
MINUTES**I. Call to Order**

The meeting was called to order by Mayor Denison at 4:00 PM.

II. Roll Call

Present: Mayor Sean Denison, Mayor Pro Temp Mark Weedon, Commissioner Dan Vigansky, Commissioner Larry Money

Absent: Commissioner Patrick Swem

City Staff: City Manager, Timothy Lynch; City Clerk, Kalla Langston; Community Development Director, Rich Murphy; Assistant Community Development Director, Ashley Regal

III. Public Comment - Agenda Items Only (3-minute limit)

Tom Jolly, 107 E Front St – Comments about confusion with the budget for LiveBuchanan.

Michael Rowland, 4793 Tulip Tree Lane – Comments on the merits of LiveBuchanan’s proposal.

Tracy Dippo – Comments on support for Ashley Regal and the Michigan Main Street Program.

Peter Lysy, 201 Moccasin – Comments on the existing provisions in the city budget funding the project.

Jeffery Antisdell, 102 E Front St – Comments on the business sense and use of capital in the city.

Correspondence: We had 6 letters of support, 1 letter against, 1 asking to see a budget, and 24 pledges in support of LiveBuchanan. Printed copies of them are available here tonight.

IV. New Business

A. LiveBuchanan- *Items being considered were postponed at the Regular Meeting held on July 22, 2024. The Commission has directed the City Clerk to call a special meeting to discuss and consider the postponed items.*

1) Consideration and discussion of the proposed agreement by and among the City of Buchanan and LiveBuchanan to provide Economic Development, Historic Preservation, and Promotion of Downtown Buchanan.

DISCUSSION:

Regal: I took your questions to the Main Street representative Leigh Young. The contract you received was based on another community with a similar set up as we are pursuing. Some of the questions were about the minimums needed to move forward. Main Street requires a 5-year commitment to whatever entity is decided, a full-time manager, and a budget for professional development. Those are the minimums along with the resolution. They are not particularly concerned with the semantics of the contract as long as there are adequate protections for their investment.

Denison: I like Mr. Antisdell’s idea of having the commission approve expenditures. I think it would be okay to spend smaller amounts but over say \$5,000 come in front of the commission.

Vigansky: I don’t want to ask any questions, but I do want to make some comments. All of you are strong volunteers but none of you were down here when the DDA got destroyed. This is a popularity contest. This is not me trying to destroy Main Street, this is me forcing it to run the way

it's supposed to be run and trying to get answers. There is no open meetings. Usually the 501 comes from a large community where you have the business backing the Main Street or you have a DDA where you have a good TIF program supporting it which we would have had. Which we had the money to support a Main Street, now we are not going to get the money even if we recreate a DDA. None of you come down here to stop the DDA abolishment. This contract is extremely loose. Main Street is not going to die and go away, it may not get its application process authorized. I can't vote for this contract or the way its set up.

Denison: I've heard time and time again that the Main Street program has been set up illegally, that they are on the tank. We received an email from MEDC and it says "a non-profit organization is one of the models for a Main Street organization in Michigan and is used nationally. It's an acceptable organizational structure for a Main Street organization to be successfully locally and to be accepted in the Michigan national Main Street." Everything LiveBuchanan has done has had open meetings, they tried inviting other people to attend and they have been working side by side with the people at MEDC ever since they started to make sure they are doing it correctly.

Weedon: I made a proposal to the other commissioners including Tim, I completely respect where the people are coming from who support the DDA, the dissolution of the DDA, I was a part of that. You have the authority to change your mind and look back with hindsight and maybe that wasn't the best action to take, but here we are. My proposal was that we do support LiveBuchanan financially, however I believe it can work in tandem with the recreation of a DDA. The apprehension is that the same toxicity within the DDA will resurrect itself, however, with the reinstatement of the DDA people have to submit applications and be approved to sit on the board which would be the preview of this commission. We can establish a dollar amount to continue the processes LiveBuchanan has done and the great things they have accomplished that are far greater than many other programs within this city. The cohesiveness of the group and dedication of volunteers, you'll never find a better group to do that. The northside, I apologize, was another group that came together and with good attitudes, positive thoughts, and definitive outcomes. I believe LiveBuchanan is doing the same thing. I suggest that the city provide financial support through the budget processes which have already allocated the funds, and at the same time we create a DDA. Once the DDA is reestablished it would become the financial arm of LiveBuchanan. This gets us our DDA and TIF money back, and we have control over who sits on the board.

