

Meeting Minutes
Fremont Downtown Development Authority (DDA)

Thursday, August 7, 2008

7:30 a.m. – 9:00 a.m.

Fremont City Hall

Council Chambers

Call to Order

The meeting was called to order at 7:33 a.m. by chair Lon Vredeveld.

Members Present:	Lon Vredeveld	DDA Chair
	Marianne Boerigter	Executive Director, Newaygo County Council for the Arts
	Rebecca Laing-Austin	Downtown Business Owner
	Merle Ross	Downtown Business Owner
	James M. Rynberg	Fremont Mayor
	Robert Stehouwer	Downtown Business/Property Owner
	Ron Vliem	Executive Director, Fremont Area Chamber of Commerce
	Chris Youker	Downtown Business/Property Owner
	Rob Zeldenrust	DDA District Business Manager

Members Absent:	Kim Deur	Downtown Business/Property Owner
	Gerry Rich	Downtown Property Owner

Staff Present:	Todd M. Blake	Interim Fremont City Manager
	Michele Ribant	Fremont Neighborhood & Economic Development Authority

Guests Present:	Bonnie Erber	DDA Marketing Subcommittee Chair
	Andy Lofgren	NCEDO, Executive Director

Opening Remarks

Lon Vredeveld welcomed Bob Stehouwer and Chris Youker as new members of the DDA. Chair Vredeveld went on to inform the DDA that a community grassroots group of about ten (10) individuals was formed and spear-headed an effort to welcome Nestles into the community. The DDA discussed the welcoming efforts and agreed that the interaction with the Gerber/Nestle executives/employees that day served as a wake-up

call to our community in terms of how we must raise the bar in our community in terms of just about all we do.

Approval of Minutes

A motion was made by Marianne Boerigter, seconded by Merle Ross and carried to approve the minutes from the March 18, 2008 Downtown Development Authority (DDA) meeting.

The DDA then accepted the following minutes of the DDA Subcommittees:

- Facade/Historic Preservation Subcommittee (April 29, 2008)
- Public Art Subcommittee (June 5, 2008)
- Public Art Subcommittee (June 12, 2008)
- Public Art Subcommittee (July 29, 2008)
- Signage/Streetscape Subcommittee (May 1, 2008)

Fremont Area Chamber of Commerce Update

Ron Vleim reported that the National Baby Food Festival was successful this year, especially considering the state of the economy. He commended Lena on his staff for her excellent organization of the Festival. He indicated that his staff is proposing some changes to the Festival for the coming years. He said the City had already made some recommendations for change to the Festival and that the Chamber welcomed further input from anyone on the DDA.

Update on the Arts in Newaygo County

Marianne Boerigter reported that she is now not only the executive director of the Newaygo County Council for the Arts, but she is also the executive director of the Dogwood Center for the Performing Arts. She informed the DDA that a new look in terms of stationery, etc. for each of the entities has been designed by a firm entitled, "Relevant Methods". She indicated that the designs were contemporary in look.

DDA Public Art Subcommittee Update

Marianne Boerigter, chair of the Public Art Subcommittee, said the public art sculpture that was installed in front of the Fremont Post Office was celebrated on June 23, 2008 and that it was a wonderful addition to Fremont's public art collection. She praised Gerry Rich and Mark Williams of Rich Construction for the hours they spent on a pro-bono basis installing the sculpture.

Ms. Boerigter said the next piece of public art that will be seen in Fremont will be the glass on glass public art that the Erbers are graciously funding and that Deb Emerick is designing. The glass piece will be hung on the inside of the south window in the Fremont

Market Place Pavilion; she said the goal is to have the art piece erected before the Fall Harvest Festival.

Lastly Ms. Boerigter reported that a folk art mural has been designed by a local artist, Renae Wallace, for the large blank north wall of the main Fremont Cooperative building. She reported that a \$5,000 grant from DTE has been awarded for the art project and that the DDA Public Art Subcommittee needs to raise approximately \$54,000 more to fund the art mural. She went on to say that the Subcommittee will be conducting a coin drive to raise funds. Bonnie Erber who is spearheading the coin drive reported that she is still looking for a large coin container that can be placed in the Artsplace during the coin drive. She said the coin drive will start on September 1, 2008.

