

**CITY OF HANCOCK DOWNTOWN DEVELOPMENT
AUTHORITY
MINUTES OF FEBRUARY 2, 2015**

The regular monthly DDA meeting was called to order by Vice-Chairperson Jon Luse on Monday, February 2, 2015 at 5:30 p.m. with the following members present: John Diebel, Kathy Johnson, Jon Luse Jr., Steve Zutter, Carol Fisher and Lisa McKenzie.

Absent: Peter Wickley, Jim Bogan and Jordan Johnson

Staff: Glenn Anderson, City Manager

Guests: None

It was moved by McKenzie and seconded by K. Johnson to approve the agenda.

AYES: All

NAYES: None

Motion Carried

It was moved by Zutter and seconded by McKenzie to approve the December 1, 2014 minutes.

AYES: All

NAYES: None

Motion Carried

DDA Vice-Chairperson Jon Luse welcomed new DDA member John Diebel for a term ending January 31, 2018 and noted Steve Zutter was re-appointed by Mayor McKenzie for a term ending January 31, 2019. John Diebel lives in the DDA district on Lake Ave.

Public Comments: None

Updates/Information

- Reported that the City had an all time record transit bus users for 2014 at 21,272 riders
- looked over the FY13/14 DDA annual report published in the Gazette and submitted to the Michigan Tax Commission.
- Reviewed the FY 13/14 audit of the DDA
- Reviewed the January 13, 2015 HB & PA meeting minutes.
- Noted the State is projecting a deficit of \$325 million caused mainly by business tax credits being issued by both the Granholm and Snyder Administrations.
- Looked at the recent Copper Country Audubon Society article on Peregrine Falcons that lived on the Lift Bridge in 2014
- Reviewed both the 12 month and 24 month property sales study prepared by the County Equalization Dept.
- Reviewed the 2014 vacant land values prepared by Houghton County.

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-Reviewed a design/façade drawing of the M & M Power Sports additions, located at 90 Navy Street, work will take place over the next few years.

-Heard that Portage Health has hired a new CFO, Steve Bishop and has a new CEO, Jeff Lang, starting in March.

-FU's 22 million refinancing and bond issue is still pending.

-Heard that Mike Pflaum will remain as the Superintendent of the KNHP

-Heard MTEC SmartZone is working to develop a new 15-year TIFA plan.

-Heard UPPCO plans to lease the 2nd floor of the Power House building to open a new Information Technology and Accounting Dept., expected to employ 10-12 new employees.

The DDA reviewed the proposed plan to solve the UP Electric Energy Crisis. Governor Snyder announced on January 13th that UPPCO would purchase all of WE Energies assets in the UP including the Presgue Isle Power Plant. Cliff's National Resources, starting in February, would again start buying power from PIPP, and Cliff's and Invenergy plan to construct a natural gas powered power plant by 2020.

The City is expecting MSHDA to offer a reduced housing grant in the amount of \$240,000, down from the original request by the City of \$480,000.

The DDA reviewed the December 15, 2014 bid results for \$47,530 for the rehab of the Masonic Building, 228 Hancock Street. The owner Soren Dresch, is expected not to proceed with the project, in spite of the \$140,000 MSHDA grant, because of his concern on the rate of return on his investment.

The DDA was informed that the City Council in December adopted the ordinance extending the life of the DDA another 30 years, till 2044.

It was moved by K. Johnson and seconded by Zutter to appoint Jonathan Luse Jr. as Vice-Chairperson.

AYES: All

NAYES: None

Motion Carried.

The DDA heard that Clay Hilman will be opening up K. C. Bonkers' Toys and Coffee at 119 Quincy Street in early summer.

The DDA heard that LaSalle Technology has purchased and has relocated its business to the 2nd floor of the Wisti building, 101 Quincy St.

The DDA Board reviewed the details of the proposed May 5th ballot initiative, which if passed, would invest \$1.3 billion of new money into road and transportation in the State.

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It was moved by Zutter and seconded by K. Johnson to appropriate \$2,000 of the budgeted \$4,000 to the HB & PA.

AYES: All

NAYES: None

Motion Carried.

It was moved by McKenzie and seconded by K. Johnson to adjourn at 6:20 p.m.

AYES: ALL

NAYES: None

Motion Carried

Respectfully submitted,

Glenn Anderson
Recording Secretary