



139 S. SAGINAW STREET MONTROSE, MI 48457 / PHONE (810) 639-6168

**DOWNTOWN DEVELOPMENT AUTHORITY BOARD (D.D.A.)**

**February 19, 2026 @ 7:30 a.m.**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF AGENDA**

**CITIZEN COMMENTS**

The purpose of this agenda item is to allow persons to comment. This is not a forum for debate or for which questions will be answered. The Board will consider all comments and questions and decide if they wish to address those items during board comments. All persons addressing the DDA Board are asked to limit their comments to no more than three (3) minutes.

**CONSENT AGENDA**

1. Approval of January 15, 2026 D.D.A. Meeting Minutes (DRAFT)

**PRESENTATION**

Welcome new DDA Board Member Mr. Larry Leonard!

**OLD BUSINESS**

**NEW BUSINESS**

1. Consider Discussion on Streetscape Project
2. Consider Amending By-Laws page 2, Article 4, Section 6 “Removal of Board Members”

**BID AWARD/PURCHASE**

1. Consider proposal from Montrose Greenhouse

**ORDINANCES**

**APPOINTMENTS**

1. Consider Appointment of Officers

**CITIZEN COMMENTS**

The purpose of this agenda item is to allow persons to comment. This is not a forum for debate or for which questions will be answered. The Board will consider all comments and questions and decide if they wish to address those items during board comments. All persons addressing the DDA Board are asked to limit their comments to no more than three (3) minutes.

## **DDA COMMITTEE REPORTS**

1. Chairwoman Lori Machuk, verbal report from “Event Committee”

## **CITY MANAGER / DDA BOARD MEMBER COMMENTS**

1. City Manager – verbal report on American Flags and Veteran Banners beautification project update

## **ADJOURNMENT**

**Next DDA Meeting – March 19, 2026 @ 7:30 a.m.**



139 S. SAGINAW STREET MONTROSE, MI 48457 / PHONE (810) 639-6168

**DOWNTOWN DEVELOPMENT AUTHORITY BOARD (D.D.A.)  
January 15, 2026 @ 7:30 a.m.  
MEETING MINUTES**

**CALL TO ORDER** – meeting called to order at 7:46 a.m.

**ROLL CALL** – Present – Chairwoman Machuk, Deborah Gross (arrived late), Jerry Mears, Eric Reed, Mayor Tom Banks and City Manager. Absent: Coetta Adams, Mike Burkhardt, Scott Webster.

**PLEDGE OF ALLEGIANCE** – Pledge led by Chairwoman Machuk

**APPROVAL OF AGENDA**

Action:

Motion: Deborah Gross to approve agenda

Second: Mayor Banks

A – YES, Motion Carried.

**CITIZEN COMMENTS**

No Comments – No Citizens present at meeting.

**CONSENT AGENDA**

1. Approval of November 20, 2025, D.D.A. Meeting Minutes
2. Receive and File Budget Update
3. Approve 2026 DDA Board Meeting Calendar

Action:

Motion: Deborah Gross to approve consent agenda

Second: Mayor Banks

A - YES, Motion Carried.

**PRESENTATION**

**OLD BUSINESS**

1. Discussion Spring Event Date/Time

Action:

Motion: Mayor Banks to Discuss

Second: Jerry Mears

A - YES, Motion Carried.

Nothing further from discussion.

## **NEW BUSINESS**

### 1. Consider Discussion on Proposed CIP

Action:

Motion: Mayor Banks discuss CIP

Second: Deborah Gross

A - YES, Motion Carried.

Discussion had, no action. Board indicated streetlight/sidewalk project as #1 and in general the proposed CIP was in-line with Board expectations.

### 2. Consider Review of By-Laws

Action:

Motion: Mayor Banks to discuss By-Laws

Second: Jerry Mears

A - YES, Motion Carried.

Discussion had, no action other than clarifying eligibility and election of officers in February.

### 3. Consider Discussion of Veterans Banners

Action:

Motion: Deborah Gross approve \$5,000.00 in banners and flags.

Second: Eric Reed

A - YES, Motion Carried.

### 4. Consider Discussion on Community Garden

Action:

Motion: Mayor Banks discuss CIP

Second: Jerry Mears

A - YES, Motion Carried.

Discussion had, no action. Board consensus is to have a full board for discussion again on the property.

## **BID AWARD/PURCHASE**

## **ORDINANCES**

## **APPOINTMENTS**

### 1. Consider Resolution Appointment of Committee and Committee Members

Action:

Motion: Mayor Banks Approve Resolution of Committee Members

Second: Jerry Mears

A - YES, Motion Carried.

## **CITIZEN COMMENTS**

No Comments – No Citizens present at meeting.

## **DDA COMMITTEE REPORTS**

No Comments

## **CITY MANAGER / DDA BOARD MEMBER COMMENTS**

No Comments

**ADJOURNMENT**

Action:

Motion: Mayor Banks Motion to Adjourn

Second: Eric Reed

A - YES, Motion Carried.

Meeting Adjourned – 9:31 a.m.

**Next DDA Meeting – February 19, 2026 @ 7:30 a.m.**

DRAFT

X

# CITY OF MONTROSE MEMORANDUM

**Date:** February 9, 2026

**To:** Chairwoman Machuk and Board Members of the DDA

**From:** Joe Karlichek, City Manager

**Subject: Welcome New Member Mr. Larry Leonard!**

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**Background:** The Mayor, under its authority, nominated Mr. Larry Leonard to the DDA Board at the City Council meeting of January 27, 2026. The city council unanimously approved Mr. Leonard's appointment.

Under the By-Laws of the DDA, the following provides context of those appointments and qualifications:

## **ARTICLE 4**

### **Board of Directors**

Section 1: General Powers – The Authority shall operate within the Authority district described in the Ordinance as currently in effect and as it may be amended pursuant to the Ordinance and the Act. The Authority shall be under the supervision and control of the Authority's Board of Directors, hereinafter referred to as the "Board".

Section 2: Size and Tenure – The Board shall consist of the Mayor, Chief Executive Officer of the City of Montrose, and not less than eight (8) members not more than twelve, (12). The members shall be appointed for a term of four (4) years.

Section 3: Selection of Board Members – The Mayor of the City of Montrose, with the advice and consent of the City Council, shall appoint Board Members. A member of the Authority shall have one of the following qualifications:

- 1) Resident of the City of Montrose
- 2) Registered voter in the City of Montrose
- 3) Have an interest in real property in the DDA district

Not less than a majority of the members shall have an interest in property located in the Authority District. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional Oath of Office.

**Recommendation: No Action.**

1

# CITY OF MONTROSE MEMORANDUM

**Date:** February 9, 2026

**To:** Chairwoman Machuk and Board Members of the DDA

**From:** Joe Karlichek, City Manager

**Subject:** Consider Discussion on Streetscape Project

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**Background:** The DDA Board Members, since my time here as City Manager, appeared to be dehydrated over the lack of Strategic Planning and follow through. In August of 2025 the DDA Board received an initial report from F & V describing an “Alignment” of its current TIF Plan (see report as reference) in this memorandum.

At the January 2026 DDA Meeting, the DDA Board received communication on preliminary CIP projects and requested discussion. One of the main items in the proposed/preliminary CIP was a streetlight/concrete project in the downtown as illuminated in the Alignment Report and numerous discussions on the dilapidated streetlights the city owns. From that discussion, the Board made it clear it wanted to see the downtown “come alive” and was unanimous in its focus as it being a top priority. It also requested more information such as renderings (ideas) and overall costs.

Attached to this memorandum is a conceptual design of the downtown of many ideas. These ideas were born from our conversations as a Board and direct meetings of myself and with our engineering firm F & V.

The Board is being asked to discuss these ideas and asked to come to a consensus with an overall conceptual design it would like to see.

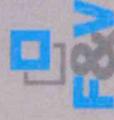
The city manager will provide a more in-depth verbal report to the Board discussing the financials and stakeholders it is seeking to see this project come to fruition.

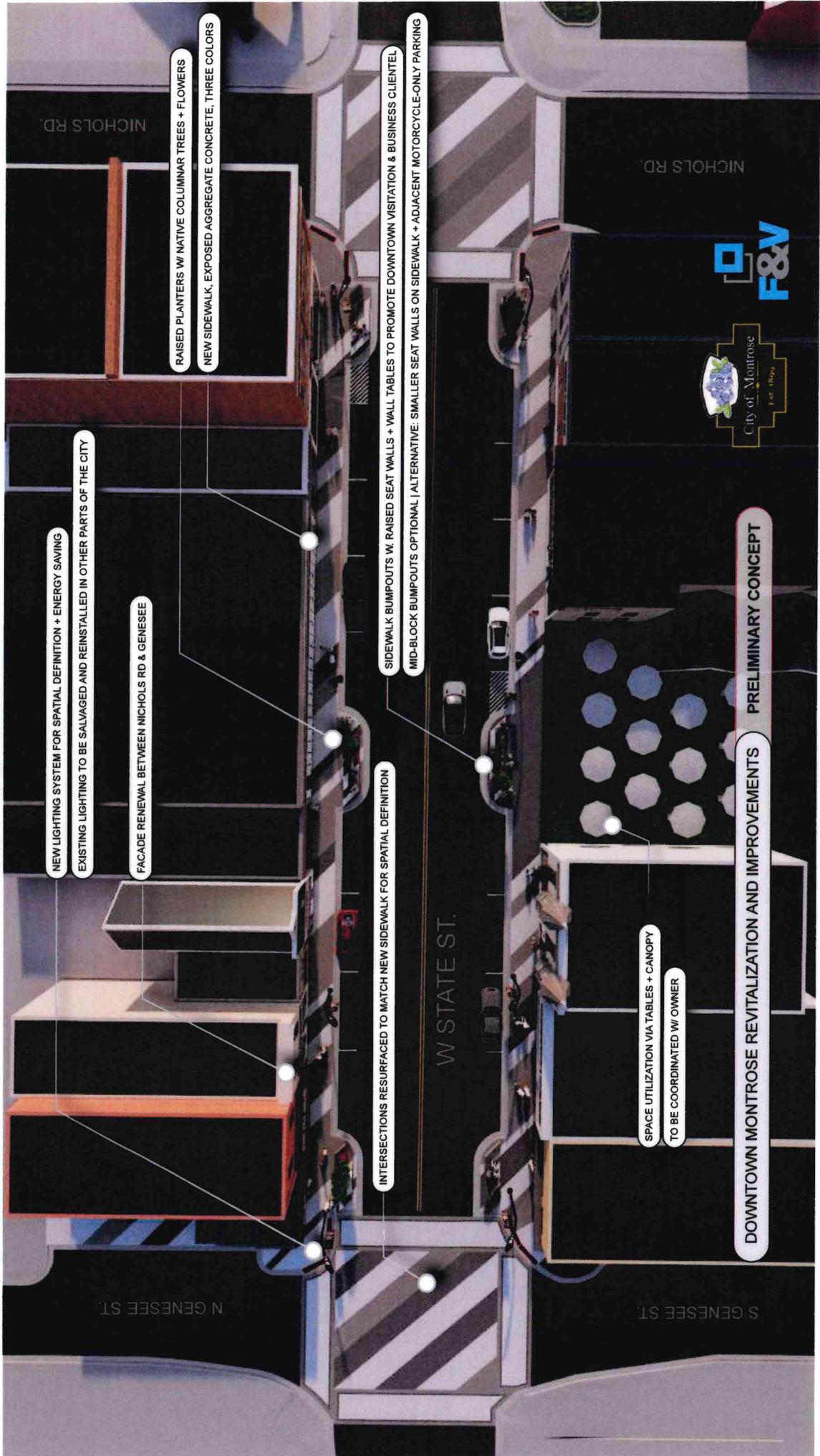
**Recommendation:** It is recommended DDA Board consider discussing the proposed Street Scape renderings and outline items it would like to see. There is no rush to determine anything to be of exact in its expectations, rather come to a consensus as to the overall concept. Details, townhall meetings and involvement of the Planning Board will occur in 2026.

# **DOWNTOWN MONTROSE REVISIONING**

## **REVITALIZATION & IMPROVEMENTS**

**PROMOTE THE DOWNTOWN AS A DESTINATION  
INCREASE PEDESTRIAN VISIT TO BUSINESSES  
FACILITATE DINING AND DRINKING BUSINESSES  
ENCOURAGE WALKABILITY, BIKABILITY, AND ACTIVE TRANSPORTATION  
FACADE RENEWALS AND URBAN BEAUTIFICATION**