Update on the Fremont Cooperative Produce Company Streetscape Project

Michele Ribant reported that the streetscape project has been funded, in part, by the DDA but largely by the Fremont Area Community Foundation and that the improvements include the following:

- Demolish the building west of the main Cooperative building on Main Street and close the curb cut leading to the building and replace with curbing
- Pour a sidewalk along Main Street to aid in creating a walkable community and to provide a new drive along the north side of the building in the right-of-way
- Provide decorative fencing that serves as a barrier between the railroad line and the sidewalk and take down the old fencing in the northeast corner of the site and replace it with decorative fencing appropriate for the site
- New drive approaches on the west side of the main building will be built
- Two landscape islands will be added along Main Street and foundation plantings will be installed along the main building

Rob Zeldenrust said that the whole project started because the Cooperative wants to take down one of the decorative streetlights in order to improve the traffic pattern on the site and around the Cooperative. Being able to re-route trucks will make the site and its surroundings safer and the operation more efficient. Michele Ribant indicated that the Cooperative has been great to work with on the project and appreciates their cooperation.

DDA Façade/Historic Preservation Subcommittee

Lon Vredeveld reported that about five (5) downtown property owners have been awarded funds to upgrade their facades through the Fremont Façade Improvement Program. He encouraged DDA members to let other downtown property owners know about the program, so they may take advantage of the funding. Marianne Boerigter, chair of the DDA Façade/Historic Preservation Subcommittee, informed the DDA that the Moose Lodge and the owners of Metropolitan Title are planning to submit applications for grant funding via the Fremont Façade Improvement Program during the month of August.

DDA Streetscape/Signage Subcommittee Update

Lon Vredeveld reported that the City is working on erecting new entryway signs at or near the locations of the existing entryway signs. He showed the DDA a picture of the new signs. Michele Ribant added that the colors of the signs will emulate the colors used in the Fremont Market Place pavilion signs. Mr. Vredeveld said that the City is also working on a way-finding signage system for the City, and the City is working with the Michigan Department of Transportation to obtain approvals for the way-finding plan. Lon Vredeveld reported that the Fremont Farmers Market banners have been designed, and one of the banners was shown.

Marketing Subcommittee

Bonnie Erber, the chair of the DDA Marketing Subcommittee, reported that the tote bags for the Fremont Farmers Market are available for a donation of \$3.00 at City Hall or at the DDA booth. It was also reported that it costs \$3.09 a bag to make. Each DDA member was provided with a bag and was encouraged to use it within the community. Michele Ribant reminded the DDA that there is a DDA booth at the Fremont Farmers Market where Fremont business owners can promote – not sell – their goods, and the booth is free. Bonnie Erber informed the DDA that the Marketing Subcommittee had organized a customer service workshop in the spring where Rita Van Boven, a former Gerber customer service professional, gave an excellent presentation.

Update on NCEDO/City Business

Andy Lofgren gave an overview of the programs that the Newaygo County Economic Development Office (NCEDO) has been working on over the past year. He said that job retention is # 1; he said NCEDO conducts annual retention visits with base employers such as Valspar, Dura, Gerber/Nestle, etc. He said they have started to do annual retention visits for some local service companies, such as Gerber Memorial Health Services. He went on to say that NCEDO encourages entrepreneurship and that NCEDO is expanding its offerings to assist entrepreneurs.

He went on to say NCEDO offers the SCORE Program, which is the Service Core of Retired Executives program and that this Program is basically a mentoring program. NCEDO is also working with the Right Place on a program entitled, “Innovation Works”, where someone might have a great idea but does not have the skill mix to execute the idea. The Program will assist in the development of the idea.

He expressed that NCEDO has been heavily involved with the Convention Visitor’s Bureau, which supports regional tourism and that the hotels, etc. in Newaygo County now are able to collect a room assessment fee, and those dollars will assist in promoting tourism in the region. Finally, Mr. Lofgren informed the DDA that in September a representative from Zingerman’s Bakehouse will give a presentation on customer service at the Dogwood Center for the Performing Arts. He indicated that this business is

successful in both good and bad economic times, and customer service plays a large role in that. He encouraged the DDA to attend.

