DDA to the city manager and shall include the scope of work to be performed and the estimated length of time for which an employee's services are needed. During the term of such loans, the loaned employees shall be subject to direction by DDA staff upon report to DDA following temporary assignment and continuing only

while the temporary assignment continues. Direction by DDA ceases immediately of all loaned employees when the temporary assignment ceases, and during any periods the loaned employee must return to city service.

Section 14. No leased employees or other employees temporarily loaned to DDA by the city shall give direction, commands or orders to city employees on behalf of DDA. All communications between leased employees and other employees concerning DDA matters and employees of the city shall be through the city manager.

Section 15. City shall bill DDA monthly for costs covered in this agreement and DDA shall make payment to city within 30 days.

Section 16. The effective date of this agreement shall be _____, 2011. The initial term of this agreement shall be for 10 years unless earlier terminated by the parties as provided herein. This agreement shall be automatically renewable for successive one year terms unless either party provides written notice of its intention not to renew prior to 60 days of the expiration date.

Section 17. This Agreement may be terminated by either party by giving the other party 90 days written notice in advance of the date of termination.

Section 18. Neither DDA nor the city may assign, in whole or in part, its interest, rights, duties or obligations under this agreement without the prior written consent of the other party.

Section 19. Miscellaneous Legal Provisions.

- (a) The headings in this agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this agreement or any of the provisions of this agreement.
- (b) Every provision of this agreement is intended to be severable. If any term or provision hereof is determined to be invalid by a court of competent jurisdiction, it is the intent of the parties hereto that such invalidation shall not affect the remaining portions of this agreement which shall remain of full force and effect.
- (c) The rights and remedies provided by this agreement are cumulative. The use of any one right or remedy by any party shall not preclude nor waive its rights to use any or all other remedies. Any rights provided to the parties under this agreement are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
- (d) If there is any action or proceeding brought by either party against another party under this agreement, the prevailing party shall be entitled to recover its attorney's fees and costs in such action or proceeding, including costs of appeal, if any, in such amount as the court may adjudge reasonable as attorneys' fees.
- (e) This agreement shall be governed and construed according to the laws of the state of Michigan.

- (f) No waiver of any breach by either party of the terms of this agreement shall be deemed a waiver of any subsequent breach of the agreement.
- (g) No presumption shall be made for or against either party based on the drafting of this agreement.

Section 20. The terms and conditions contained in this agreement constitute the entire agreement and understanding of the parties. This agreement supersedes and replaces any existing contracts or agreements for personnel services between the parties. Any changes, amendments, conditions or modifications to this agreement must be in writing and accepted by both parties.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to sign this intergovernmental agreement, and to affix their seal hereon, on the dates set forth below.

City of Owosso, Michigan

Owosso Downtown Development Authority

BY:

BY:

ATTEST:

ATTEST:

Date:

Date:

**MOTION BY AUTHORITY MEMBER BUCSI, SUPPORTED AUTHORITY MEMBER KRAUS TO ACCEPT THE PROPOSED EMPLOYEE AGREEMENT.
 YEAS ALL. MOTION CARRIED.**

2. Budget

Chairman Hankerd stated the budget made sense as presented. He wondered if a column could be added of year-to-date expenditures. City Manager Don Crawford answered that the reports from the city's accounting system does show that information if the paperwork flow is kept up to date so the reports are accurate.

Authority Member Frederick stated that the Council is working on the budget next week, so this DDA budget would be helpful then.

**MOTION BY AUTHORITY MEMBER SPAGNUOLO, SUPPORTED BY AUTHORITY MEMBER KRAUS TO ACCEPT THE BUDGET AS PROPOSED.
 YEAS ALL. MOTION CARRIED.**

Authority Member Frederick invited Chairman Hankerd to be at the council budget meeting on April 21 at 7 pm.

