



DOWNTOWN DEVELOPMENT AUTHORITY BOARD

January 19, 2021

A regular meeting of the City of Petoskey Downtown Management Board was held through Zoom from virtual locations on Tuesday, January 19, 2021. The meeting was called to order at 7:15 P.M. and the following were:

Present: Chairperson Ben Slocum
Robin Bennett, Vice Chairperson
Marnie Duse
Dan Harris
Noah Marshall-Rashid
Brittany McNeil
John Murphy, Mayor
Jennifer Shorter

Absent: Gary Albert

Also in attendance were Downtown Director Becky Goodman and Downtown Promotions Coordinator Andi Symonds.

Organization of Board

Chair Slocum announced that the first order of business at the January meeting was to select a chair and vice chair and to set the schedule of meetings for 2021. Harris moved that Slocum again be elected chair and Bennett be elected vice chair and that regularly scheduled meetings continue to be held the third Tuesday of the month at 7:00 P.M. Shorter seconded. All in favor.

Approve Consent Agenda Items

Downtown Management Board members discussed the first item of routine business, the December 15, 2020 regular meeting minutes; acknowledgement of bills since December 15, 2020 that totaled \$41,866.77; and the December expense and income reports as prepared by the Downtown Director. Upon motion made by Harris and seconded by Duse the consent agenda was approved. All in favor.

Hear update from Tim Knutsen, Beckett and Raeder, on Streetscape Study including Snowmelt and Innovative Downtown Lighting Study

Tim Knutsen, Beckett and Raeder, gave a brief progress report of the studies that they are working on for the downtown: Streetscape Update including Snowmelt and Innovative Downtown Lighting. Mr. Knutsen also provided a workplan and timeline.

Board member comments included questions about Beckett and Raeder's clarity on direction for the scope of work and suggestions to rely on the strategic plan and to focus on non-motorized transportation. Other comments related to outdoor dining including comments about what is working in other communities. Mr. Knutsen replied that outdoor dining, Pennsylvania Park, accessibility, parking, landscaping materials, and the Greenway and tunnel areas would be of special focus. Mr. Knutsen also encouraged board members to reach out to him directly or to him through staff with any questions.

No action was taken.

Approve Dining Decks in Parking Spaces in 2021 and Recommend to City Council

Staff reviewed that at the December 2020 Board meeting, the DMB had approved a plan for moving ahead to allow dining decks in parking spaces both by Council resolution in 2021 and by ordinance in 2022 and that staff is currently working on the resolution part of the plan with the ordinance to be addressed, at least partially, in the Streetscape Update Study that was just reviewed. The timeline for the plan asks that the Board approve a draft resolution to recommend to Council at this January meeting and that staff had prepared a draft included in the packets.

Staff continued to say that, in preparation of this draft, she had surveyed all food service businesses to determine the degree of interest among them for participating in a dining deck program. A copy of the email survey and the responses received was reviewed which indicated no interest to construct and manage dining decks from other than two or three full service restaurants. Staff reported further that the Parking Committee had reviewed this material and recommended implementation strategies at their January meeting. Staff also had taken into consideration results from a past survey to all of Downtown and comments heard at the DMB during previous discussions. She stressed that every effort had been made to be sensitive to the needs and wants of all sectors of the Downtown community with the goals of economic enhancement and overall vitality and vibrancy in mind. A synopsis of the main tenets of the proposed resolution and the rationale for them follows:

- Businesses that serve alcohol and/or provide full service dining will be allowed to participate. In an effort to be inclusive and still keep the number of spaces taken over for dining deck use, the Parking Committee concurred that this language would allow those who were the most impacted by reduced dining capacity numbers to participate.
- Dining decks will be limited to one space per participant, unless by special petition to the DMB. After assessing the location of prospective participants and examining the stress on available parking for the rest of the block, allowing one parking space seems to be the most adaptable to dining deck conversion, but there may be situations where this standard could reasonably be altered.
- Decks will be allowed to do business on the street during regular restaurant hours between May 12 through November 14. Extra time for construction and removal may be negotiated with the Parking Office. There will be no requirement to have the deck on the street for this amount of time, but, especially during the transition from COVID, restaurants may welcome the extra seating opportunities in mid-May. Having decks on the streets early in the season will also give good data regarding their use that may be incorporated into the ordinance at a later date. The City has already considered the end date of November 14 to be the latest possible due to snow removal concerns.
- The decks should conform to design guidelines as established by City staff in coordination with the County Building Department. Minimally, a platform and barrier must be provided. Every effort to make the structure attractive should be explored and included as finances provide. City staff will give onsite direction to problem areas as happened in 2020.
- There should be no charge to the restaurants if COVID restrictions are still in place. If COVID restrictions are lifted, the charge should be \$200 which is the approximate amount of revenue that would be lost if the metered space was occupied full time.

