

# **DOWNTOWN DEVELOPMENT AUTHORITY BOARD OF DIRECTORS REGULAR MEETING**

Friday, February 10, 2016 – 12:00 pm  
City Hall - Second Floor Meeting Place  
27400 Southfield Road,  
Lathrup Village MI 48076

## **PROPOSED AGENDA**

- 1. Call to Order**
- 2. Approval of the Agenda**
- 3. Approval of Minutes from January 13, 2016**
- 4. Review Budget Expenditures Report/Fund Balance**
- 5. Executive Director Report**
- 6. Action Items**
  - a. Tennis Court Fence removal at 27700 Southfield Road
  - b. Cooperative advertisement agreement with OC115
- 7. New Business**
  - a. Main Street Logo- feedback
  - b. Principal Shopping District
    - i. Streetscaping
    - ii. Public services to businesses
- 8. Old Business**
  - a. None
- 9. Other Business**
  - a. Review 2017 Plan of activities
  - b. Main Street Update
  - c. Other Updates
- 10. Public Comment**
- 11. Adjourn**

**Our next meeting will take place on Friday, March 10, 2016 at 12:00 noon in the  
second-floor meeting place**

**Lathrup Village  
Downtown Development Authority  
Board of Directors Meeting Minutes  
Jan. 13, 2017**

**1. Call to Order:** 12:17 p.m.

**Voting members present:** Mayor Frank Brock, Jet Dhaliwal, Ryan Hertz, Bobbi Lovins, City Administrator Andrew Potter, Dan Verderbar

**Voting members absent:** Thom Bainbridge, Dave Birchler, Sam Surnow

**Others present:** Planning Commission Liaison Keith Brown, Executive Director Sean Kammer, Main Street Manager Ken Marten; Oakland County 115 editor/publisher Crystal Proxmire

**Note:** Mayor Brock acted as chair due to Birchler's absence and present vacancy for vice chair

**2. Approval of agenda – Motion** by Hertz, second by Lovins. Passed unanimously.

**3. Approval of minutes from Dec. 9, 2016 meeting**

**Amendment:** Hertz noted that his first name was incorrect

**Motion** by Hertz; second by Lovins. Passed unanimously.

**4. Review budget expenditures report/fund balance:** Kammer noted that budget amendments will be submitted in May; fund balance is approximately \$900,000.

**5. New Business**

**Non-Agenda item: Motion** by Dhaliwal to appoint Hertz as vice chair; second by Verderbar. Passed unanimously.

**Non-Agenda item:** Proxmire made a presentation about Oakland County 115 (online news site) providing news coverage of Lathrup Village in exchange for advertising purchase.

- a. **2015 Alley Paving for 27300 Southfield outstanding balance:** Discussion re DDA advancing \$20,000 for alley/parking lot resurfacing.

**Note: Verderbar left at approximately 1:15. The board no longer constituted a quorum and the meeting ended. The following items were on the agenda but not addressed:**

- b. Tennis court fence removal at 27700 Southfield Road**
- 6. Old Business**
- 7. Other Business**
  - a. Review of 2017 plan of activities**
  - b. Main Street update**
  - c. Other updates**
- 8. Public Comment**