Vigansky: Does the Main Street program disappear or is it ongoing? If we don't accept this at all does Main Street dissolve and who does it dissolve in?

Regal: If you don't accept the resolution it still exists as an organization. They may choose what they do after that. The efforts to move forward would be halted for this year.

Weedon: We wouldn't be able to apply for another three years correct?

Regal: I clarified with Leigh that was true at the time of our application. I think she told me today they changed that, it's on a rolling basis.

Denison: So then would we have to financially support a DDA and a Main Street program?

Vigansky: No, the DDA would support Main Street.

Denison: The DDA couldn't support themselves last time? How are we going to figure that out? I keep hearing it and I see it in one of the letters here, the \$50,000 that's going to LiveBuchanan is not \$50,000 + \$6,000 + Ashley's salary. A little bit of that \$50,000 is going to Ashley to cover her cost as the executive of Main Street, her salary would be in that \$50,000. I just wanted to make sure everybody understands that. I also have serious concerns about finding good people who are going to work for Buchanan and I have fear that we are not going to be able to fund. I cant believe we are talking about the DDA, we are supposed to be talking about LiveBuchanan.

Dippo: I would like to clarify, does everyone understand where the DDA gets their TIF money? It comes from the property taxes of building owners downtown. It's only the incremental tax increase in property value from the time the DDA starts going forward. So when we first started a DDA and Redbud Hardware was the only retail in town there's a lot of new tax capture in the TIF in our DDA. That is not the case now. To start a DDA now would take a long time to build up much money because there are less buildings available, less room for tax improvements, creating more value on those buildings. It just isn't the same situation. That was the big mistake in dissolving the DDA is that we lost our starting point. To start now you wouldn't have a lot of money to fund a DDA for years and years. Not that it couldn't happen down the road but you're not going to start at the same point we did 20 years ago.

Lysy: If we do a DDA this year, next year they may get \$10,000 or something. It will be so miniscule in the beginning that you're going to be spending money to keep it going unless they levy tax. The DDA could levy two mils but I don't know if that's still the case because things were changed in 2018 with new legislation.

Denison: That was one of the arguments for getting rid of our DDA because the amount of money they were allowed to capture was going down.

Lysy: One thing they could do is levy a tax, but I don't think downtown business owners want to create a DDA so they can tax them. Since its tax increment financing the first-year tax revenues will be miniscule because there's hardly any increase in the tax rate over the baseline in that first year. In the second year hopefully a little more, you get a recession and it might go down.

Vigansky: We might have to help the DDA build itself back up because we destroyed it. Because some of us couldn't convince others to change their mind, so we are all guilty. The point being is it's not about the money captured, its about the money we can get because we have a DDA. Rich stood up here and told us when you write grants if have a DDA in the city it makes us more eligible for grants from the state.

Murphy: I did not say that. I said if you have a funded DDA you have capital, but like these people have said, a DDA does not become solvent or effective until 5 or 10 years from establishment. So right now you guys are looking backwards and we are looking forwards. We have two and half years on the line here that we can't pull the plug on. The DDA in this discussion is a red herring, it is an effective tool that we could pursue at future date but it is not contingent on what we do with all this momentum and community effort that had brought us to being on the inch yard line from being approved as a Michigan Main Street.

Denison: Respectfully, I would like to ask that we move forward with the LiveBuchanan idea without the DDA involved. If it means reducing the amount of money we give them that's fine but I don't want to tie them to something that doesn't exist and we really don't know how much money we are going to make from a DDA.

Vigansky: We are all for LiveBuchanan, its all about the way this contract was presented at the very last minute. That's my personal opinion.

Denison: Then I would say we move forward and start going through that contract and lets approve it based on changing the contract to say things you guys want it to say.

Weedon: The people who have sat on the DDA and they presented the reality of what we are dealing with and the long term effect is going to take a while. Being cognizant of that, I believe the right thing to do is to continue to move LiveBuchanan forward. I do agree with the DDA creation, it is something we can benefit from long term. We have economic development, we put money into this gentleman and young lady here so we can have the volunteers we have. I don't believe in pulling the plug on it and we have already established a budgetary line item on it.