3. Payment of Invoices

Invoices for DDA Approval-April 6, 2011 Meeting

<u>Vendor</u>	<u>Amount</u>	<u>Purpose</u>
The Argus Press	\$ 5.00	Meeting Notice
City of Owosso	\$ 293.05	Cell phone service & equipment
City of Owosso	\$ 46,350.00	2009 LTGO Bond Payment

City of Owosso	\$ 92.64	postage and copies for two farmers market mailings
Connectic Marketing	\$ 75.00	Center City Advertising
Freed Video Production	\$ 475.00	Video
Kelly's Refuse Service	\$ 125.00	Trash service for downtown-March 2011
Lorraine Weckwert	\$ 286.08	Reimbursement for flowers
Ludington Electric	\$ 133.29	Electrical work done downtown
Office Depot	\$ 46.58	Keyboard/mouse pad
Win's	\$ 195.60	Materials for downtown
Consumers Energy	\$ 97.45	Downtown office

Total \$ 48,174.69

MOTION BY AUTHORITY MEMBER BUCSI, SUPPORTED BY AUTHORITY MEMBER ACTON TO APPROVE THE PENDING INVOICES FOR PAYMENT BY THE DDA / MAIN STREET AS PRESENTED WITH THE ADDITION OF THE CONSUMERS ENERGY INVOICE FOR \$97.45 MAKING A TOTAL OF \$48,174.69.

YEAS ALL. MOTION CARRIED.

4. GreenUp CleanUp

Ms. Doan stated that the GreenUp CleanUp will be on April 30 downtown and is sponsored by the Friends of Shiawassee River, Shiawassee County Health Department, and the City of Owosso. Planned events include flower planting with Lorraine Weckwert and her 50 volunteers for planting perennials in the downtown beds; cleaning the riverbanks; sweeping the streets, etc. John Hankerd is doing the tee shirts. Chairman Hankerd stated that John Orr from Roma's is helping out with pizzas. Ms. Doan continued that the Morrice Chemical Bank is financing \$300 towards the project. Adam Zettel will be doing the e-waste collection in the Comstock Parking Lot. Chairman Hankerd offered his employees to paint the metal behind his store. Mr. Crawford recommended they get some vandal-proof paint.

Authority Member Frederick stated that Arbor Day and the tree planting needs to be on the city website.

Ms. Doan stated there is a Volunteer Appreciation Breakfast on May 12. At that event there will be a Main Street 101 introduction included. Authority Member Bucsi mentioned that it's held at the Hot Spot and that each committee from the DDA/Main Street should be ready to give a short comment.

5. Main Street Office

Chairman Hankerd noted that the Main Street office above the Bake Shop is closing, but we don't want to abandon the idea. "Jumbo's to Go" has offered the building at 210 S. Washington for \$350 / month for the front of that building. There would be more expenses, of course, for Consumers, phone, etc. We would not have to sign a lease; it would be month to month.

Authority Member Acton asked if we were clear on the motivation. It was commented that some wanted to see a division of Main Street from the City of Owosso. Authority Member Frederick stated there will still be an office at city hall. Authority Member Spagnuolo asked if we could afford it. Mr. Zettel stated it would probably be about \$600 per month – possibly \$7-8,000 per year.

Ms. Doan shared that specific office hours would be helpful because it's frustrating to go there and have it closed. She said that Mr. Keenan could be there. Maybe it would be shared with another nonprofit group down the road. She cautioned that we not try to relocate the office too many times. That would give an unstable appearance.

Authority Member Bucsi is not against the area, but when it was above the Bake Shop, was it a benefit to be there? Did people notice that we were an entity away from the city? She's not sure why there is a desire to have the separation.

Authority Member Kraus stated that signage will let people know that something is going on there. Authority Member Acton asked the staff what their thoughts were. Mr. Zettel was on the fence. He sees the benefits, but he also sees the extra expense, probably \$8,000 per year. Mr. Crawford asked who comes to the Main Street / DDA office. The director works out of there and would need to have support equipment. Everything is all separate once you get out of this building [city hall]. Volunteers - the current board couldn't give up hours from their business - then the doors are locked on the office. His best experience with DDA's was staff members reporting directly to the city manager.