NEW LIGHTING SYSTEM FOR SPATIAL DEFINITION + ENERGY SAVING

EXISTING LIGHTING TO BE SALVAGED AND REINSTALLED IN OTHER PARTS OF THE CITY

FACADE RENEWAL BETWEEN NICHOLS RD & GENESEE

RAISED PLANTERS W/ NATIVE COLUMNAR TREES + FLOWERS

NEW SIDEWALK, EXPOSED AGGREGATE CONCRETE, THREE COLORS

INTERSECTIONS RESURFACED TO MATCH NEW SIDEWALK FOR SPATIAL DEFINITION

SIDEWALK BUMPOUTS W/ RAISED SEAT WALLS + WALL TABLES TO PROMOTE DOWNTOWN VISITATION & BUSINESS CLIENTEL

MID-BLOCK BUMPOUTS OPTIONAL | ALTERNATIVE: SMALLER SEAT WALLS ON SIDEWALK + ADJACENT MOTORCYCLE-ONLY PARKING

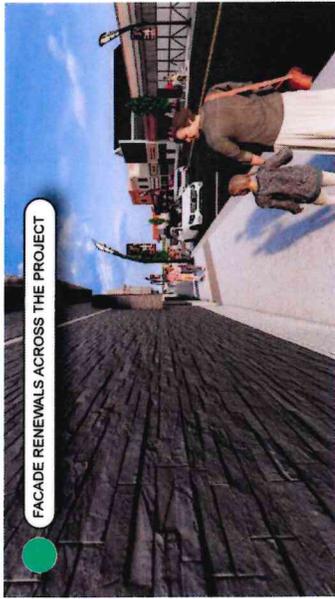
SPACE UTILIZATION VIA TABLES + CANOPY

TO BE COORDINATED W/ OWNER

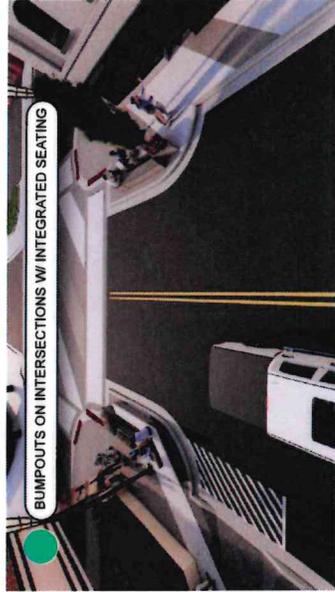
DOWNTOWN MONTROSE REVITALIZATION AND IMPROVEMENTS

PRELIMINARY CONCEPT

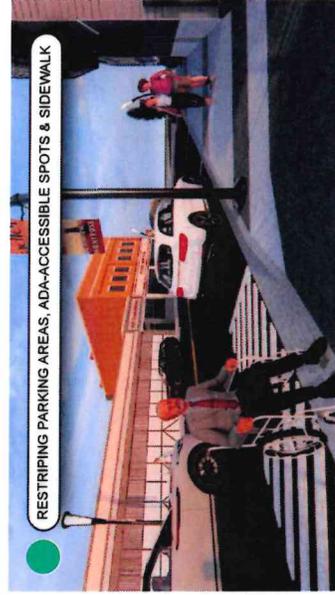




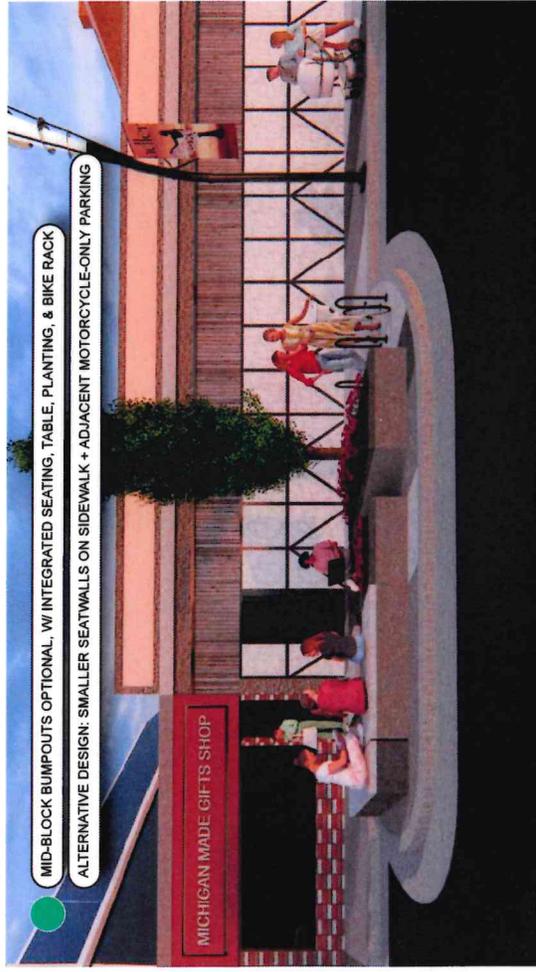
FACADE RENEWALS ACROSS THE PROJECT



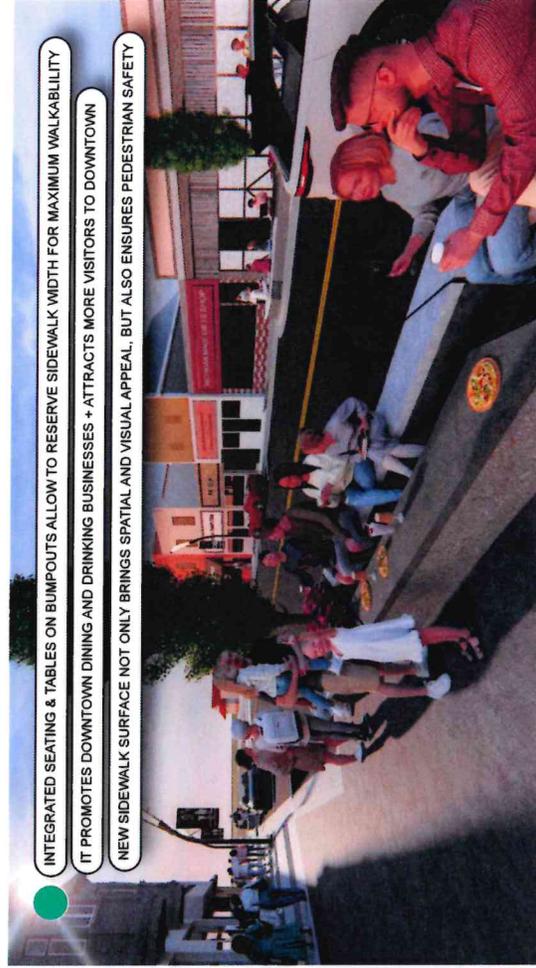
BUMPPOINTS ON INTERSECTIONS W/ INTEGRATED SEATING



RESTRIPING PARKING AREAS, ADA-ACCESSIBLE SPOTS & SIDEWALK



MID-BLOCK BUMPPOINTS OPTIONAL, W/ INTEGRATED SEATING, TABLE, PLANTING, & BIKE RACK  
ALTERNATIVE DESIGN: SMALLER SEATWALLS ON SIDEWALK + ADJACENT MOTORCYCLE-ONLY PARKING



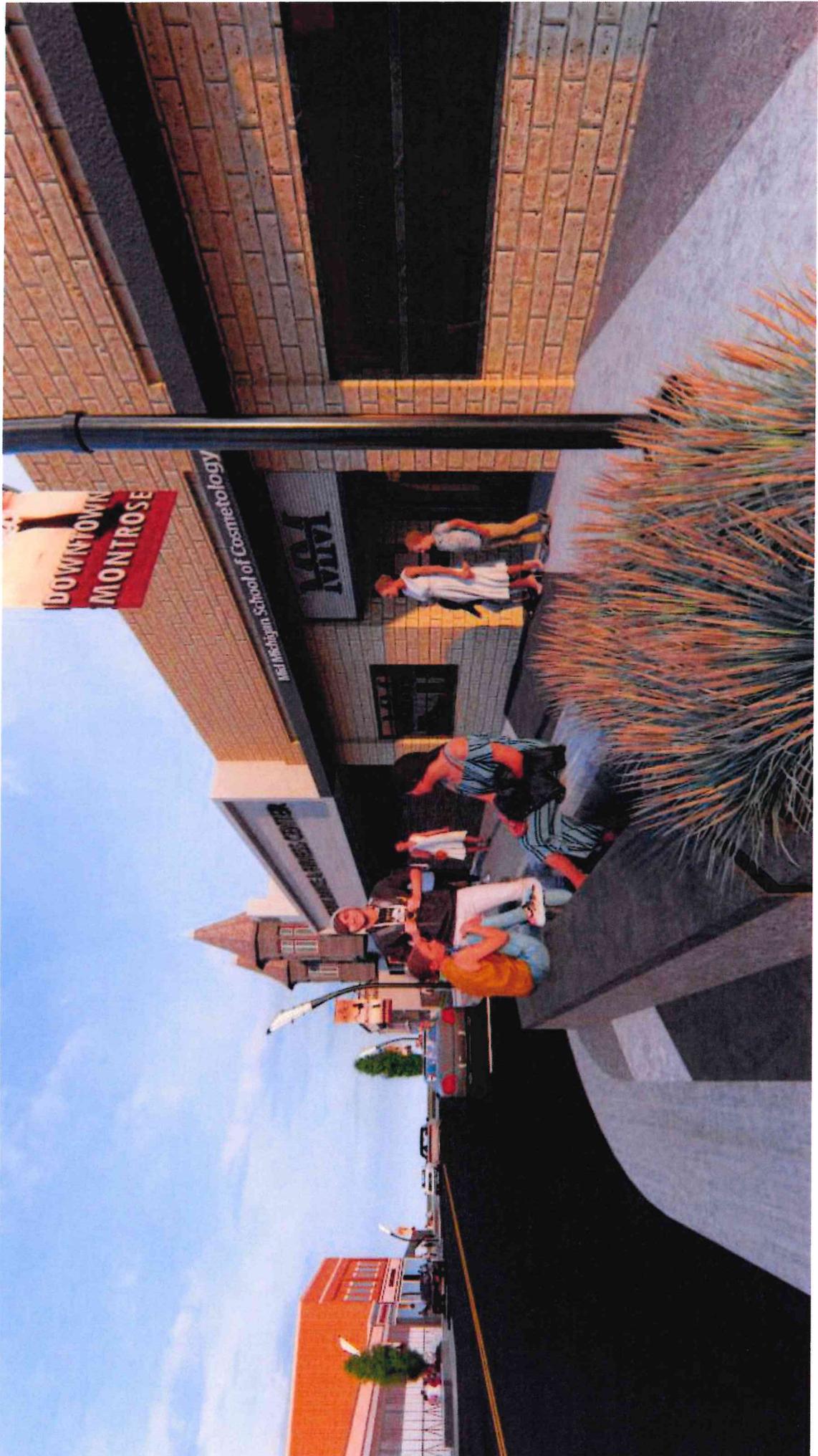
INTEGRATED SEATING & TABLES ON BUMPPOINTS ALLOW TO RESERVE SIDEWALK WIDTH FOR MAXIMUM WALKABILITY  
IT PROMOTES DOWNTOWN DINING AND DRINKING BUSINESSES + ATTRACTS MORE VISITORS TO DOWNTOWN  
NEW SIDEWALK SURFACE NOT ONLY BRINGS SPATIAL AND VISUAL APPEAL, BUT ALSO ENSURES PEDESTRIAN SAFETY