User: PAM

DB: Lathrup

PERIOD ENDING 01/31/2017

| GL NUMBER                                  | DESCRIPTION                | 2016-17         | 2016-17        | YTD BALANCE                 | ACTIVITY FOR                  | AVAILABLE                | % BDGT USED |
|--|----------------------------|-----------------|----------------|-----------------------------|-------------------------------|--------------------------|-------------|
|  |                            | ORIGINAL BUDGET | AMENDED BUDGET | 01/31/2017<br>NORM (ABNORM) | MONTH 01/31/17<br>INCR (DECR) | BALANCE<br>NORM (ABNORM) |             |
| Fund 494 - DOWNTOWN DEVELOPMENT AUTHORITY  |                            |                 |                |                             |                               |                          |             |
| Revenues                                   |                            |                 |                |                             |                               |                          |             |
| Dept 000.000                               |                            |                 |                |                             |                               |                          |             |
| 494-000.000-407.000                        | TIFA-CAPTURE TAXES         | 80,000.00       | 80,000.00      | 21,796.75                   | 0.00                          | 58,203.25                | 27.25       |
| 494-000.000-410.000                        | TAX COLLECTED OTHER        | 37,350.00       | 37,350.00      | 13,004.11                   | 0.00                          | 24,345.89                | 34.82       |
| 494-000.000-410.002                        | SPEC ASSESSEMENT - REVENUE | 1,800.00        | 1,800.00       | 0.00                        | 0.00                          | 1,800.00                 | 0.00        |
| 494-000.000-446.000                        | INVESTMENT INTEREST        | 9,000.00        | 9,000.00       | 3,684.61                    | 0.00                          | 5,315.39                 | 40.94       |
| 494-000.000-614.000                        | FARMERS MARKET             | 9,000.00        | 9,000.00       | 0.00                        | 0.00                          | 9,000.00                 | 0.00        |
| 494-000.000-615.000                        | MAIN STREET REVENUES       | 5,000.00        | 5,000.00       | 0.00                        | 0.00                          | 5,000.00                 | 0.00        |
| Total Dept 000.000                         |                            | 142,150.00      | 142,150.00     | 38,485.47                   | 0.00                          | 103,664.53               | 27.07       |
| TOTAL Revenues                             |                            | 142,150.00      | 142,150.00     | 38,485.47                   | 0.00                          | 103,664.53               | 27.07       |
| Expenditures                               |                            |                 |                |                             |                               |                          |             |
| Dept 000.000                               |                            |                 |                |                             |                               |                          |             |
| 494-000.000-701.000                        | SALARIES FULL-TIME         | 59,259.00       | 59,259.00      | 16,529.38                   | 0.00                          | 42,729.62                | 27.89       |
| 494-000.000-703.000                        | EMPLOYEE TAXES & BENEFITS  | 12,627.00       | 12,627.00      | 11,121.21                   | 1,370.24                      | 1,505.79                 | 88.07       |
| 494-000.000-722.000                        | LEGAL SERVICES             | 1,500.00        | 1,500.00       | 0.00                        | 0.00                          | 1,500.00                 | 0.00        |
| 494-000.000-724.000                        | PUBLIC RELATIONS/SERVICES  | 5,000.00        | 5,000.00       | 586.30                      | 475.00                        | 4,413.70                 | 11.73       |
| 494-000.000-726.000                        | OFFICE SUPPLIES            | 300.00          | 300.00         | 138.46                      | 0.00                          | 161.54                   | 46.15       |
| 494-000.000-802.000                        | TAX TRIBUNAL RETURNS       | 2,000.00        | 2,000.00       | 0.00                        | 0.00                          | 2,000.00                 | 0.00        |
| 494-000.000-810.000                        | AUDITING & ACCOUNTING      | 800.00          | 800.00         | 800.00                      | 0.00                          | 0.00                     | 100.00      |
| 494-000.000-822.000                        | TRAINING/MEMBERSHIP        | 2,000.00        | 2,000.00       | 2,034.23                    | 135.00                        | (34.23)                  | 101.71      |
| 494-000.000-844.000                        | MAIN STREET PROGRAM        | 7,000.00        | 7,000.00       | 4,003.32                    | 0.00                          | 2,996.68                 | 57.19       |
| 494-000.000-845.000                        | STREETSCAPING              | 3,000.00        | 3,000.00       | 7,685.00                    | 900.00                        | (4,685.00)               | 256.17      |
| 494-000.000-882.000                        | PLANNING/CONSULTING FEES   | 25,000.00       | 25,000.00      | 12,972.00                   | 1,275.00                      | 12,028.00                | 51.89       |
| 494-000.000-887.000                        | FARMERS MARKET             | 38,000.00       | 38,000.00      | 14,030.92                   | 34.66                         | 23,969.08                | 36.92       |
| 494-000.000-900.000                        | PRINTING/PUBLICATION COSTS | 2,400.00        | 2,400.00       | 1,234.80                    | 0.00                          | 1,165.20                 | 51.45       |
| 494-000.000-901.000                        | POSTAGE FEES               | 1,000.00        | 1,000.00       | 0.00                        | 0.00                          | 1,000.00                 | 0.00        |
| 494-000.000-933.000                        | REPAIRS & MAINTENANCE      | 18,000.00       | 18,000.00      | 23,001.27                   | 0.00                          | (5,001.27)               | 127.78      |
| 494-000.000-955.000                        | MISCELLANEOUS EXPENDITURES | 2,000.00        | 2,000.00       | 447.18                      | 134.64                        | 1,552.82                 | 22.36       |
| 494-000.000-970.000                        | CAPITAL EXPENDITURE        | 170,000.00      | 170,000.00     | 176,813.66                  | 0.00                          | (6,813.66)               | 104.01      |
| 494-000.000-971.000                        | SIGN GRANT PROGRAM         | 20,000.00       | 20,000.00      | 14,000.00                   | 0.00                          | 6,000.00                 | 70.00       |
| Total Dept 000.000                         |                            | 369,886.00      | 369,886.00     | 285,397.73                  | 4,324.54                      | 84,488.27                | 77.16       |
| TOTAL Expenditures                         |                            | 369,886.00      | 369,886.00     | 285,397.73                  | 4,324.54                      | 84,488.27                | 77.16       |
| Fund 494 - DOWNTOWN DEVELOPMENT AUTHORITY: |                            |                 |                |                             |                               |                          |             |
| TOTAL REVENUES                             |                            | 142,150.00      | 142,150.00     | 38,485.47                   | 0.00                          | 103,664.53               | 27.07       |
| TOTAL EXPENDITURES                         |                            | 369,886.00      | 369,886.00     | 285,397.73                  | 4,324.54                      | 84,488.27                | 77.16       |
| NET OF REVENUES & EXPENDITURES             |                            | (227,736.00)    | (227,736.00)   | (246,912.26)                | (4,324.54)                    | 19,176.26                | 108.42      |