Authority Member Acton is hearing downtown. This needs the collaboration of several organizations. Authority Member Krauss asked are we Main Street or a DDA. We need to show ourselves as Main Street and separate.

Ms. Doan stated it's a nice piece of property and already in good shape. The owner is willing to give us a deal. Can we afford it is a good questions. She believes that if we give it a year and then move out, that people will lose faith in the Main Street program. She has never worked with a more supportive or resourceful group than in this building. She doesn't see herself separating from the city. She has a very positive connection between the city and Main Street. She can't do the job without city hall. Her resources electronically are here at city hall. She has tapped into her colleagues to help with mailings, etc. here. Downtown may or may not have volunteers. Downtown yes, but separate from the city, no.

8:47 a.m. Authority Member Krauss left.

Authority Member Acton thinks the Main Street office might better be on M-21. The timing may not be right. He likes having access to Ms. Doan and Mr. Zettel when meetings are at city hall.

Chairman Hankerd will tell the building owner that they are not ready to make a decision.

COMMITTEE UPDATES:

1. ORGANIZATION

Board Member Bucsi is checking for sponsorship. Chairman Hankerd needs numbers for the tee shirts for the GreenUp CleanUp. He will print up 200 with logos of the sponsors. This committee meets the third Wednesday of the month at 8 a.m.

2. PROMOTIONS

Chairman Hankerd said they are getting the applications out for the Artisan Market. They are concentrating on current events rather than making new ones.

3. ECONOMIC RESTRUCTURING

Authority Member Acton commented on the Downtown Diva computer program. They need to get the information into the program. Then they will work on developing the marketing plan.

4. DESIGN

Authority Member Acton reported that they visited the studio on March 15 where the fountain is being made. It's looking really good and hope to have it completed before the Curwood Festival. Mr. Crawford commented that this is not a Curwood event and that it is a stand alone event. It should have a separate dedication.

Authority Member Acton said that he will have sketches at the next meeting of the bike racks for board approval.

The Fountain Park has been used by dogs. Down the block from there a sand pad will be installed for that use.

There will be 125 hanging flower baskets downtown with the wave petunias. They will be in the top ten colors. This is a separate initiative from identifying the flowerbeds.

During GreenUp CleanUp, a group will sweep and wash the street.

The Banner Committee is working with Ron Baker, City Engineer, on how to stabilize the pole. They are working down M-21 and up Washington Street through the 200 block and down the 100 block, and on the new Exchange Street area.

For the vacant business window problem, the committee is working on a strategy.

They are working on the entrances to the city. Authority Member Frederick stated that is also a Council priority.

Authority Member Acton continued with the way finding signs. The council set a similar goal with Tom Cook chairing. Maybe we can work together as one committee collaboratively.

Authority Member Acton also stated that Lorraine Weckwert wants none of the 85 downtown flower beds left untouched. The Garden Club is involved and they will plant perennials on April 30 and annuals later.

BOARD COMMENTS:

Authority Member Spagnuolo stated that the snowflake banners could come down now. Ms. Doan will e-mail Mark Sedlak at the DPW.

Mr. Zettel commented that there will be a car show on June 12 and that maybe we could get involved with that. It's a good show. He also proposed that when a group comes to town for an activity like this that the Main Street could give them a couple thousand dollars. Ms. Doan added, and maybe have it noted they were sponsored by the Main Street.

Ms. Doan has rescheduled the Resource Team visit to Tuesday, Wednesday and Thursday, August 30, 31 and September 1.

9:15 a.m. Authority Member Bucsi left.

Authority Member Spagnuolo commented on the television ads about "come visit an area" and they showcase some of the businesses. Authority Member Frederick was on Channel 95 and said that maybe the group could do some PSA's [Public Service Announcements] and include the Farmers and Artisan Markets. Mr. Crawford talked to Mr. Keenan; he's also talking about doing television promos.

Authority Member Acton left the room. Quorum was no longer met.

ADJOURNMENT:

There no longer being a quorum, Chairman Hankerd closed the meeting at 9:18 a.m.

Alaina Kraus, Secretary

m.m.s.