DOWNTOWN MONTROSE REVITALIZATION AND IMPROVEMENTS

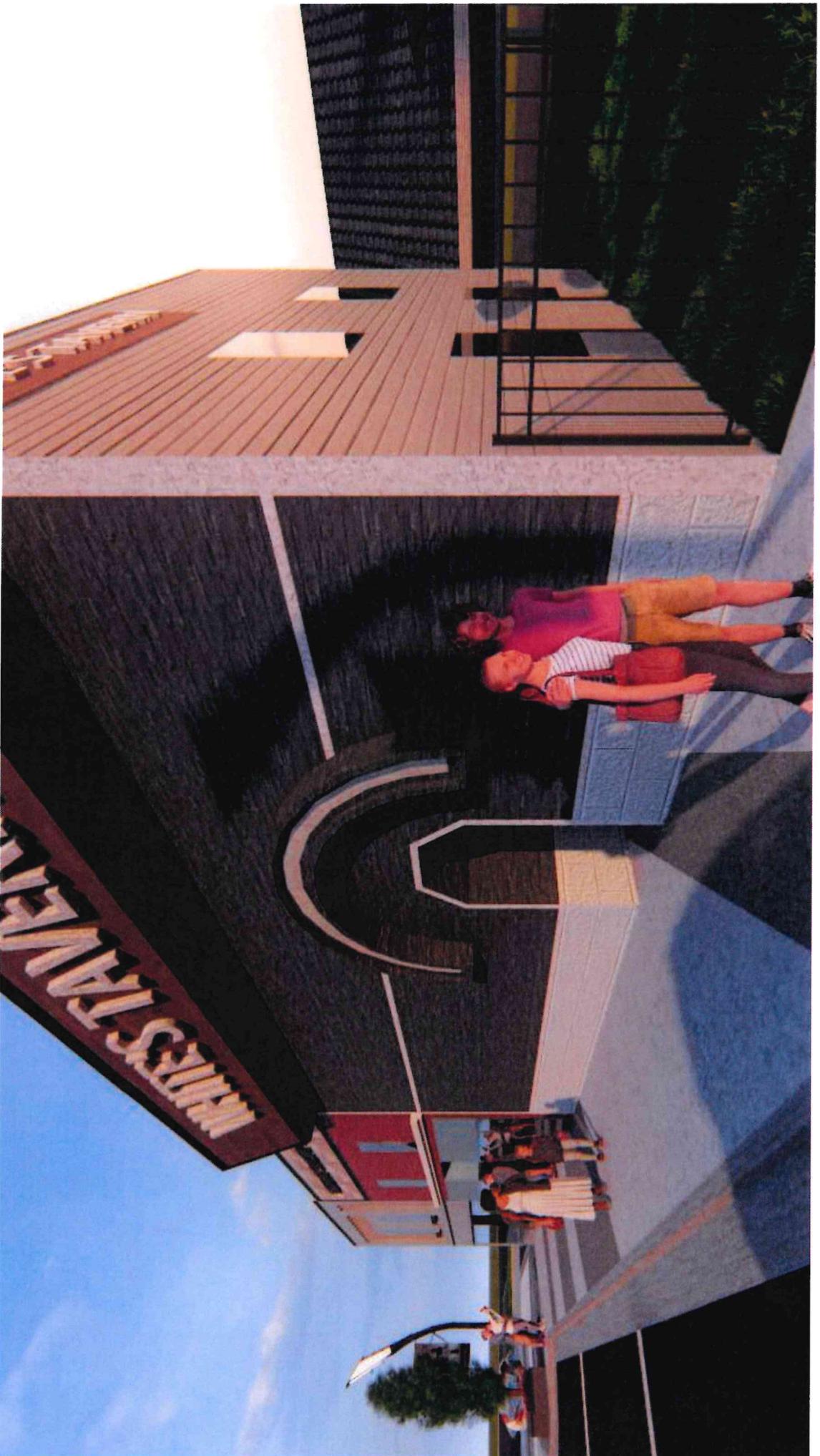
PRELIMINARY CONCEPT





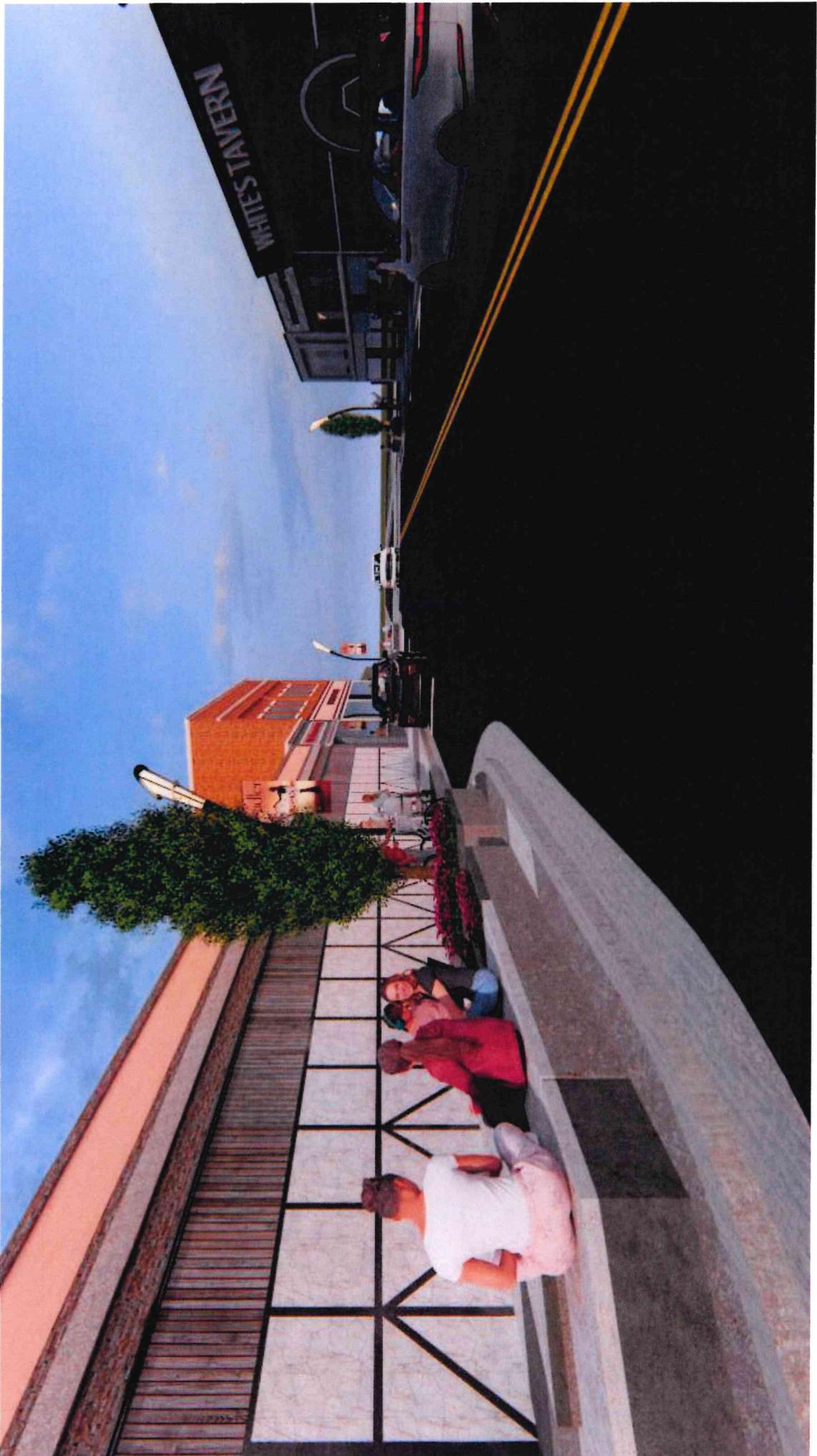




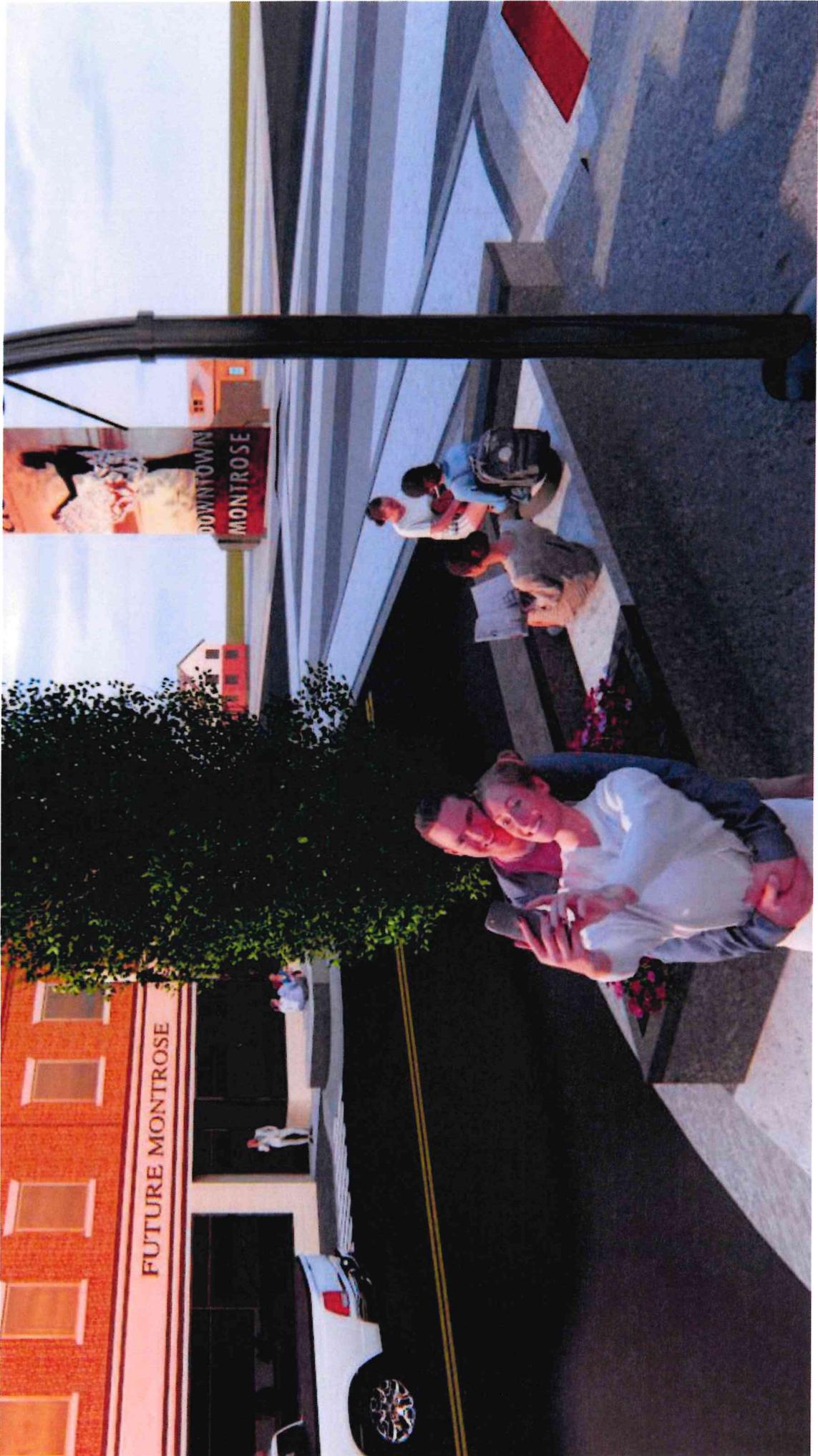


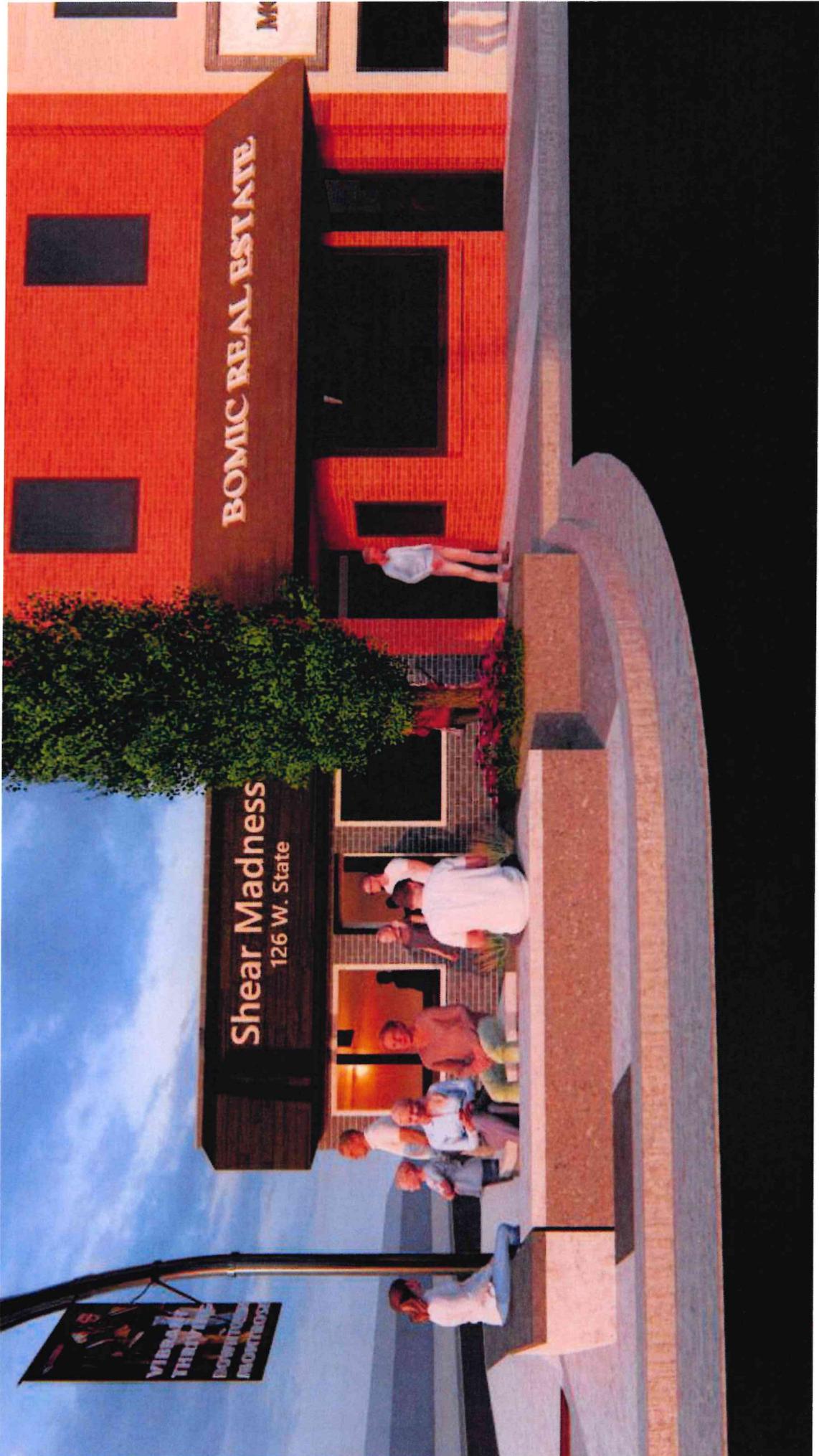


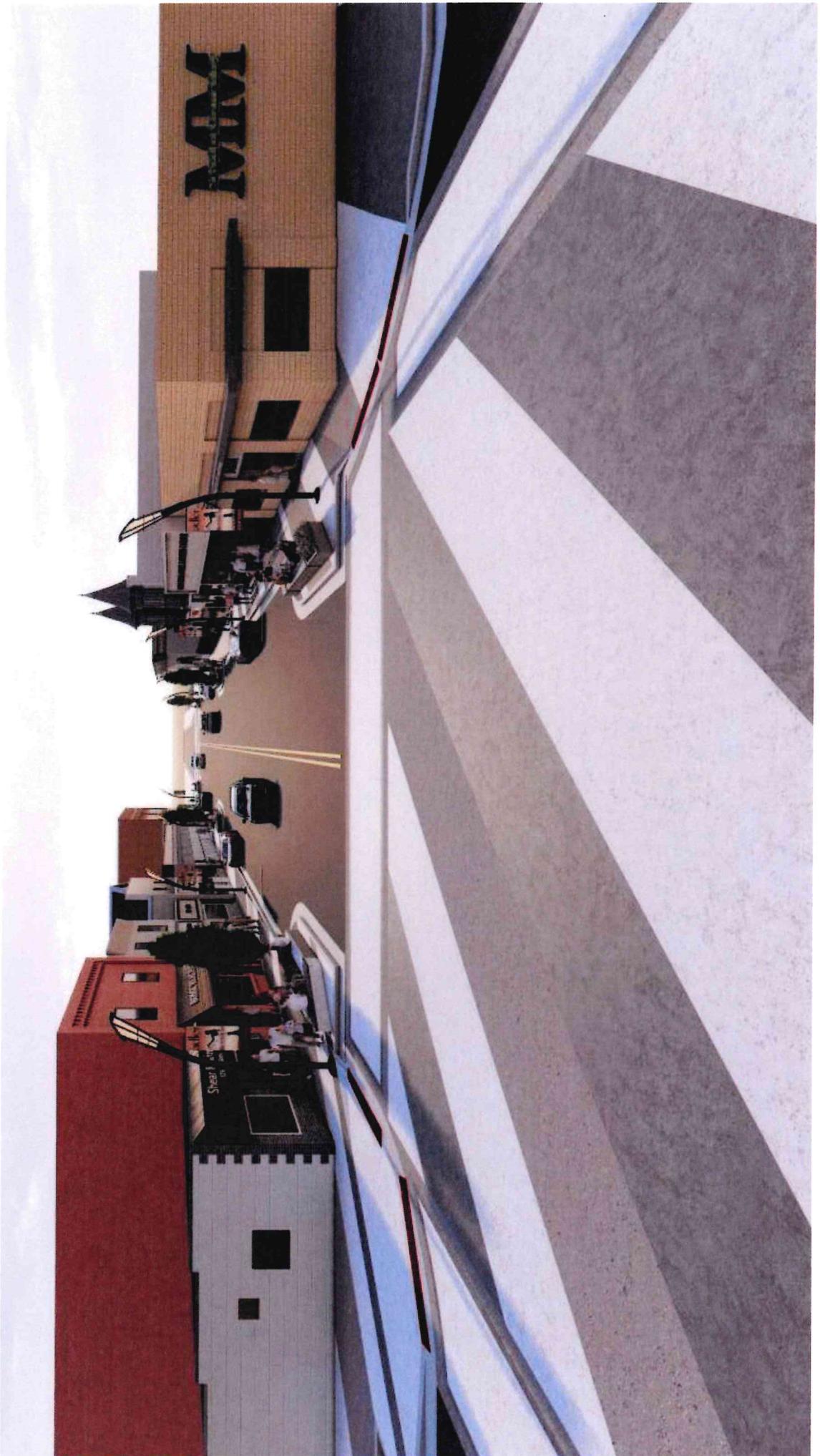










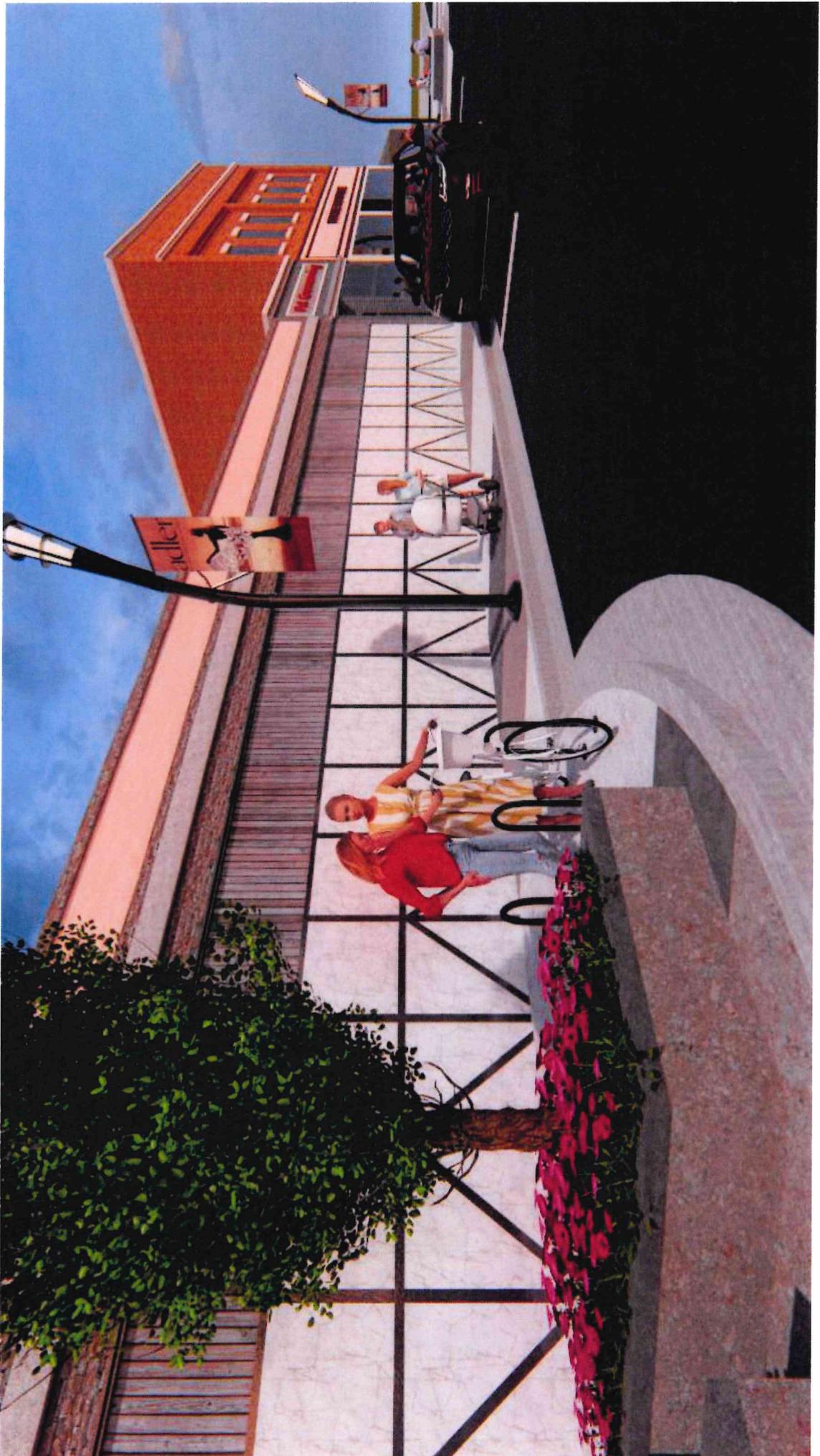




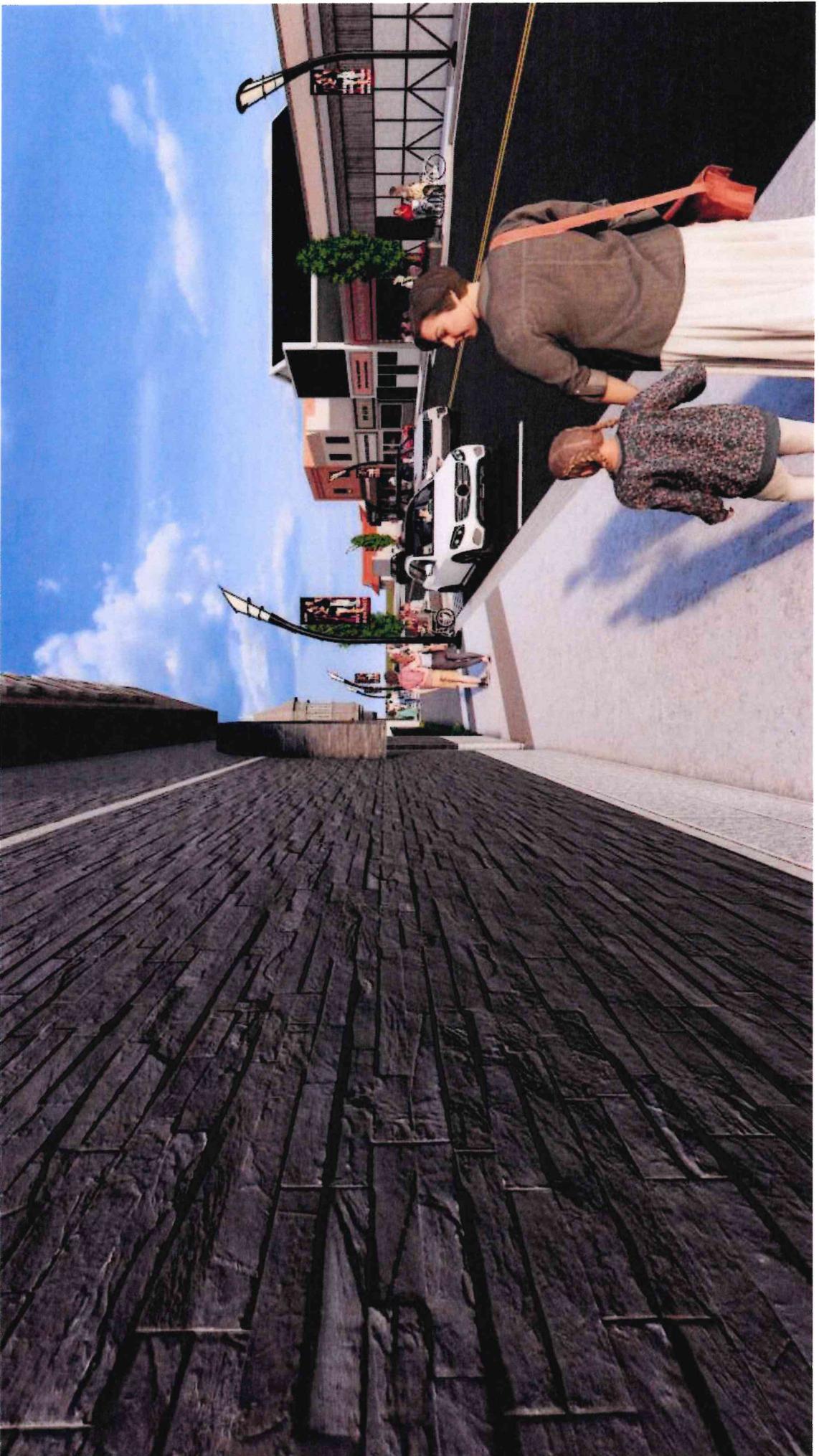








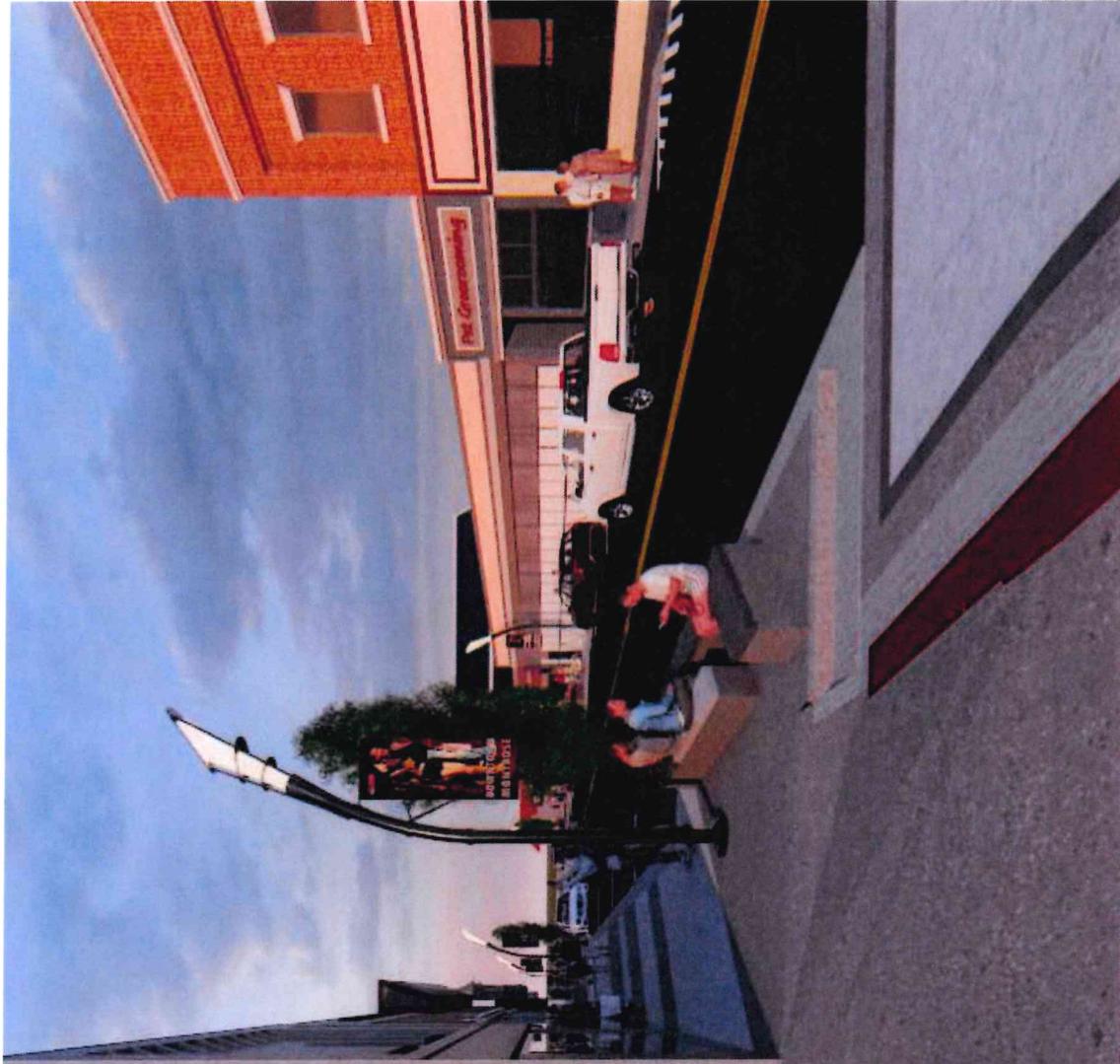




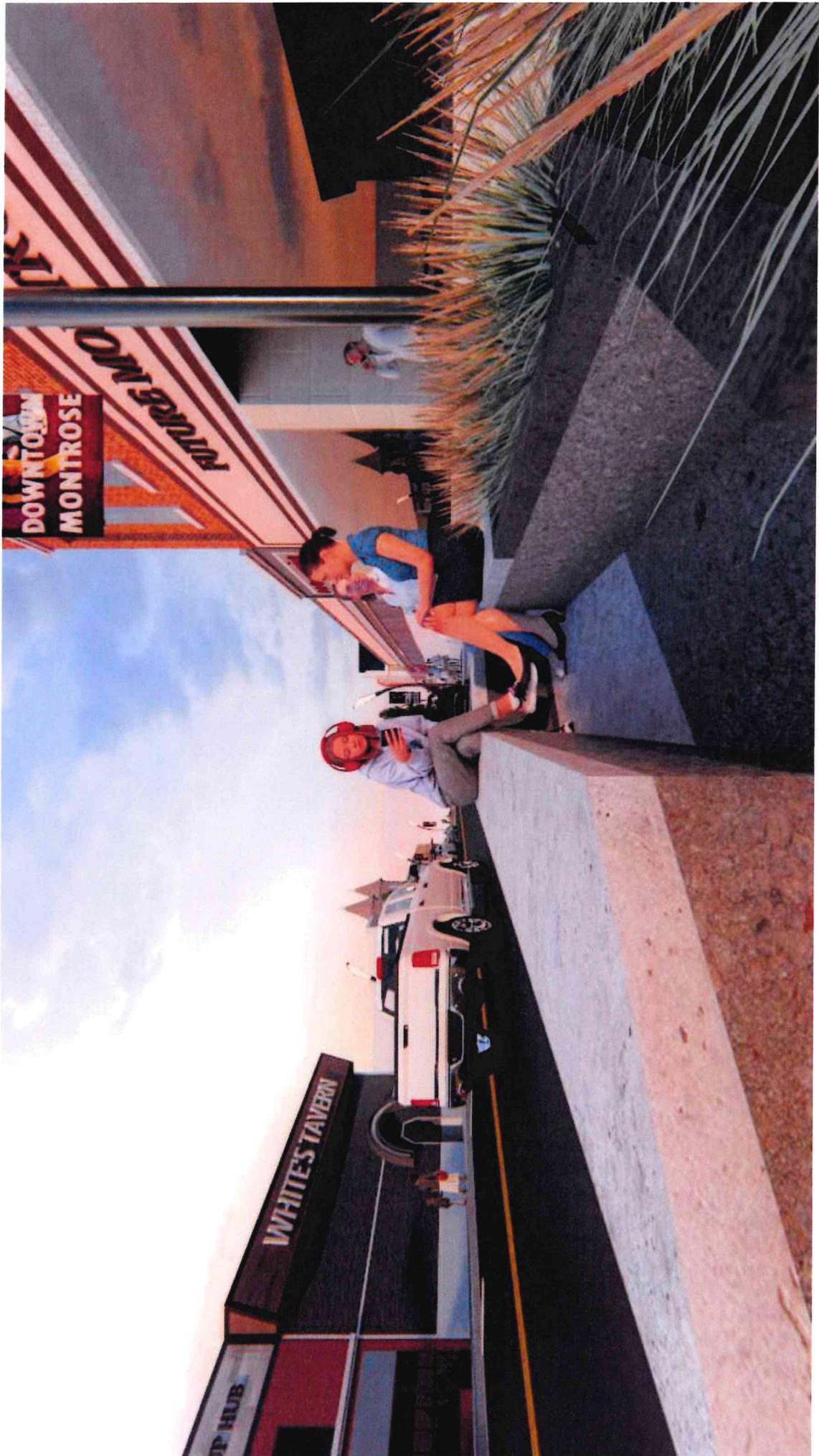


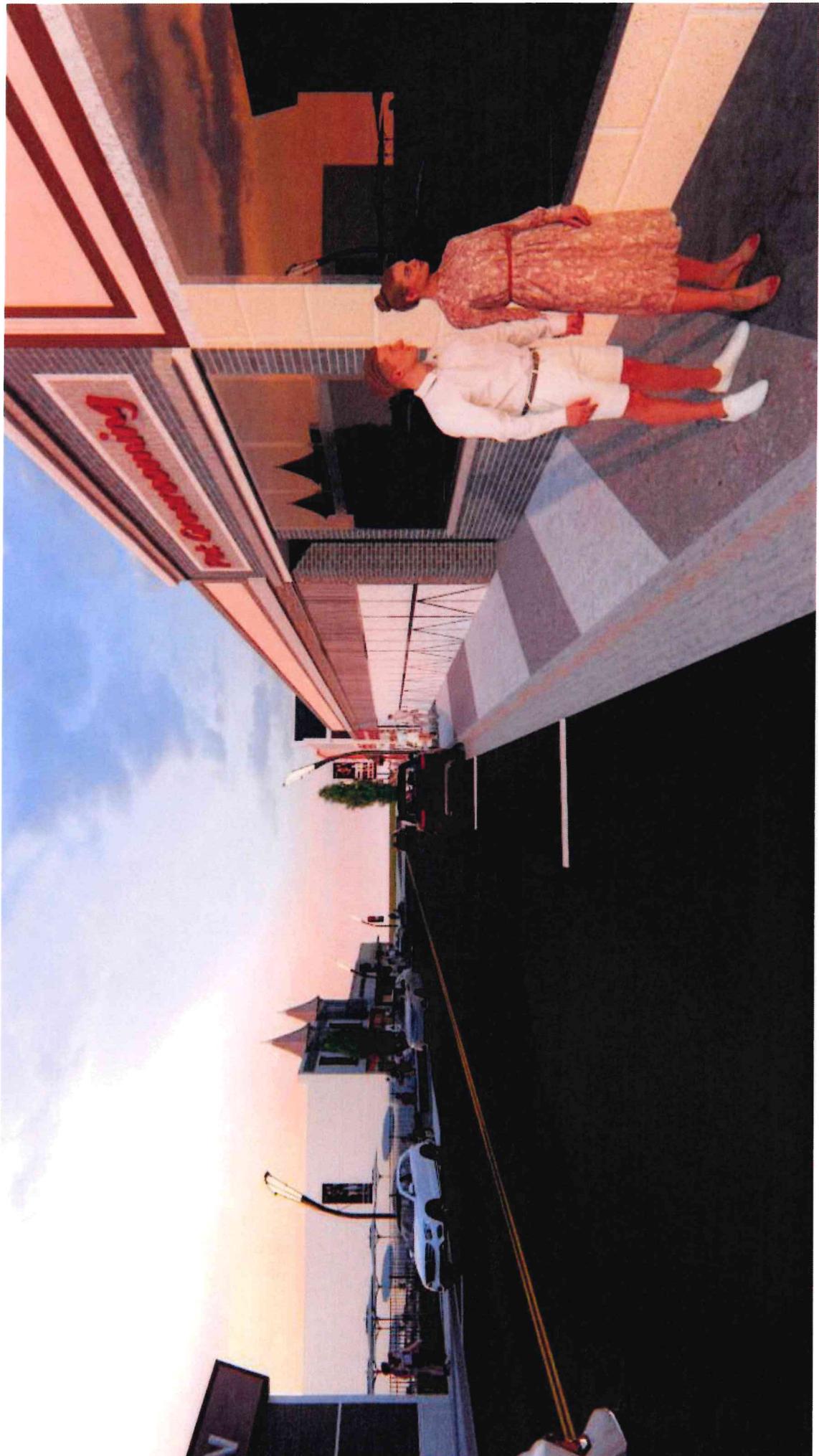
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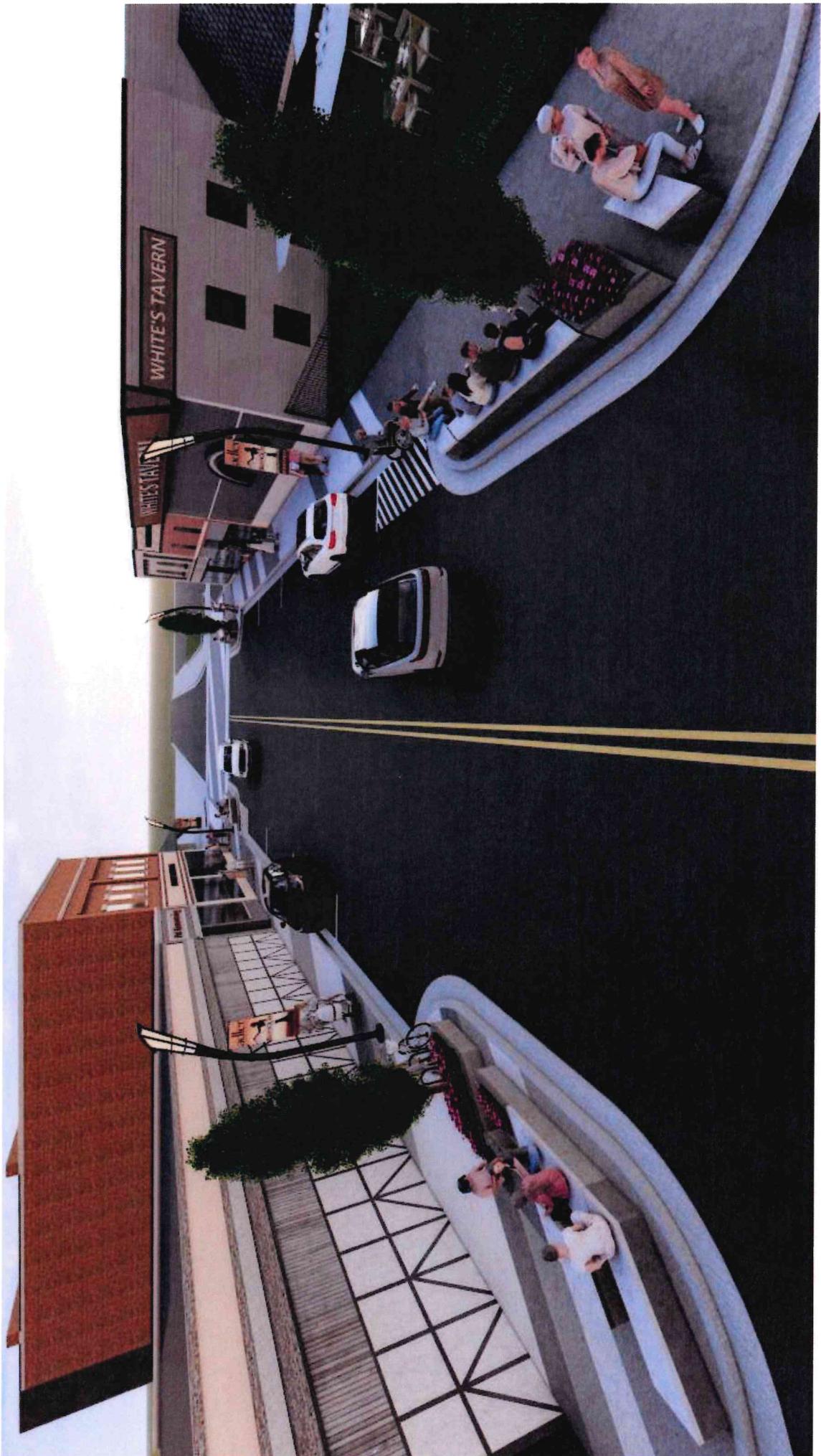
*Gourmet Pizzeria & Ristorante*



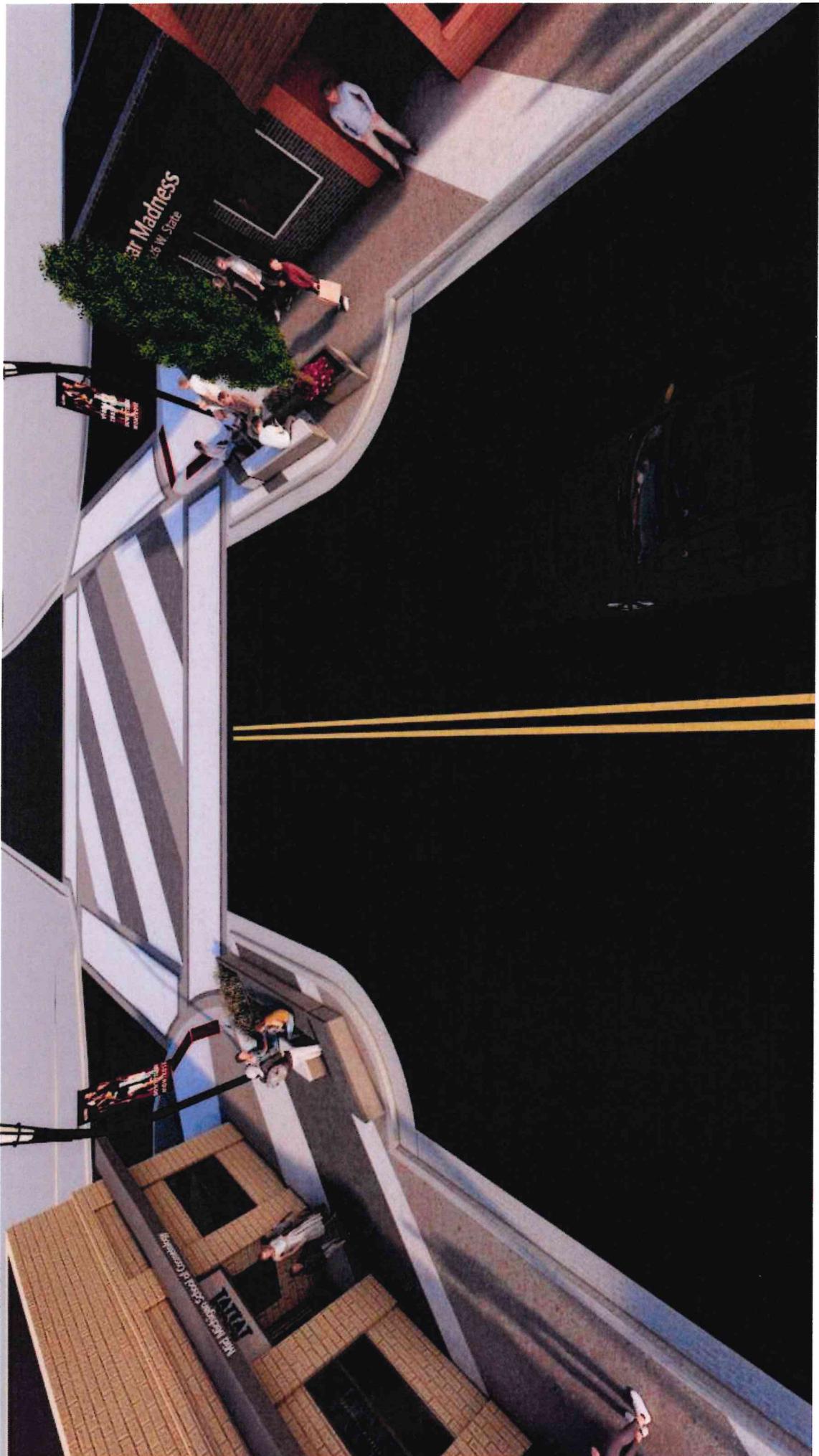








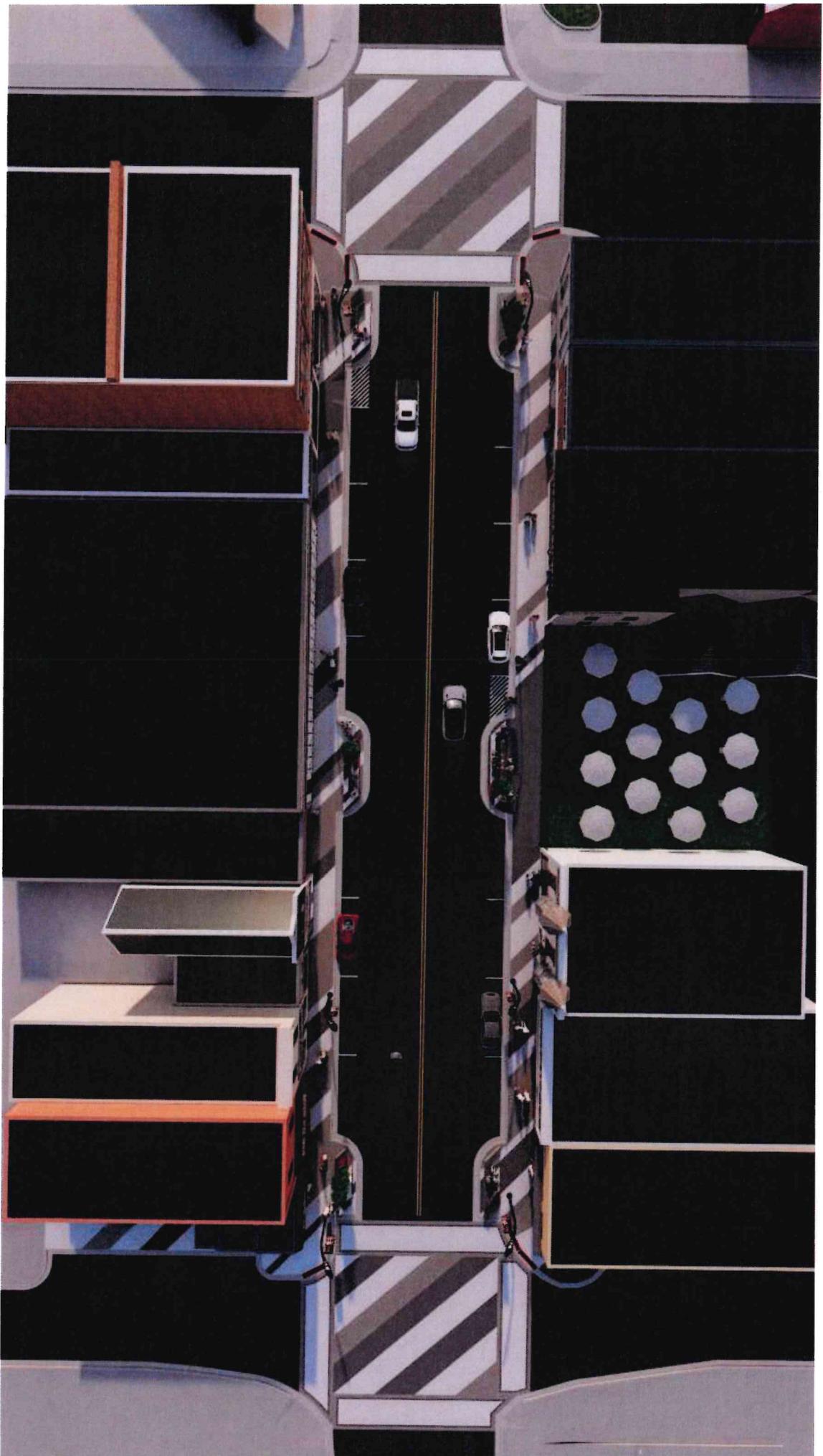












**Engineer's Opinion of Preliminary Project Cost  
DOWNTOWN MONTROSE & HISTORIC DEPOT  