**Lathrup Village  
Downtown Development Authority**

27400 Southfield Road  
Lathrup Village MI 48076  
248-557-2600  
lathrupvillage.org  
[assistant@lathrupvillage.org](mailto:assistant@lathrupvillage.org)



**Memorandum**

Date: 2/8/2017

For: DOWNTOWN DEVELOPMENT AUTHORITY BOARD OF DIRECTORS

LATHRUP VILLAGE CITY COUNCIL

LATHRUP VILLAGE PLANNING COMMISSION

LATHRUP VILLAGE CITY ADMINISTRATOR ANDREW POTTER

From: THE LATHRUP VILLAGE OFFICE OF ECONOMIC DEVELOPMENT- LATHRUP VILLAGE DOWNTOWN DEVELOPMENT AUTHORITY EXECUTIVE DIRECTOR AND MAIN STREET MANAGER SEAN KAMMER

Subject: EXECUTIVE DIRECTOR'S REPORT

Significant progress is being made in terms of moving Lathrup Village's Main Street forward. As the city is now adequately staffed, I can now focus more intently upon moving our city's downtown plan forward. The majority of the ten months I have been on staff have been dedicated to sustaining the City's Farmer's Market, addressing nonfunctioning features of the City's waste water retention tank, and rebuilding the DDA Board to a point where it can achieve a quorum on a regular basis.

**Brand Identity**

I have designed a logo specifically for Lathrup Village Main Street. Seeking feedback from the board, I would like to eventually transition this logo to be the main brand symbol for the DDA.

**Administrative reorganization**

The city administrator has reorganized the responsibilities of staff, transferring the Main Street program to myself. I will no longer be focused on the administration of city functions and will instead be focused solely on economic development. As such, I will be establishing a proper Office of Economic Development to include the DDA, the Main Street program, and Planning Commission.