Penny Slocum Correa: Mark can I say something quick? I was on the DDA, and I wasn't happy with you too when you decided to dissolve it because you'd always said we were trying to work hard but we had an administration that didn't work with us. It was a battle every time. These guys have done ten times more than we could have ever accomplished. It wasn't just us, it was who we were working with. Deborah never came in, Bill Marx barely showed up. I mean seriously, these guys have done way more in such a little amount of time.

Murphy: One point on the DDA, it's a tool we could pursue in the future. It is not attached to tonight's discussion. Its an additional tool that could be used as the leadership feels if that's the path they want to take. It would cost money to establish a DDA, we would need technical experts, legal review, and it would take four to six months.

Weedon: In the resolution I think we have some language that dictates the budgetary expectations. Ashley correct me if I'm wrong, the MEDC has budget requirements in their preview so they know exactly where the funding from this city is being utilized?

Ashley: Based on what we establish, as far as where funding is coming from, they need to see a budget. The base minimum is a full-time Main Street manager which doesn't need to be me, they can help you hire someone else. They require money for training of the manager and the board and they require a resolution of support that includes the declaration of finances. I have to know what our uncommitted funds are so I can't just go with grants I hope to achieve I have to have capital that I can put into a budget.

Denison: So when Ashley just said 'you don't have to hire me you can hire some else,' but I don't know how you're going to find someone. One thing that attractive to me about the LiveBuchanan doing what they've proposed is the fact that we would give her a little bit more money on top of her current salary to be the executive. If she were to quit tomorrow I don't know where we are going to find someone with her expertise and be able to pay them that little amount of money or to try and do all the things she currently does and that. I think that's a good deal.

Regal: Just to clarify with the uncommitted funds, they want to see some amount of money in each of their four items – design, promotion, organization, and economic vitality.

Denison: Do they tell you there has to be a 5 year commitment?

Regal: Yes, because if you get selected into the select level which is what we are applying for, we are already in the engaged level already you can call yourself a Michigan Main Street so you are eligible for the select services they provide including opportunities for two grants you can't get anywhere else.

Money: Is that \$50,000 amount set in stone?

Regal: No, you guys can decide what you want if you want to just say salary but that's the baseline. The portion that goes to salary is entirely up to you guys.

2) Consideration and discussion of the proposed Resolution 2024.07/21 LiveBuchanan Support.

Motion 1

Motion made by Weedon, supported by Money, to approve Resolution 2024.07/21 LiveBuchanan support with the amendments that the budget will be put together by the city manager and city treasurer including the Main Street executive manager salary, and requiring budgetary oversight through quarterly budget reports to the city commission.

Yea: Denison

Nay: Weedon, Vigansky, Money

The motion does not carry.

Motion 2

Vigansky motions, supported by Weedon, to postpone items A. 1 and 2 until the August 26th, 2024 meeting contingent that LiveBuchanan makes amendments to the proposed agreement detailing the budgetary structure including expenditures, salary, and organizational costs; describing the format of reporting to the city commission; and providing that these amendments are presented to the city manager before being brought before the city commission.

Roll call vote carries unanimously

B. USDA- Consideration to authorize City Manager Timothy J. Lynch to execute construction contracts and documents relating to Downtown Infrastructure Contract No. 1 with Kamminga & Roodvoets Inc.

Motion made by Vigansky, supported by Weedon, for the City of Buchanan to authorize City Manager Tim Lynch to execute the USDA construction contract between the City of Buchanan and Kamminga and Roodvoets know as "Contract No. 1 – Downtown Reconstruction – Street and Utility Improvements." Additionally, the City of Buchanan authorizes the City Manager to execute on behalf of the city any necessary change orders for Contract No. 1 during construction in an amount not to exceed \$50,000 per each change order.

Roll call vote carries unanimously.

V. Public Comment - Non-Agenda Items Only *(3-minute limit)*

Penny Slocum Correa – Comments on the city commissioner election campaigning and behavior.

Jeffery Antisdell, 102 E Front St – Comments on long-term potential of forming a DDA and Main Street.

Rich Murphy – Watch party for Buchanan Olympian Hannah Roberts Wed 7/31 7 AM at the Commons.

Burnett, Chief of Police – National Night Out Against Crime is next Tues 8/6

VI. Adjourn

Motion made by Weedon, supported by Money, to adjourn at 5:11 PM. Roll call vote carries unanimously.

Kalla Langston, City Clerk

Mayor Sean Denison