MONTROSE, MI**



**Project:**

**Date:** 2/12/2026

**By:** AEG

**Project Description:** New concrete sidewalk with three colors, seatwalls, downtown gathering space, promotion of active transportation, community gathering hub, façade renewals, new lighting, and bumpouts.

**Drawing Reference:**

ITEM NUMBER	ITEM DESCRIPTION	UNIT	QTY	ESTIMATED UNIT PRICE	ESTIMATED AMOUNT
<b>GENERAL ITEMS</b>					
1	Historical Depot Renovations	LSUM	1	\$ 150,000.00	\$ 150,000.00
2	Seatwalls & Tables + Bike Rack & Recycle Bins	LSUM	1	\$ 215,000.00	\$ 215,000.00
3	Landscape (Columnar Trees & Planters & Flowers)	LSUM	1	\$ 45,000.00	\$ 45,000.00
4	New Concrete Surface Sidewalk (Three Colors)	LSUM	1	\$ 210,000.00	\$ 210,000.00
5	New Intersections Concrete Matching Sidewalks	LSUM	1	\$ 115,000.00	\$ 115,000.00
6	Façade Renewals (Allowance)	LSUM	1	\$ 250,000.00	\$ 250,000.00
7	New Street Lighting	LSUM	1	\$ 100,000.00	\$ 100,000.00
8	Bumpouts	LSUM	1	\$ 70,000.00	\$ 70,000.00
<b>GENERAL SUBTOTAL:</b>					<b>\$ 1,155,000.00</b>

Construction Cost Subtotal:	\$ 1,155,000.00
Undeveloped Details / Contingency (20%)	\$ 231,000.00
Engineering (20%)	\$ 278,000.00
Legal / Administration (5%)	\$ 69,500.00

**RECOMMENDED CONSTRUCTION BUDGET (ROUNDED): \$ 1,740,000.00**

\*\*This cost opinion is an estimate based on the current scope of the project and available information. It is subject to change due to factors such as market fluctuations, unforeseen site conditions, and project scope modifications. This cost opinion should not be considered a guarantee of final construction cost. F&V is not liable for any losses or damages arising from reliance on this cost opinion.