**Main Street**

On February 6<sup>th</sup> and 7<sup>th</sup> I attended the Michigan Main Street Training, which brought me up to speed on the refresh of the program, nationwide. I will be slowly implementing these new features of the main

# Lathrup Village Downtown Development Authority

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street program in order to mitigate organizational silos, reinvigorate the morale and number of volunteers, and lead the community to action.

## **Lathrup Village Principal Shopping District**

In order to preserve the financial health of the DDA, anticipate changes to the DDA's revenue stream based on state-wide legislation, and to begin to achieve immediate results, I am seeking to organize the property owners in the DDA district around the idea of establishing a principal shopping district. Such a program needs to be included in the city's master plan, have the support of the property owners in the district, and be established by a resolution of City Council. The PSD will be funded by special assessment on all of the properties in the DDA district and be primarily purposed for streetscaping Southfield Road. Streetscaping projects will go to enhance the curb appeal of the district properties, encourage economic development, raise the standard of appearance of the district, and be implemented in a way so as not to conflict with the eventual reconstruction of Southfield Road.

## **Financial Management of the DDA**

My goal when accepting this position was to achieve financial stability of the DDA while achieving key milestones to move our burgeoning downtown forward. The slow recovery of commercial property values indicate that intervention in the market is necessary to achieve a catalyst, from which a pattern of redevelopment would follow. Excessive spending on capital improvement projects, although necessary, some would argue, technically place the DDA in no better a position to leverage the results to ascend to the next level of master plan goals.

Due to a high frequency of staff turnover in 2016, the DDA activities did not conform to the 2016-2017 budget as proposed in May 2016. Shifting priorities, management changes, and new programs launched at a time of staff inadequacy placed considerable stress on the budget in areas such as streetscaping, repairs and maintenance, and capital improvements. Additionally, the major alley reconstruction project in 2016 came back over budget. Some funds were over utilized, and some were drastically underutilized, leaving room to transfer resources in order to make up for aforementioned shortfalls. I plan to amend the budget in April 2017 to better reflect our activities and priorities. The preservation of the DDA's fund balance is paramount, and amendments will likely not be drawn from fund balance. The 2017-2018 budget will be submitted for approval at the May Board meeting on Friday, May 12, 2017.

Future priorities of funding should include a clear and coherent rationale of forward progress. Projects, need to achieve a return on investment in terms of enhanced property value, enhanced walkability, enhanced, economic development, or parking mitigation. Especially in a time when resources are scarce or dwindling, investments must strategically achieve the effect of steering the DDA out of the financial tailspin that is still occurring since the great recession. Otherwise, there will be a financial cliff waiting for the DDA in years to come. The existing fund balance needs to be protected; either secured in a restricted rainy day fund, a Southfield road redevelopment fund, or smartly invested to earn a return. On this matter, I seek the guidance of the Board of Directors.

## Lathrup Village Marketing Program Agreement

Oakland County 115 News, Crystal A. Proxmire, Editor & Publisher

PO Box 20293  
Ferndale, MI 48220

City of Lathrup Village, Sean Kammer, Assistant City Administrator and DDA Director  
27400 Southfield Road  
Lathrup Village, MI 48076

Jan. 9, 2017

This agreement is for a one year marketing program tentatively called "Take a Look at Lathrup Village" on oc115.com.

Lathrup Village will purchase one premium ad at a cost of \$1,500 and a total of 10 basic ads at a cost of \$875 each (\$8,750). The total cost of the package is \$10,250.

Additional basic ads may be purchased for a cost of \$600 (giving Lathrup Village the opportunity to profit from additional sales).

Lathrup Village can then sell the basic ads to businesses or interested groups/organizations.

The program will run April 1, 2017 - March 31, 2018. This will give Lathrup Village time to sell the ads and for oc115 to design them. Businesses will pay Lathrup Village for the ad space, and Lathrup Village will pay OC115 for the plan

OC115 will get contact info from the businesses and work with them to create the ads. We can design the ads, or the businesses can.

The premium ad space is (pair of banner ads, top=600 x 50, bottom= 600 x 160) with a min. of 18 placements through the month.

Basic ad space is (tall and skinny, 144 x 360) with a min. of 8 placements through the month.