Board member comments included clarification requests about how many spaces were used in 2020 and the process that would be used if a restaurant wanted to petition for more than one space. Staff responded that City Park Grill used one space and spread out into an open space next to an alley without impeding traffic and that Tap 30 had used one space and that Pour had used one space; and that the DMB would be the venue for petitioning if a restaurant wanted more than one space.

The City Manager suggested clarification on what was meant specifically about “COVID restrictions being in place” in order to determine if the restaurants would be charged. There was extensive discussion over how to calculate it.

It was moved by Marshall-Rashid and seconded by Shorter to approve the resolution to be recommended to City Council as written with the insertion of the words “seating capacity” before “restrictions” in the section addressing fees for the use of a parking space. All in favor.

Assurance was given by staff that the fee structure will be investigated in depth if an ordinance is ever enacted as board members expressed concern that the fees be of an appropriate amount and necessarily reflect parking fees.

Reports by Downtown Management Board Committees

Marketing and Events Committees – Symonds reported that the reports were in the packet and reviewed the highlights of the marketing activities that took place over the holidays. The Marketing Committee did not meet in December due to the holiday. Symonds also gave an overview of the plans for Winter Weekend which include ice sculptures and a window walk, adding that she was pleased to be working on an event even if it was highly modified.

Parking Committee – Goodman stated that year-end revenue for 2020 had been even lower than anticipated and the end of the year pause for restaurants and the free parking in the parking lots had added to the results of the spring shutdown causing this result. Curbside parking space availability will be extended and free parking in the lots will end when the pause for restaurants is lifted. Committee meeting notes were included in the packet.

Beautification – Goodman reported that the holiday lights were taken down as of the day; that the use of LED lights for next year had been explored but no acceptable product had been found; and that there had been no complaints about sidewalk snow removal, citing that there had been little snow and that she had communicated with absentee landlords about responsibilities of property owners.

Downtown Economic Enhancement – Goodman said that 322 East Mitchell was officially listed for sale, citing that the building had been vacant for the better part of 16 years and that a chance of a new owner was exciting; that Trillium Salon had closed but the owner was opening a massage business on the lower level; that Populace Coffee had closed; and that a strong tenant was considering the former Items space on Lake Street. She said that she was keeping track of closures that were directly related to the pandemic and so far there had been closures that may have been influenced by the pandemic, but not specifically because of it.

Goodman also reported that she had communicated with Bob Berg regarding plans for the Penney’s building and he said that a unique and exciting concept that the public will love is being planned for the space and that he had no plans for the development of 200 East Lake Street at this time.

Goodman expressed concern that vacancy rates are higher than they have been in 16 years, stating that, nationally, an acceptable rate is 10% and, locally, we have hovered at a 7% rate. Current vacancy stats were reported as:

- 26 vacant storefronts out of 168 storefronts for a 15.5% vacancy rate (84% occupied)
- 11 businesses opened and 11 closed in 2020
- Outside of downtown, two large restaurants, two national retail chains, Michigan Maple Block, and Petoskey News Review closed. None of those have new tenants yet.
- 46.4% of the vacancies in Downtown are on East Mitchell Street in the blocks from Howard to Waukazoo
- 7.7% are on East Lake in the blocks from Petoskey to Howard

Design – Façade grant applications will be rolling out. There will be no public orientation meeting this year but the presentation will be available online.

Other – The Social District is being utilized. Wineguys have applied and may receive their permit in time for Winter Weekend. Goodman asked for input on comments she will be making on an in depth television interview about the “Pulse of Downtown Petoskey” for 7 & 4 News.

Report from City Staff

The City Manager reported that the draft master plan is being discussed by Council; that Council heard a presentation on affordable housing from Emily Meyerson, Little Traverse Bay Housing Partnership, that demonstrated the need in Petoskey; that continuing discussions were occurring regarding the Little Traverse Wheelway detour; that the City had purchased two blocks of railroad right of way along the Greenway Corridor; that the rooftop solar project at City Hall is nearly complete; and that the Bayfront shoreline continues to be problematic and has needed further repair.

Other Miscellaneous Comments

As there were none, the meeting was adjourned at 8:45 P.M.