Update on the Proposed Agricultural Renaissance Zone

Any Lofgren explained that NCEDO, Newaygo County, the City of Fremont and the Michigan Economic Development Corporation have been working with Gerber/Nestles over the past two years to develop an Agricultural Renaissance Zone whereby Gerber/Nestle would pay no state taxes for a period of ten (10) years with an option for them to extend the development agreement for the Renaissance Zone another five (5) years. Mr. Lofgren explained that Fremont competes with the Gerber/Nestle facility in Fort Smith, Arkansas and that recently Fremont lost an investment opportunity to Fort Smith. He went onto explain that we need to make Fremont competitive in a global economy, so we need to use tools that make the cost of doing business more attractive. He explained that it is actually Newaygo County that makes application for the Agricultural Renaissance Zone to the State, but the City of Fremont will be greatly impacted.

Todd Blake explained that if the development agreement for the Renaissance Zone is approved, the City will lose the ability during the Renaissance Zone period to collect taxes from Gerber/Nestle in the amount of roughly \$300,000 a year. Andy Lofgren explained that in return, Gerber/Nestle has agreed to invest 50 million over the ten (10) year period, and if they extend the development agreement over another five (5) years, the investment will increase to 75 million with another 200 jobs to be committed.

It was explained that the benefit of the creating an Agricultural Renaissance Zone is that it will keep Gerber/Nestle in Fremont as a base employer and will help retain 3000 local jobs and 4000 statewide jobs. The establishment of the Agricultural Renaissance Zone would enable the Gerber/Nestle Company to save 42 million dollars in taxes over the life of the Renaissance Zone. It was also said that there is a penalty clause in the development agreement that makes it clear that if Gerber/Nestle does not live up to the agreement, then the City is entitled to back taxes in the amount that was lost as a result of the execution of the development agreement.

Todd Blake explained that each year the City usually allocates about \$200,000 to \$300,000 out of the General Fund to fund capital improvement projects and that without some kind of incentive package, it would be difficult to continue to fund capital projects. He went on to explain that to make the City whole in terms of the loss of approximately \$300,000 plus in tax revenue each year and to address the need to fund capital improvement projects in the City of Fremont, the Michigan Economic Development Corporation and the Fremont Area Community Foundation are working with Gerber/Nestle to establish a 1.5 million dollar incentive package that could be used during the first five years of the Renaissance Zone period. This would equate to approximately \$300,000 a year for the first five (5) year period, which will make up for the \$300,000 in lost revenue to the City during those first five (5) years.

Mr. Blake went on to say that the DDA would still be able to fund projects, if the incentive package is secured but that the DDA would have to prioritize which projects they want implemented. Mr. Blake said the thought is that the valuations in the DDA District would increase over the first five (5) years of the Renaissance Zone period so that the DDA would have capturable in year six and beyond. He did forewarn the DDA that there is a risk that the valuations may not increase, but he was hopeful they would. He concluded by saying that there is an element of risk involved, but it appears the long-term benefit of retaining a base employer the size of Gerber/Nestle in the Fremont Community would be worth the risk, and it appears that, for the most part, we could operate business as usual during the Renaissance Zone period, if the incentive package is approved.

Chair Vredevelde asked whether anyone had questions, and there were none. Mr. Vredevelde informed the DDA that the DDA will be asked to vote on a resolution that will outline the DDA's support of the establishment of the Agricultural Renaissance Zone. He went on to say that after the negotiations for the Renaissance Zone are completed and the agreements are in place, the DDA will convene a meeting. He also said that if the support of the DDA is needed quickly, a phone poll may have to be taken. Mr. Vredevelde stressed that in a new economy we have to be willing to do business in a new way.

Upcoming Meetings

The next DDA meeting will be established on an as-needed basis.

Adjournment

There being no other business of the DDA, the meeting adjourned at 9:21 a.m.