Basic ads can be designed by the business or the OC115 can help. Ads can be in the "Take a Look at Lathrup Village" theme, or they can be designed without, depending on the business owners' preference.

Ads can change through the year as needed. For specific event ads, please give info 30 days in advance.

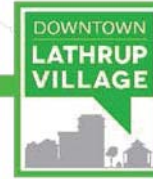
50% of the payment would be due March 15, 2017, and the remainder would be due May 15, 2017. This will give the DDA time to arrange payments with the businesses involved.

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Crystal A. Proxmire, oc115.com

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Sean Kammer, City of Lathrup Village



January 10, 2017

**Memo**

**To: DDA Board**

**From: Sean Kammer, DDA Executive Director**

**Re: Tennis Court Fence Removal- Agenda Item 5b**

It has been proposed that the DDA share costs with the Surnow company to remove the fence surrounding the tennis courts at 27700 Southfield Road. In exchange for the assistance, the Lathrup Village DDA would be permitted to hold events on the tennis courts, such as the Farmers Market, Food Truck Fridays, etc.)

Removing the fence and locating the Farmers Market there serves the following purposes:

1. Enhances the aesthetic of the DDA District, by removing visual clutter.
2. Improves accessibility of open space.
3. Allows the Lathrup Village Farmers Market to operate in a larger, more visible location, that is closer to Southfield Road without the obstacle of setting up in the grass. This will improve attendance and encourage the growth of the market.
4. Enhances pedestrian activity in the Village Center, better modelling our vision for the future of the district.

**Challenges:**

City staff will have to solve issues relating to the availability of electrical utilities to the site.

City staff will have to develop a logistics plan for farm market vendors on the site in order to assure efficient set up, break down, loading and unloading of vendors.

The Farmers Market would no longer be operating on public property and the city would be relying on the good will of a private company in the district.

**Costs:**

The Surnow Company has approached the DDA Board with a quote of \$3,500.00 to remove the fence, plus a 15% administrative fee to the Surnow Company.





Academy of Lathrup Village

27700 Southfield Road

Tennis Courts

Children's Garden

Summer Concerts

Lathrup Village Police Department

Prior site of Farmers Market

Google

Southfield Rd

Southfield Rd

Southfield Rd

Southfield Rd

Southfield Rd

Goldengate Dr W

o Limits Sports

edEx Office Print Ship Center

Salon Essential

# **Lathrup Village Downtown Development Authority**

## **2017 Plan of Activities**

### **January**

January 3: Business License Renewal begins  
January 9: Promotions Committee  
January 12: Chamber of Commerce Board Meeting  
January 12: Design Committee  
January 13: DDA Board Meeting  
January 19: 4pm Sky Grill Community Ribbon Cutting  
January 30: 3pm Something Unique Florist Ribbon Cutting

### **February**

February 2: Economic Vitality Committee  
February 6 & 7: Main Street Training in Wayland MI  
February 9: Design Committee  
February 10: DDA Board Meeting  
February 13: Promotions Committee  
February 23: District Meet and Greet  
February 21: MEDA Capitol Day (Lansing)

### **March**

March 2: Economic Vitality Committee  
March 3: Business Advisory Group  
March 8-9: Michigan Downtown Association Lansing Meeting and Workshop  
March 9: Design Committee  
March 10: DDA Board Meeting  
March 19: Design  
March 30-31: MEDA Training Economic Development Marketing and Attraction  
March 31: Business License Renewal Deadline

### **April**

April 6: Economic Vitality Committee  
April 7: Business Advisory Group  
April 10: Promotions Committee  
April 13: Design Committee  
April 11: MEDA Emerging Leaders Spring Program  
April 14: DDA Board Meeting  
April: MEDC Developer Match Tour

### **May**

May 1-3: Main Street Convention (Pittsburgh)  
May 4: Economic Vitality Committee  
May 5: Business Advisory Group  
May 8: Promotions Committee