# CITY OF MONTROSE

## DOWNTOWN DEVELOPMENT AUTHORITY ALIGNMENT REPORT

Report Date: October 7, 2025



### DDA BOARD OF DIRECTORS

Mayor Tom Banks  
Lori Machuk, Chair  
Scott Webster, Vice Chair  
Coetta Adams  
Steve Gold  
Eric Reed  
Jerry Mears  
Deborah Gross  
Mike Burkhart

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## INTRODUCTION AND BACKGROUND

The Montrose Downtown Development Authority (DDA) plays a central role in advancing the City's vision for a thriving, walkable, and resilient downtown. The DDA's Tax Increment Financing (TIF) Plan, adopted in 2007 and extended through 2032, provides the financial framework for public investments that strengthen downtown infrastructure, support business growth, and enhance the overall quality of life. The City's 2040 Master Plan and Capital Improvement Plan (CIP) 2024–2030 both reinforce the community's vision and objectives. Together, these documents identify priority projects, funding mechanisms, and strategic initiatives that align with the DDA's statutory purpose, to halt the deterioration of taxable values and promote economic growth within the DDA district.

The general purpose of this report is to outline how the Master Plan and CIP can be leveraged to advance DDA related projects through targeted TIF investments, collaborative planning, and coordinated project delivery. The document also provides a prioritization and framework for collaborative support of initiatives and identifies alternative funding opportunities for creating capital stacks to serve the DDA's goals.

## INITIAL ASSESSMENT AND FINANCIAL CONTEXT

The DDA's TIF Plan outlines its ability to capture incremental tax revenues generated within the downtown district and reinvest those funds in eligible public improvements. Since its establishment, the DDA has funded critical infrastructure, façade improvements, and beautification efforts that have laid the foundation for future redevelopment.

The implementation matrix within the City of Montrose Master Plan explicitly recognizes Tax Increment Financing (TIF) as a key funding source for downtown improvements, placing the DDA as a responsible partner in advancing projects related to economic development, streetscape enhancement, and civic space activation. Similarly, the CIP establishes a six-year framework for investment in streets, sidewalks, utilities, stormwater management, and community facilities, many of which directly benefit or are located within the DDA district.

Alignment between the City, component units such as the DDA, and planning documents provides a strong fiscal and policy basis for integrating DDA resources into the City's broader capital planning and redevelopment strategy.

### Review of DDA Financials

#### Overview

The Montrose Downtown Development Authority (DDA) enters FY 2025–2026 with a strong financial position, fiscal discipline, and an ongoing commitment to reinvestment in the downtown district. The approved budget reflects the DDA's priorities to maintain stable operations, support small-scale improvement programs, and prepare for participation in larger infrastructure and redevelopment initiatives that align with the City's long-term vision.

#### Revenue Outlook

For FY 2025–2026, the DDA anticipates total revenues of approximately \$119,700, reflecting modest adjustments from the prior year's amended budget. The primary revenue source continues to be tax increment revenues (TIR) generated within the DDA district, supplemented by interest earnings and rental income from the Depot building.

<b>Tax Increment Revenue (TIR):</b>	<b>\$115,000</b>	Represents roughly 96% of total annual income. Capture levels remain stable, consistent with recent taxable value trends across the district.
<b>Interest Earnings</b>	<b>\$1,200</b>	Reflects returns on fund balance and short-term investments.

<b>Depot Rental Income</b>	<b>\$3,500</b>	Provides steady offset for utilities, maintenance, and insurance on the historic facility.
<b>Other Income</b>	<b>\$0</b>	No additional state grants or public contributions are projected for the upcoming fiscal year following the conclusion of the Jennings Memorial Grant.

Together, these revenues maintain the DDA's operational stability and provide flexibility for matching funds and future capital participation.

### Expenditure Overview

The DDA's FY 2025–2026 total expenditures are projected at \$41,414.50, closely mirroring the previous year's adopted levels. The Authority continues to maintain a conservative spending posture while prioritizing activities that produce visible community benefit.

<b>Administration and Operations</b>	<b>\$9,000</b>	Includes salaries, IT, legal, and administrative costs to support daily functions.
<b>Façade Improvement Program</b>	<b>\$7,000</b>	Ongoing small-grant initiative supporting private property investment and downtown beautification.
<b>Professional and Contracted Services</b>	<b>\$8,000</b>	Provides technical assistance, marketing, and external consulting tied to strategic initiatives.
<b>Utilities and Depot Operations</b>	<b>\$1,900</b>	Covers electric, gas, and water expenses associated with the Depot facility.
<b>Training, Dues, and Subscriptions</b>	<b>\$2,200</b>	Supports board training, compliance with Act 57 reporting, and professional memberships.
<b>Capital Allocation</b>	<b>\$40,000</b>	Dedicated to future downtown infrastructure, streetscape, or grant-matching projects in coordination with City priorities.

The combination of steady operating expenses and strategic capital allocation ensures that DDA funds remain flexible, visible, and leverage ready for development purposes.

### Financial Position and Fund Balance

The DDA closed FY 2024–2025 with a net operating surplus of approximately \$97,000 and enters FY 2025–2026 debt-free following the full retirement of prior obligations. With projected revenues exceeding expenditures by an additional \$78,285.50, the DDA's total available fund balance will strengthen further in the coming fiscal year.

This strong fiscal position allows the DDA to:

- Participate in cost-sharing partnerships for public improvements identified in the City's 2024–2030 Capital Improvement Plan and Street Asset Management Plan.
- Provide local match funding for potential MEDC, MSHDA, or EGLE grants targeting infrastructure, housing, or downtown revitalization.
- Sustain and expand the façade and sign grant program to encourage visible reinvestment by property owners.
- Reserve funds for future infrastructure participation, such as sidewalks, drainage, parking, and civic space enhancements outlined in the DDA & TIF Plan.

### Strategic Fiscal Direction

Looking forward, the DDA's fiscal strategy will remain centered on leveraging limited local revenues to achieve maximum community impact.

Key fiscal principles include:

- Maintain a reserve balance equal to 50% of annual expenditures to ensure long-term stability.
- Align annual budgeting with the City's CIP and Master Plan implementation schedule.
- Monitor tax capture performance annually to identify new redevelopment opportunities within the district.

- Pursue external partnerships and grants to amplify local reinvestment and offset capital costs.

In summary, the DDA's FY 2025–2026 budget reflects a financially stable, forward-thinking organization. By maintaining operational efficiency, investing strategically in visible downtown improvements, and coordinating closely with City leadership, the DDA is well positioned to continue advancing its mission of fostering a vibrant, resilient, and economically active downtown Montrose. The DDA may also consider levying up to 2 mills of taxes for properties located in the DDA to help support project initiatives.

## REVIEW OF DDA PLAN AND STRATEGIC INITIATIVES

The City of Montrose Downtown Development Authority (DDA) was established to reverse physical deterioration, improve the function and appearance of the downtown core, and encourage new private investment. The DDA and TIF Plan (2007–2032) identifies a comprehensive set of strategies designed to create an economically vibrant, walkable, and sustainable downtown district. The plan's goals remain relevant and well-aligned with the direction set forth in the City's 2040 Master Plan and Capital Improvement Plan (CIP 2024–2030), with each document reinforcing the role of the DDA as a central implementation partner in advancing economic development, infrastructure modernization, and community revitalization.

### Economic Development Strategies

The DDA Plan positions downtown Montrose as the civic and economic heart of the community. Its strategy focuses on attracting private investment through public improvements, small business support, and coordinated marketing. The Plan emphasizes the need for:

- Business retention and attraction, including efforts to fill vacant storefronts, support existing merchants, and encourage new entrepreneurial activity within the district.
- Property improvement incentives, such as façade and signage grants, to enhance the visual quality of downtown buildings and promote reinvestment by property owners.
- Downtown events and marketing initiatives to draw residents and visitors, increase commercial foot traffic, and establish downtown as a regional destination.
- Public–private partnerships that leverage DDA funding with state and federal resources to support catalytic redevelopment projects.

These strategies closely mirror the City's Master Plan economic development framework, which calls for fostering small business growth, diversifying the local economy, and leveraging placemaking initiatives to attract new residents and visitors. The Master Plan identifies downtown Montrose as a "priority reinvestment area," recommending proactive measures such as gap financing, TIF incentives, and targeted infrastructure upgrades to spur redevelopment.

Similarly, the CIP reinforces this economic development vision by dedicating funds toward public spaces, pedestrian infrastructure, and utility improvements that increase the functionality and attractiveness of the downtown district which serve as key preconditions for private investment. The coordination of these plans positions the DDA to act as a funding and implementation bridge between vision and execution.

### Infrastructure Investment and Modernization

A defining component of the DDA and TIF Plan is the commitment to infrastructure improvement as the foundation for long-term economic vitality. The Plan identifies priority investments in:

- Street reconstruction, paving, and curbing to improve accessibility and circulation.
- Stormwater system upgrades, including the enclosure of open drains and improved drainage for Maple and side streets.
- Water and sewer extensions to accommodate redevelopment and new business activity.
- Pedestrian pathways, sidewalks, and lighting improvements to create a more cohesive and safer downtown environment.
- Utility burial and streetscape enhancement to modernize the aesthetic and reduce maintenance conflicts.

The CIP 2024–2030 strongly complements these objectives, outlining multi-year investments in the City's water, wastewater, and stormwater systems, including Hickory Street and Grover Street utility upgrades, and the Maple Street drainage improvements that directly overlap with DDA priorities. Additionally, the City's ongoing Sidewalk Improvement Program and Community Event Space project represent clear opportunities for DDA participation through TIF cost sharing and design coordination.

From a strategic standpoint, these infrastructure improvements not only support existing businesses but also open the door for mixed-use redevelopment, housing infill, and future public–private projects identified in the Master Plan's implementation framework. The DDA's financial role in these improvements, through either direct project funding or leveraging grants, ensures that downtown infrastructure investments remain aligned with economic development goals and community needs. Utilizing a mix of funds to support projects helps to offset the direct expenditures to the City's general fund by utilizing the tax increment collected from external taxing jurisdictions.

### Revitalization and Placemaking

Revitalization is a recurring theme throughout the DDA and TIF Plan, emphasizing the creation of a downtown environment that supports both economic and social activity. The Plan envisions a revitalized core that balances functional improvements with aesthetic enhancements, supported by strategic investments in:

- Downtown beautification, including landscaping, decorative lighting, and coordinated signage.
- Public spaces such as mini/pocket parks, the Depot area, and potential civic gathering spaces that strengthen community identity and encourage year-round activity.
- Pedestrian-oriented design, promoting connectivity and accessibility throughout the DDA district.
- Façade restoration and architectural consistency, aligning private redevelopment with a cohesive downtown character.
- Cultural programming and festivals, such as the Montrose Blueberry Festival, that celebrate local heritage and drive economic activity.
- 

The 2040 Master Plan builds upon these revitalization elements, proposing a Downtown Framework centered around walkability, adaptive reuse, and community gathering spaces. The Plan's recommended strategies, such as implementing shared-use paths, on-street parking retrofits, and a new civic plaza, closely mirror the DDA's long-term goals for downtown enhancement. Importantly, the Master Plan identifies the DDA as a lead entity responsible for implementing these placemaking projects, with TIF revenues and public–private partnerships serving as the primary funding tools.

The CIP operationalizes these concepts through specific capital projects, including the Community Event Space (\$500,000) and Lions Park enhancements (\$200,000), both of which directly advance the DDA's placemaking objectives and provide opportunities for co-investment. These investments create the physical and social framework necessary to sustain long-term revitalization and downtown vibrancy.

### Alignment with City Goals and Community Needs

Collectively, the DDA and TIF Plan, Master Plan, and CIP reflect a shared commitment to creating a vibrant, resilient, and connected downtown that meets both current and future community needs. In addition to the Master Plan and the CIP, Montrose also has a Street Asset Management Plan and Community Housing Study that are closely intertwined with the priorities of the DDA as identified in the DDA and TIF Plan. Below is a matrix of the DDA & TIF Priorities/Projects, key areas from each of the Plans aforementioned that relate to the DDA goals, along with correlation of each plans priorities to that of the DDA. Within the matrix, green identifies high correlation, yellow for moderate correlation, and red for low correlation.

<u>DDA &amp; TIF Plan Priorities / Projects</u>	<u>Master Plan 2040 Alignment</u>	<u>Capital Improvement Plan (2024– 2030)</u>	<u>Street Asset Management Plan (2024)</u>	<u>Community Housing Study (2025)</u>	<u>Integration / Implementation Notes</u>
<b>Streetscape Enhancements (sidewalks, streetlights, benches, landscaping, signage)</b>	Supports Downtown Framework Plan goals for a walkable, attractive core and placemaking.	Includes Sidewalk Improvement Program and Community Event Space design.	Identifies Maple, Hickory, and Saginaw corridors for resurfacing and drainage upgrades	Enhances neighborhood connectivity, supports aging population mobility.	Coordinate DDA façade and wayfinding upgrades with City sidewalk and streetscape projects to create visual continuity.
<b>Parking Lot Improvements</b>	Promotes Downtown Redevelopment & Infill Strategy—encourages shared parking for mixed-use redevelopment.	CIP identifies downtown parking resurfacing in outer years of 2027–2028.	Surface conditions rated 3–5 (fair/poor) on several downtown blocks	Supports housing density by enabling downtown mixed-use conversions.	Combine parking lot reconstruction with stormwater management and landscaping consistent with DDA design standards.
<b>Public Utility Upgrades (storm, water, sanitary)</b>	Ties to Infrastructure Capacity and Resiliency Chapter of Master Plan.	CIP lists Watermain Replacement and Storm Sewer Upgrades on Maple, Hickory, and Nanita Streets.	Recommends reconstruction where curb and drainage replacement required	Supports new infill and housing rehabilitation in downtown and adjacent areas.	DDA participation eligible as public infrastructure under PA 57—cost share where utility work benefits district parcels.
<b>Façade and Sign Grant Program</b>	Supports Downtown Design and Heritage Preservation Objectives—encourages rehabilitation and preservation.	Not a capital project but aligns with Master Plan redevelopment focus.	N/A	Housing Study recommends small-scale reinvestment and downtown upper-story rehabilitation	Expand program to include energy-efficiency, accessibility, and upper-story residential improvements.
<b>Downtown Beautification / Landscaping</b>	Implements Public Realm & Aesthetics Strategy.	Linked to Park Enhancements (Lions Park) and Event Space Development.	Enhances visual quality along streets with fair condition.	Improves quality of life and community identity.	Use TIF capture for landscaping in conjunction with park and streetscape phases.
<b>Marketing and Business Development</b>	Mirrors Economic Development Chapter focus on small business attraction and retention.	Indirect tie—supports event programming in CIP.	N/A	Housing Study notes need for workforce housing tied to local business sustainability.	DDA to coordinate promotions with City and Chamber; align marketing with business recruitment and local housing availability.

