

EXECUTIVE DIRECTOR REPORT

Matthew Gibb – Executive Director

July 16, 2024



I. NEWS AND UPDATES

STAFFING – ADMINISTRATIVE COORDINATOR Following the retirement of Diane Kochis, who performed a multitude of tasks beyond her job description, we have posted this position and sent the description out to various channels. We have received more than 40 applications and resumes, with a few being a partial/strong match. We are completing final recruitment of interest and moving forward with interview with an anticipated hire and start by August 1.

WORK IN PROGRESS: Interviews are being scheduled for the week of July 22, 2024. If board members are interested in sitting in, or participating, anyone is welcome.

SERVICE AGREEMENT – We had our initial meeting with Village Manager and staff on July 9, 2024. At this meeting we were again informed of the position of the Village Manager that the time tracked by Village departments exceeds the charged time in the budget and expired service agreement. We have taken a two pronged approach to better analyzing and approaching the methodology of how this new structure can get done.

➡ **LUMP SUM OFFER** – We have offered the Village to change the statutory admin fee to a lump sum, by percentage of our Tif capture revenues. This approach is very common amongst other DDA's in Michigan. As example, the Rochester DDA has a single lime item for admin fees that amount to approximately 11% of its capture revenues, with an added line for DPW specific services as they would request. While not outright rejected, the Village Manager did not open a dialogue on this concept, instead indicating he would provide data supporting the village status quo.

➡ **HOURLY ACCOUNTING** – the manner in which the Village wants the DDA to continue paying for scheduled services amounts to an hourly tracking system. We are awaiting their first submission of data that will assert what time they believe applies to DDA services, and at what rate. We will analyze whether this is functionally reasonable, or accurate, and on conclusion build a tracking procedure that would change the format of how these service fees are charged from a monthly draw to an invoiced payable.

WORK IN PROGRESS: An example of how difficult this will become is as follows: The Village is asserting that from January through May 2024 the DDA has benefitted from just over \$63,000 in charged DDA service time. This does not rationally make sense, and does not in any fashion balance against actual requested services or known functions under the expired contract. We are anticipating a lengthy process to unravel that approach.

II. TO DO'S AND MORE

- Asset Mapping / Parking Agreement(s): All contracts for parking have been pulled and are being reviewed and planned for updating. We have asked the Village for an asset map that identifies ownership, control and responsibility for owned public space and parking areas.
 - There will be an analysis of parking leases, and more importantly, the public lots and ROW areas that the DDA has long been shouldered with cleaning, while paying a service fee to the Village for the same service. This will be assessed as part of the renewed service agreement approach.
- DDA Office: Our new lease is signed and approved. We are completing a small aesthetic improvement along the southerly boundary of the property, meaning, we are replacing the long broken and rotted fencing.
 - The new fencing will be less than \$500 and complete our goal of making the office an example for other properties to be clean and open for business.
- HERITAGE CONSULTING: Outreach has now happened as the principal at Heritage has returned from an obligation out of the country. We are planning an initial work-process meeting via zoom/teams before April 19, 2024 and from that meeting will announce a timeline and deliverable needs.
 - ➡ There needs to be a 501(c)(3) organization formed, which we can accomplish, but the focus of the identity and purpose must be refined.

WORK IN PROGRESS: This is on tonight's Agenda.

- Gift Certificates: We accumulate funds from the Downtown Dollars program, via credit card / debit pay, in a separate account. This needs to have a better control and audit mechanism, which is being reviewed.
 - The Resolution to allow access to the PNC account has been completed.

III. BUDGET.

The board, at its special meeting approved the Revised and Adopted Budget for 24-25 as submitted to us by the Village. During this process, the Village asked that we obtain an opinion from outside counsel as t the budget proceed. We did that, and it was exactly as our Executive Director previously asserted:

1. Step 1 – the Executive Director prepares a budget based upon the anticipated revenues and expenses of the DDA.
2. Step 2 – the Executive Directors budget is considered by the DDA Board, who app[roves the final budget after all considerations from the Board.
3. Step 3 – the DDA Board approved budget is sent to the Village Council who can then take one of three actions:
 - a. Approve the budget as submitted by the DDA Board.

- b. Approve the budget, with the addition of a reasonable fee for administration as allowed by PA57.
 - c. Reject the budget and send it back to the DDA Board for additional consideration.
4. Step 4 – After the budget is approved by the Village Council (with whatever process of rejection or the adding of an admin fee solved) the DDA Board then adopts the budget for the new fiscal year.

➡ What is not included in the process is any procedure for the Village to create their own budget on behalf of the DDA and ask that the DDA Board adopt the budget they have created. This process MUST be fixed prior to the next budget.

WORK IN PROGRESS: Our office is now assessing necessary budget adjustments, pending the resolution of the Service Agreement and admin charging. The Board will need to consider amendments at its August 2024 meeting.

IV. LUMBER YARD

The development project is moving forward as all the details get organized and gathered. Of significant note to the initial analysis work being conducted:

PICK AND DONATE. WE CANCELLED THIS EVENT FOLLOWING ADVICE FROM OUR ENVIRONMENTAL FIRM, AND THE LEGAL COUNSEL OF OUR EXECUTIVE DIRECTOR.

MDOT PERCOLATION BASIN. This area is now being attacked with the help of Congresswoman McClain's office. We have discovered that the basin is actually a vernal pond and there is a question of wet lands designation. Progress is being made.

FUNDING RESOURCE PLANNING. Concepts that include possible RTA access, multi-modal grant support, land lease revenue planning, optimization of PPP offerings, and other ideas are being compiled. Contact has been made with multiple developers, planning experts from outside the region, interviews conducted with local voices, and debt service options are being constructed.

ENVIRONMENTAL INSPECTIONS. We are now fully up to speed with the entire baseline environmental report and its findings on the site. AKT Peerless who performed the initial investigatory work, is preparing a final due care plan.

DECONSTRUCTION. We plan to continue deconstruction and plan to:

- OFFICE: We are cleaning out the office and assessing whether it can be saved.
- SIGNS: Carefully, and without liability, remove and store the artwork sign and the lumber yard sign. We want to deconstruct the main triangle sign and store the panels. **DONE**
- Clear vegetation away from structures. **DONE**
- Commence historic architecture work with County. **DONE**

SMALL LOT ON SITE. A proposal to offer \$7000 is on tonight's agenda.

VOLUNTEER WALK THROUGH AT THE LUMBER YARD - JULY 24 5:30pm-7:30pm

Sign up of volunteers, walk through the site, identify scheduled work, needed work, and clean up task lists. Those that attend can sign up for Volunteer Day's which will occur the first week of August.

VOLUNTEER DAYS – August 1-4 10:00am – 8:00pm

V. MAIN STREET COMMITTEE WORK / POWER HOUR

There is a need to re-start both committee work and the Power Hour Series.

The small board meetings held with leadership were excellent. Several concept questions arose that are now being formulated in strategic planning:

- How can we build a better identity?
- What is our approach to maintaining cleanliness and readiness to address changes?
- How can we communicate better, and more directly to a broader audience.
- Is there a mechanism to draw together our building owners to define a better vision for the overall identity and diversity of downtown?
- Is there a means to draw more hands on resources to start up and second stage businesses to help growth and long term stability?
- Can we apply data better?
- Communication, Communication, Communication, from all sources and listeners.

Respectfully Submitted,

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