May 11: Design Committee  
May 12: DDA Board Meeting (Budget Approval and Budget Amendments Approval)  
May 13: Corridor Cleanup  
May 20: Timebank Bicycle Stroll and Food Truck Rally (TBD)  
May 30: Summer Farmers Market Grand Opening

## **June**

June 1: Economic Vitality Committee  
June 2: Business Advisory Group  
June 7: Summer Farmers Market  
June 8: Design Committee  
June 9: DDA Board Meeting  
June 12: Promotions Committee  
June 14: Summer Farmers Market  
June 17: Summer in the Village June  
21: Summer Farmers Market June  
28: Summer Farmers Market

## **July**

July 5: Summer Farmers Market  
July 6: Economic Vitality Committee  
July 7: Business Advisory Group  
July 10: Promotions Committee  
July 12: Summer Farmers Market  
July 13: Design Committee  
July 14: DDA Board Meeting  
July 19: Summer Farmers Market  
July 26: Summer Farmers Market

## **August**

August 2: Summer Farmers Market (Family Market Day?)  
August 3: Economic Vitality Committee  
August 4: Business Advisory Group  
August 4: Food Truck Friday  
August 9: Summer Farmers Market  
August 10: Design Committee  
August 11: DDA Board Meeting  
August 11: Food Truck Friday  
August 14: Promotions Committee  
August 15-18: MEDA Annual Meeting  
August 16: Summer Farmers Market  
August 18: Food Truck Friday  
August 23: Summer Farmers Market  
August 25: Food Truck Friday  
August 30: Summer Farmers Market Closing

## **September**

September 1: Food Truck Friday  
September 1: Business Advisory Group  
September 6: Fall Farmers Market Grand Opening  
September 7: Economic Vitality Committee  
September 8: DDA Board Meeting  
September 8: Food Truck Friday  
September 11: Promotions Committee  
September 13: Fall Farmers Market  
September 14: Design Committee  
September 15: Food Truck Friday  
September 20: Fall Farmers Market  
September 22: Food Truck Friday  
September 27: Fall Farmers Market  
September 29: Food Truck Friday

## **October**

October 4: Fall Farmers Market  
October 5: Economic Vitality Committee  
October 5: Business Advisory Group  
October 6: Food Truck Friday  
October 9: Promotions Committee  
October 10-12: NAIOP Commercial Real Estate Conference  
(Chicago) October 11: Fall Farmers Market  
October 12: Design Committee  
October 13: DDA Board Meeting  
October 13: Food Truck Friday  
October 18: Fall Farmers Market  
October 20: Food truck Friday  
October 27: Food Truck Friday

## **November**

November 2: Economic Vitality Committee  
November 3: Business Advisory Group  
November 9: Design Committee  
November 10: DDA Board Meeting  
November 13: Promotions Committee  
November 17: Holiday Decorations Installed

## **December**

December 1: Business Advisory Group  
December 7: Economic Vitality Committee  
December 8: DDA Board Meeting  
December 11: Promotions Committee  
December 14: Design Committee

December 15: Volunteer Awards Ceremony

December 22: Winter Festival

## BUSINESS IMPROVEMENT DISTRICT/PRINCIPAL SHOPPING DISTRICT/BUSINESS IMPROVEMENT ZONE (BID/PSD/BIZ)

Through the provisions of Public Act 120 of 1961, cities, villages, and urban townships may create a Business Improvement District (BID) or a Principal Shopping District (PSD) to promote economic development within a defined area of the municipality. A BID/PSD allows a municipality to collect revenues, levy special assessments and issue bonds in order to address the maintenance, security and operation of that district. A provision under Chapter 2 of the act allows a Business Improvement Zone (BIZ) to be created by private property owners of those parcels in a zone plan within a city or village. A BIZ may levy special assessments to finance activities and projects outlined within a zone plan for a period of ten (10) years.

### WHO IS ELIGIBLE TO APPLY?

Only cities, villages and urban townships may create a BID or a PSD. An urban township is defined in the Local Development Finance Act (PA 281 of 1986) and includes townships located in a county with a population greater than 750,000. A PSD may be created within the municipality in a commercial area containing a minimum of 10 retail businesses. A BID is defined as one or more portions of an eligible municipality or combinations of contiguous portions of two or more municipalities and is “predominately commercial or industrial use.” A BIZ is created by a petition driven by at least 30 percent of the property owners within a zone plan and may solely be created within either a city or village.