<b>Wayfinding and Gateway Signage</b>	Supports Branding & Identity Objective in Master Plan.	Can be paired with signage and park entrance improvements in CIP.	Recommended at corridor intersections in Street Plan (e.g., Saginaw, Maple).	Enhances sense of place and improves access for new residents.	Integrate signage design standards with façade program and City branding.
<b>Lions Park &amp; Civic Spaces</b>	Identified as key placemaking and recreational asset.	Major line item in CIP 2025–2027 for Lions Park Improvements (lighting, parking, trail linkages).	Adjacent street surfaces rated “fair,” eligible for concurrent mill/resurface	Contributes to livability and senior-friendly recreation access	DDA can co-fund aesthetic improvements and support community event coordination.
<b>Downtown Lighting Improvements</b>	Reinforces Safe and Connected Downtown goal.	Included in future CIP phasing under electrical upgrades.	Street plan recommends replacement concurrent with street reconstructions.	Supports public safety and nighttime visibility near housing concentrations.	Coordinate installation during Maple/Hickory reconstruction phases to minimize disruption.
<b>Redevelopment Site Support (vacant/underused parcels)</b>	Central to Infill and Mixed-Use Development Strategy.	Not individually listed, but CIP prioritizes utility and access upgrades to serve redevelopment.	Street and infrastructure improvements enhance redevelopment readiness.	Housing Study calls for rehabilitation and infill of older homes and adaptive reuse downtown	DDA can prepare Redevelopment Opportunity Profiles and consider local TIF participation for eligible projects.

Key points of alignment include:

- Economic Development: Shared focus on small business support, commercial reinvestment, and leveraging incentives to stimulate private development.
- Infrastructure Readiness: Coordinated investments in water, sewer, stormwater, and transportation systems that remove redevelopment barriers and enhance public safety.
- Quality of Life Enhancements: Mutual emphasis on public spaces, pedestrian mobility, and aesthetic improvements that improve community pride and attract visitors.
- Governance and Collaboration: The Master Plan identifies the DDA as a key implementation partner, while the TIF Plan provides the financial mechanism to fund priority projects and match outside resources.

Through continued coordination, the DDA can ensure that its investment strategies remain consistent with the broader citywide vision, maximizing the impact of TIF resources and ensuring downtown Montrose evolves in a way that reflects both community aspirations and sound fiscal management.

## FINDINGS AND RECOMMENDATIONS

The comprehensive review of the Montrose Downtown Development Authority (DDA) and Tax Increment Financing (TIF) Plan (2007–2032), the City of Montrose 2040 Master Plan, and the Capital Improvement Plan (CIP 2024–2030) reveals strong alignment between the City’s long-range vision and the DDA’s statutory mission. Each plan reinforces the importance of downtown as the community’s civic, economic, and social center. Collectively, these documents create a cohesive roadmap for guiding investment, supporting redevelopment, and ensuring fiscal accountability through coordinated planning and capital improvement.

The following findings and recommendations summarize key opportunities for the DDA to leverage its TIF resources and policy tools to advance community goals.

## Key Findings

### **The DDA's Foundational Role in Implementation**

The DDA continues to serve as the primary mechanism for financing and implementing downtown improvement projects. Its TIF Plan provides a flexible framework to fund a wide range of eligible activities, from infrastructure improvements to façade programs and marketing initiatives. This funding mechanism is essential to bridge the gap between City-led planning and project-level execution. The Master Plan explicitly identifies the DDA as a lead implementation partner for downtown revitalization, calling for expanded coordination between the DDA, City administration, and private developers.

### **Broad Alignment Between Plans**

Each adopted document reinforces the same redevelopment objectives:

- The DDA and TIF Plan emphasizes investment in infrastructure, beautification, business support, and marketing.
- The Master Plan establishes policy direction for walkability, placemaking, and infill development in the downtown core.
- The CIP operationalizes these objectives by listing specific projects for streets, utilities, and parks that occur within or directly benefit the DDA district.

This alignment ensures that future DDA investments can be coordinated with broader municipal capital planning, maximizing efficiency and community impact.

### **Infrastructure as the Cornerstone of Revitalization**

Both the DDA and City recognize that economic development relies on functional, modern infrastructure. The DDA Plan identifies core improvements, paving, drainage, curbing, sidewalks, and buried utilities, that directly influence redevelopment readiness. The CIP mirrors these priorities through water and sewer upgrades, stormwater projects, and sidewalk reconstruction, many of which fall within the DDA boundary. Coordinated project delivery will allow the DDA to strengthen downtown's physical foundation while advancing Master Plan objectives for mobility, safety, and aesthetics.

### **Strength in Small-Scale, Incremental Development**

Montrose's scale and market dynamics favor incremental reinvestment, rehabilitation of existing buildings, façade improvements, small business expansions, and targeted public realm upgrades, rather than large-scale redevelopment. The DDA's existing façade and sign grant programs are well-suited to this model and remain some of the most visible and successful local reinvestment tools. Strengthening these programs with updated design guidelines, expanded funding tiers, and proactive marketing will maintain momentum and complement ongoing Master Plan strategies.

### **Growing Community Emphasis on Placemaking**

The community's vision for downtown is evolving beyond traditional infrastructure improvements toward a focus on experiences—spaces that invite people to gather, shop, and participate in community life. The Master Plan's Downtown Framework and the CIP's inclusion of a Community Event Space and Lions Park enhancements reflect this shift. These projects represent high-visibility opportunities for the DDA to co-invest and demonstrate leadership in creating downtown destinations that reinforce civic pride and drive economic vitality.

## Bringing it all Together – Leveraging Grant and Partnership Opportunities

The Montrose Downtown Development Authority (DDA) has built a strong foundation for reinvestment in the downtown district through its Tax Increment Financing (TIF) program. However, to achieve the scale of impact envisioned in the City's Master Plan and Capital Improvement Plan, the DDA must look beyond local revenues and actively pursue partnerships and external funding to amplify its financial capacity.

Michigan offers a robust network of programs that directly align with DDA priorities. By strategically pairing TIF dollars with state, federal, and philanthropic resources, the DDA can stretch its local funds further, deliver visible improvements sooner, and attract additional private investment downtown.

Coordinated funding efforts not only increase the size and scope of eligible projects but also strengthen competitiveness for future grants. Projects such as streetscape enhancements, public space development, and infrastructure modernization can often be “stacked” across multiple programs—such as combining MEDC’s Public Spaces Community Places Program (PSCP) with EGLE’s Clean Water State Revolving Fund (CWSRF) or MDOT’s Transportation Alternatives Program (TAP)—to achieve comprehensive upgrades with shared costs. Likewise, local and regional partners such as the Flint & Genesee Economic Alliance, Genesee County Land Bank, and Community Foundation of Greater Flint can help advance small business initiatives, site redevelopment, and community engagement that complement DDA investments.

By maintaining a healthy fund balance and aligning its project priorities with these programs, the DDA can position itself as a lead applicant and funding match partner, ensuring downtown Montrose remains competitive for state and regional investment. This approach reflects a core shift from relying solely on captured tax increment to leveraging those funds as “seed capital” a match that attracts additional dollars, resources, and partnerships into the community.

The following matrix outlines how each of the DDA’s core project priorities aligns with the City’s broader planning framework and identifies potential grant sources and regional partners that can support implementation. Together, these tools provide a roadmap for maximizing the return on local investment and accelerating the revitalization of downtown Montrose.

<b><u>DDA &amp; TIF Plan Priority</u></b>	<b><u>Where it ties in (Master Plan / CIP / Street Plan / Housing)</u></b>	<b><u>Potential Funding &amp; Local Partners (2025)</u></b>
<b>Streetscape Enhancements (sidewalks, lighting, furnishings, landscaping, wayfinding)</b>	MP 2040: walkable downtown & placemaking; CIP: Sidewalk Program & Event Space; Street Plan: corridor fixes	MDOT Transportation Alternatives Program (TAP) for ped/bike & streetscape; Safe Routes to School (SRTS) where schools are served; MEDC Public Spaces Community Places (PSCP) for public space & placemaking; USDA RD Community Facilities for downtown amenities; Community Foundation of Greater Flint (CFGF) small grants for public realm pilots; GCMPC TIP to align with federal funds.
<b>Parking Lot Improvements (rebuild, resurfacing, green infrastructure)</b>	MP 2040: infill & shared parking; CIP: outer-year resurfacing; Street Plan: surface ratings	Pair with TAP for access/ADA/paths into lots; PSCP for public realm/gathering interfaces; EGLE CWSRF for stormwater best-management (pervious, drains) as part of lot projects; USDA CF where it serves public facilities.
<b>Public Utility Upgrades (water, sewer, storm; Maple/Hickory/Grover)</b>	CIP: water/sewer/storm lines; Street Plan: drainage & recon; MP 2040: infrastructure readiness	EGLE SRF—CWSRF & DWSRF low-interest financing (advantage for small communities); MEDC CDBG—Water-Related Infrastructure (competitive); USDA RD Water & Waste (loan/grant); coordinate with GCMPC TIP if roadway work overlaps federal routes.
<b>Façade &amp; Sign Grant Program (expand, energy &amp; accessibility add-ons)</b>	MP 2040: downtown design standards & façade/sign programs; Housing Study: upper-story reuse	MEDC Match on Main (up to \$25k per business, municipality/DDA is applicant); MEDC PSCP (façade/public space rounds); local Flint & Genesee Economic Alliance small-biz assistance; CFGF neighborhood micro-grants for pilot blocks.

<b>Downtown Beautification / Landscaping</b>	MP 2040: public realm & aesthetics; CIP: Lions Park & Event Space	RAP for public space activation; DNR Michigan Natural Resources Trust Fund (MNRTF) for park/plaza features when eligible; USDA CF for plaza/site furnishings tied to public facilities; CFGF Neighborhood Small Grants for tactical placemaking.
<b>Marketing &amp; Business Development (events, promos, merchant support)</b>	MP 2040: ED chapter & programming; DDA Plan Exhibit A	MEDC Match on Main (business buildout/working capital where eligible); Flint & Genesee Group / Economic Alliance for technical assistance & local programs; Community foundations & local donors for event seeding.
<b>Wayfinding &amp; Gateways</b>	MP 2040: identity/branding; Street Plan: corridor nodes	TAP (non-motorized/wayfinding eligible when tied to ped/bike networks); RAP for downtown public space identity elements; USDA CF where incorporated into public facilities (depots, civic buildings).
<b>Lions Park &amp; Civic/Event Space</b>	CIP: Lions Park upgrades & Community Event Space; MP 2040: central gathering place	DNR MNRTF (development); RAP (public space); USDA CF (community facilities); CFGF/Ruth Mott-aligned neighborhood grants for programming; coordinate with GCMPC TIP if access/sidewalks are federally eligible.
<b>Downtown Lighting Improvements</b>	MP 2040: safe/active streets; CIP: electrical upgrades; Street Plan: bundle with recon	TAP (ped lighting as part of non-motorized projects); USDA CF (public safety & facility grounds); PSCP when integrated with placemaking corridors.
<b>Redevelopment Site Support (infill/mixed-use, utilities, access)</b>	MP 2040: priority reinvestment areas; Housing Study: rehab/upper-story housing	MEDC MCRP gap financing (higher % in small communities); MEDC RAP (rehab/public realm); Genesee County Land Bank brownfield/cleanup partnerships & programs; MSHDA/Foundations for upper-story housing tie-ins (case-by-case).

## Recommendations & Summary

### Establish a Unified Downtown Investment Framework

Fleis & VandenBrink recommends that the DDA adopt a Downtown Project Prioritization Matrix that cross-references the DDA Plan, Master Plan, and CIP.

This document should categorize projects into three tiers:

- Immediate Priorities (0–2 years): Sidewalk improvements, wayfinding signage, façade and sign grants, and design participation in the Community Event Space.
- Mid-Term (3–5 years): Maple Street drainage and curbing, parking lot improvements, shared-use path extensions, and Lions Park enhancements.
- Long-Term (5+ years): Utility upgrades, overhead utility burial, and additional public space or redevelopment partnerships.

This prioritization will allow the DDA to focus its annual TIF expenditures on projects that are both impactful and feasible within its revenue projections.

### Strengthen Coordination Between the DDA and City Capital Planning

The City's CIP and the DDA's TIF Plan should be updated annually in tandem. This joint process will ensure that any City-funded project within or adjacent to the DDA district is evaluated for potential TIF

participation or cost-sharing. Establishing a joint City–DDA capital coordination meeting each spring will improve planning efficiency and transparency.

Examples include:

- Incorporating DDA funds into the Sidewalk Improvement Program for downtown blocks.
- Partnering on stormwater and Maple Street drainage improvements identified in both plans.
- Contributing to civic space development and streetscape enhancements identified in the CIP.

### **Modernize and Expand the DDA Façade and Sign Grant Program**

The DDA's façade and sign improvement program should be refreshed to reflect updated Master Plan design standards and align with current MSHDA and MEDC Community Development guidelines.

Recommended updates include:

- Expanding grant caps and cost-share ratios to encourage more impactful façade transformations.
- Incorporating energy-efficiency and accessibility improvements as eligible activities.
- Developing an annual marketing campaign to highlight completed projects and attract new applicants.
- Evaluating the feasibility of a "mini grant" tier for smaller property owners to enhance signage, lighting, or landscaping.

### **Advance Placemaking and Public Space Activation**

The DDA should continue to support community-oriented events and placemaking initiatives that activate downtown year-round. Priorities include:

- Co-funding design and construction of the planned Community Event Space through TIF participation or grant leverage.
- Enhancing Lions Park with downtown-friendly amenities such as lighting, performance space, and improved connectivity.
- Continuing to sponsor and expand events like the Blueberry Festival that draw regional visitors and strengthen downtown identity.
- Coordinating with local organizations and schools to host recurring markets, art displays, or pop-up retail events that maintain activity between major festivals.

### **Support Redevelopment Readiness and Private Investment**

**To promote private redevelopment consistent with the Master Plan's vision, the DDA should:**

- Identify priority redevelopment parcels within the DDA district and prepare Redevelopment Opportunity Profiles showcasing site data, zoning, and infrastructure availability.
- Consider project-specific TIF or infrastructure gap financing for catalytic infill or mixed-use development projects that create new taxable value.
- Collaborate with property owners to align redevelopment design with downtown architectural and streetscape standards.
- Leverage MEDC Redevelopment Ready Communities (RRC) and Community Revitalization Program (CRP) incentives to attract private developers.

### **Enhance Transparency, Reporting, and Board Education**

Maintaining strong governance practices is essential to sustaining community trust and regulatory compliance.

Fleis & VandenBrink recommends:

- Preparing an annual DDA Report summarizing TIF revenues, project expenditures, and outcomes, to be shared with the City Council and the public.
- Conducting an annual board training session focused on DDA roles, TIF management, and ethics under Michigan Public Act 57 of 2018.
- Developing a five-year DDA Capital Work Plan that forecasts revenue and allocates funding across short- and long-term priorities.

Montrose's DDA has a strong foundation, a clear statutory purpose, and alignment with both the City's policy and capital improvement frameworks. By refining its project priorities, strengthening coordination

with the City's planning process, and reinvesting strategically in infrastructure, placemaking, and small business support, the DDA can accelerate downtown revitalization while maintaining fiscal discipline.

Fleis & VandenBrink recommends that these findings be adopted as a guiding framework for the next phase of DDA planning and budget development, ensuring that all TIF expenditures continue to advance the community's shared vision for a vibrant and enduring downtown Montrose.

2.