### WHAT IS THE PROCESS?

By resolution a city, village, or urban township may create a BID to fund activities for the district. The chief executive officer, with concurrence of the legislative body of the municipality, shall appoint one member to the BID board as a representative of the local governmental unit. The remaining members of the BID will be nominees of the business and property owners located within the district. The board will oversee the management of the BID activities. If the BID is located in more than one jurisdiction, each local governmental unit shall appoint a representative to the board.

To establish a PSD, the municipality must have a master plan that includes an urban design plan designating a PSD or the development of a PSD. The board of a PSD shall be appointed by the chief executive officer of the local governmental unit with the concurrence of the legislative body of the local governmental unit. One member of the board shall be from the

adjacent residential area, one member shall be a representative of the local governmental unit, and a majority of the members shall be nominees of individual businesses located within the PSD. If the boundaries of a PSD are the same as those of a Downtown Development Authority (PA 197 of 1975), the governing body may designate that the DDA board shall compose the PSD board as well.

One or more BIZs may be created by business owners within a city or village, whereby the business owners petition the city or village clerk to create the boundaries of the proposed zone. However, there are specific limitations provided in Chapter 2 of the act regarding the eligible combinations of Business Improvement Districts and Business Improvement Zones within the same municipality.

### WHAT ARE THE DISTRICT AND ZONE POWERS?

Subject to the approval of the governmental entity that has jurisdiction over the highway, a city, village or urban township is empowered through its BID/PSD to maintain and modify roads and pedestrian walkways and prohibit or regulate vehicular traffic or parking where necessary for a BID/PSD project. The BID/PSD may also own, operate, or contract for off-street parking lots or structures. The designated BID/PSD board also has the ability to acquire, own, maintain, demolish, develop, improve, or operate properties per the established plan for that district. Additional common activities undertaken by a BID/PSD is the promotion of economic development in the district through conducting market research and public relations campaigns, developing, coordinating and conducting retail and institutional promotions and sponsoring special events and related activities. The districts may also provide or contract with other public or private entities for the administration, maintenance, security and operation of the district.

The cost of projects within a BID or PSD may be financed by grants and gifts to the city or district, municipal funds, levying of special assessments, general obligation or revenue bonds, and any other source.

The type of projects financed by a BIZ within the zone area include owning, maintaining and operating park areas and planting areas; and acquiring, owning, maintaining, reconstructing, or relocating sidewalks, street curbing, street medians, fountains and lighting. Any and all improvements

proposed within a BIZ shall adhere to the “zone plan” which outlines the goals, strategies, objectives and guidelines for the operation of the business improvement zone. The zone may also provide or contract for security services with other public or private entities and purchase equipment related to security services. Lastly, like PSDs/BIDs the BIZs may promote and sponsor cultural or recreational activities and engage in economic development activities, including promotion of business, retail, or industrial development, recruitment and retention.

The cost of projects within a BIZ may be financed by grants and gifts, special assessments and loans in anticipation of the receipts of assessments as long as the repayment period of the loan does not extend beyond the ten (10) year operating period of the zone, does not exceed 50 percent of the annual average assessment revenue in the previous year.

## WHY WOULD A COMMUNITY WANT TO ESTABLISH THIS PROGRAM?

A BID/PSD provides business with the opportunity to come together and use their expertise, experience and financing to improve the marketing, infrastructure and operational aspects of their business area, each of which has an impact on their individual businesses. The same applies for a BIZ, except the authority lies within the board of directors of the BIZ. The city or village is immune from civil or administrative liability arising from any actions of the BIZ.

## SUPPORTING STATUTE

*Act 120 of 1961: Principal Shopping Districts and Business Improvement Districts*

## CONTACT

For more information, contact the MEDC customer contact center at 517.373.9808.