# CITY OF MONTROSE MEMORANDUM

**Date:** February 9, 2026

**To:** Chairwoman Machuk and Board Members of the DDA

**From:** Joe Karlichek, City Manager

**Subject:** Consider Amending By-Laws page 2, Article 4, Section 6 “Removal of Board Members”

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**Background:** The DDA Board Members are being asked to consider amending its current By-Laws under Article 4, Section 6 “Removal of Board Members” due to lack of or insufficient requirements of attendance as a Board Member. The current DDA By-Laws is inconsistent with that of the Planning Board By-Laws, which has a more defining expectation when it comes to the attendance of its Board Members.

City administration recognizes the contributions Board Members make as volunteers and it also recognizes the importance to ensure consistency of attendance as the Board advances its goals to improve the city pursuant to its TIP and Alignment Plan.

The current and proposed language is as follows;

## **Current Language**

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### **ARTICLE 4 Board of Directors**

Section 6: Removal of Board Members – Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for cause by the majority vote of the City Council. Sufficient cause for removal includes, but is not limited to, neglect of duty, non-attendance at meetings (A member who is absent from three (3) consecutive meetings of the Board may be removed from the Board by the Mayor with the concurrence of the City Council), or loss of status conferred by an interest in the DDA district.

## **Proposed Language**

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### **ARTICLE 4**

#### **Board of Directors**

Section 6: Attendance and Removal of Board Members- Should any member of the Planning Board be absent from three (3) Board meetings in any consecutive 12-month period, neglect of duty, or loss of status conferred by an interest in the DDA district, the Board shall notify the City Council for consideration of removal of said member. The un-expired term of a vacancy on the Board shall be filled by appointment by the Mayor with the approval of the Council.

**Recommendation: It is recommended DDA Board consider amending its By-Laws page 2, Article 4, Section 6 “Removal of Board Members” and forward to city council for final approval at its February 24, 2026 meeting.**

**DOWNTOWN DEVELOPMENT AUTHORITY BOARD  
OF THE CITY OF MONTROSE, MICHIGAN**

**BY-LAWS**

**Adopted by the Montrose DDA Board: May 12, 2009**  
**Approved by Montrose City Council: May 28, 2009**  
**Approved by Montrose City Council: May 16, 2019**  
**Approved by Montrose City Council: December 19, 2019**  
**Approved by Montrose City Council: March 18, 2021**  
**Approved by Montrose City Council: January 25, 2025**

**ARTICLE 1**

**Name and Principal Office**

Section 1: The name of this Authority is the Downtown Development Authority (DDA) of the City of Montrose. This DDA was established by ordinance of the City of Montrose pursuant to Public Act 57 of the Public Acts of the State of Michigan.

**ARTICLE 2**

**Statement of Mission and Purpose**

Section 1: Mission Statement – The mission of the Montrose DDA is to enhance the quality of life and develop a positive image of Downtown Montrose for residents, businesses and visitors by promoting cultural and economic growth in the designated DDA area.

Section 2: Purpose – The purpose of the Montrose DDA is to act in accordance with the provisions of Act 57 of the Public Acts of 2018 as amended hereinafter referred to as the “Act”. The Authority shall have all the powers, which now or hereafter may be conferred by law on authorities organized under this Act. The overall goal of the Authority is to undertake public improvements and other activities that have the greatest impact in strengthening the downtown area and attracting new private investments in the DDA area.

In addition, the Authority is organized to stimulate downtown revitalization in Montrose through organization (encouraging cooperation and building leadership in the business community); promotion (creating a positive image for downtown by promoting the downtown as an exciting place to live, shop and invest); design (improving the appearance of the downtown); economic restructuring (identifying new market opportunities and stimulate investment); and to receive, administer and distribute funds in connection with any activities related to the above purposes. No part of the net earnings of the Program shall inure to the benefit of any of its members or any other individual.

**ARTICLE 3**

**Program Area**

Section 1: The Program Area shall be that geographic area indicated on the attached map [Exhibit A].

## **ARTICLE 4**

### **Board of Directors**

Section 1: General Powers – The Authority shall operate within the Authority district described in the Ordinance as currently in effect and as it may be amended pursuant to the Ordinance and the Act. The Authority shall be under the supervision and control of the Authority’s Board of Directors, hereinafter referred to as the “Board”.

Section 2: Size and Tenure – The Board shall consist of the Mayor, Chief Executive Officer of the City of Montrose, and not less than eight (8) members not more than twelve, (12). The members shall be appointed for a term of four (4) years.

Section 3: Selection of Board Members – The Mayor of the City of Montrose, with the advice and consent of the City Council, shall appoint Board Members. A member of the Authority shall have one of the following qualifications:

- 1) Resident of the City of Montrose
- 2) Registered voter in the City of Montrose
- 3) Have an interest in real property in the DDA district

Not less than a majority of the members shall have an interest in property located in the Authority District. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional Oath of Office.

Section 4: Compensation – All members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses while conducting the business of the Board provided prior approval has been authorized by the Board.

Section 5: Vacancies and Expiration of Terms – A member whose term of office has expired shall continue to hold office until the member’s successor is appointed and qualified. An appointment to fill a vacancy shall be made in the same manner as the original appointment, but for the unexpired term only. The Mayor of the City of Montrose shall, with the advice and consent of the City Council, appoint a successor within a reasonable period of time after the vacancy was created.

Section 6: Removal of Board Members – Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for cause by the majority vote of the City Council. Sufficient cause for removal includes, but is not limited to, neglect of duty, non-attendance at meetings (A member who is absent from three (3) consecutive meetings of the Board may be removed from the Board by the Mayor with the concurrence of the City Council), or loss of status conferred by an interest in the DDA district.

## **ARTICLE 5**

### **Officers**

Section 1: Officers – The Officers of the Board shall be a Chairperson, Vice-Chairperson, Treasurer and Secretary. All officers shall be members of the Board.

Section 2: Removal of Officers – An officer may be removed by a majority vote of the Board whenever in its judgment the best interest of the Board will be served. An officer may resign from office and still continue to serve as a member of the Board.

Section 3: Chairperson – The Chairperson shall preside at all meetings of the Board and shall discharge the duties as a presiding officer.

Section 4: Vice-Chairperson – In the absence of the Chairperson or the event of inability to serve as Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson and when so acting, shall have all the powers and be subject to the restrictions of the Chairperson.

Section 5: Treasurer – The Treasurer or designee shall prepare a quarterly statement of all revenues and expenses, with the assistance of appropriate City Officials, and an Annual Financial Report covering the fiscal year of the Authority. The fiscal year of the Authority shall be the same as that of the City, July 1 through June 30. The Board will direct an annual audit to be prepared and the results of which shall be forwarded to the Montrose City Council.

Section 6: Secretary – The Secretary or designee shall attend all meetings of the Board and record all votes and the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the Board and shall perform such other duties as may be prescribed by the Board. The Secretary shall, when authorized by the Board, attest by signature to actions of the Board.

Section 7: Election of Officers – Officers of the Board shall be elected at the Annual Meeting in February. Officers shall be elected by a majority vote of the Board. The term of office shall be for one (1) year and begin at the close of the Annual Meeting at which they are elected. No member shall hold more than one (1) office at a time. If, for any reason, election of Officers should not occur at the annual meeting, the Board shall elect officers at a regular or special meeting within ninety days.

## **ARTICLE 6**

### **Employment of Personnel**

Section 1: An Executive Director may be employed and shall serve at the pleasure of the Board. The Board of Directors shall annually set the Executive Director's compensation. The Executive Director shall manage the daily operations of the Authority. The Executive Director shall be responsible for coordinating the implementation of the Authority's policies and projects and such other duties as the Board of Directors may require. The duties, rights and responsibilities of employees of the Authority shall be consistent with the provisions of Act No. 197 of the Public Acts of 1975.

Section 2: The Board may contract with the City of Montrose for any or all administrative, planning and legal services in support of its operations.

## **ARTICLE 7**

### **Meetings**

Section 1: Annual Meeting: An Annual Meeting shall be held the first regular meeting in February at a time and place to be set by the Board.

Section 2: Regular Meetings: Regular meetings of the Board shall be held at a time and place to be set by the Board.

Section 3: Special Meetings: Special meetings of the Board may be called by the Chairperson, Vice-Chairperson in the absence of the Chairperson, or by any three (3) Board members by giving twenty-four (24) hours notice of the meeting, stating the purpose of the meeting and by posting a notice eighteen (18) hours prior to the meeting in the regular notice location in City Hall.

Section 4: Notice of Meetings – Public notice of the time, date and place of the meetings of the Authority shall be given in the manner required by Act No. 267 of the Public Acts of 1976, Michigan Open Meetings Act.

Section 5: Agenda – The Secretary shall prepare the agendas for all meetings and send them to the Board members at least seventy-two (72) hours prior to the meeting. Any member of the Board may request any item to be placed on the agenda.

Section 6: Quorum and Voting – A majority of the members of the Board in office shall constitute a quorum for the transaction of business. A vote of the majority of the members present at a meeting shall constitute the action of the Board unless the vote of a larger number is required by statute, or elsewhere in these by-laws. In the event that effective membership is reduced because of a conflict of interest, a majority of the remaining members eligible to vote shall constitute the action of the Board.

Section 7: Rule of Order – Robert's Rules of Order will govern the conduct of all meetings.

Section 8: Open and Closed Meetings – The Board shall adopt rules consistent with Act No. 267 of the Public Acts of 1976, Michigan Open Meetings Act, governing its procedures and the holding of regular meetings. The public is welcome to attend all open meetings of the Board. Closed meetings of the Board may be called for purposes listed in the Open Meetings Act No. 267 of the Public Acts of 1976, as amended, if approved by the Authority.

## **ARTICLE 8**

### **Committees**

Section 1: The Chairman may, by resolution and with majority vote of the Board, establish one or more committees. The designation and appointment of any such committees and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon them by law.

## **ARTICLE 9**

### **Agreements and Contracts**

Section 1: Only the Board shall enter into any contract or execute and deliver any instrument on behalf of the Authority within the limits authorized by the Act. All agreements and contracts will be reviewed by an attorney. All contracts by or on behalf of the Authority shall be signed by the Chairperson and at least one other Board member.

## **ARTICLE 10**

### **Assets and Liabilities**

Section 1: Funds – All orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Authority shall be signed by the Chairperson and at least one other Board member and forwarded to the City Manager of the City of Montrose for the issuance of payment. The Vice-Chairperson is authorized to execute documents in the absence of the Chairperson. All funds of the Authority shall be placed in such banks, trust companies, or other depositories by the Treasurer of the City of Montrose.

Section 2: Gifts – The Board may accept on behalf of the Authority any contributions, gifts, bequests or devise for the general purposes or for any special purpose of the Authority.

Section 3: Budget – The Board shall set goals and objectives annually in January to develop and approve a budget for the fiscal year beginning July 1st. In April the Board shall submit an annual budget to the City Council of the City of Montrose for final approval.

## **ARTICLE 11**

### **Records**

Section 1: Records – The Authority shall keep correct and complete records of books and accounts and minutes of all regular and special meetings. The records shall be kept at the principal office of the Authority, which will have a record of the names and addresses of the members. All books and records, financial or otherwise, of the Authority shall be made available to the public in compliance with the Michigan Freedom of Information Act, Act No. 442 of the Public Acts of 1976. In addition to the records prescribed herein writing, prepared, owned, used, in the possession of, or retained by the Board in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976. An annual audit by an independent Certified Public Accountant will be conducted.

Section 2: The fiscal year of the Authority shall at all times conform to the fiscal year of the City of Montrose.

## **ARTICLE 12**

### **Conflict of Interest**

Section 1: A Board member who has a conflict of interest regarding any matter before the Authority shall disclose the interest prior to any action by the Authority with respect to the matter. The disclosure shall become part of the record. Any member making such a disclosure shall then refrain from participating in the Authority's discussion and decision making process relative to the matter.

## **ARTICLE 13**

### **Indemnification**

Section 1: Indemnification – Whenever any claim is made or any civil action is commenced against any officer or employee of the Authority, or injuries to persons or property caused by the negligence of the officer or employee while in the course of their employment, and while acting in the scope of their authority, the Board may, but is not required to, pay for legal services and also for any judgment or compromised settlement of the claim, pursuant to Act No. 170, of the Public Acts of 1964, as amended.

Section 2: Reimbursement – Any indemnification under Section 1 shall be made by the Board only as authorized in the specific case upon a determination that indemnification of the employee or officer is proper in circumstances because they have met the applicable standard of conduct set forth in Section 1. Such determination shall be made in either of the following ways:

1. By a majority vote of the members of the Board who were not parties to such action, suit or proceedings; or
2. If such quorum is not obtainable, or even if obtainable, a quorum of disinterested members so directs, supported by the recommendation of legal counsel in a written opinion.

Section 3: Insurance – The Board may purchase and maintain a professional Liability/Errors & Omissions Insurance Policy on behalf of any person who is or was a member or officer of the corporation against any liability asserted against the officer or employee and incurred by them in any such capacity or arising out of their status as such, whether or not the Board would have power to indemnify that person against such liability under Sections 1 and 2 of this article. Any insurance policy purchased and maintained by the Authority shall list the City of Montrose as co-insured.

## **ARTICLE 14**

### **Amendment of By-Laws**

Section 1: These By-Laws may be amended at any meeting of the Board by a majority vote, provided that the amendment has been submitted in writing to each

board member one (1) week prior to the meeting. The By-Laws are subject to approval by the Montrose City Council.

## **ARTICLE 15**

### **Effect of Non-Compliance**

Section 1: Subject to the provisions of law: (1) no meeting or action taken by the Board under procedures substantially in compliance with these By-Laws shall be deemed voidable, as a result of a non-compliance; (2) any action taken under procedures not in compliance with these By-Laws may be ratified and confirmed at any subsequent meeting of the Board, pursuant to these By-Laws, and the validity thereof shall not be affected or influenced by any deficiencies in the original procedures.

1.

# CITY OF MONTROSE MEMORANDUM

**Date:** February 9, 2026

**To:** Chairwoman Machuk and Board Members of the DDA

**From:** Joe Karlichek, City Manager

**Subject:** Consider Appointment of Officers to the DDA

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**Background:** The DDA Board Members are required by its By-Laws Article 5, Section 7 to annually elect officers.

Section 7: Election of Officers – Officers of the Board shall be elected at the Annual Meeting in February. Officers shall be elected by a majority vote of the Board. The term of office shall be for one (1) year and begin at the close of the Annual Meeting at which they are elected. No member shall hold more than one (1) office at a time. If, for any reason, election of Officers should not occur at the annual meeting, the Board shall elect officers at a regular or special meeting within ninety days.

Currently, the following serve in the capacity of:

- **Lori Machul Chairwoman**
- **Scott Webster, Vice Chairman**
- **Deborah Gross, Secretary**
- **Coetta Adams, Treasurer**

**Recommendation:** It is recommended DDA Board select and vote on the officers as required under its By-Laws. It is recommended the Board individually vote to approve those who they are considering to serve in these roles.



# CITY OF MONTROSE

## MEMORANDUM

**Date:** February 11, 2026

**To:** Chairwoman Machuk and DDA Board Members

**From:** Joe Karichek, City Manager

**Subject: Consider Proposal from Montrose Greenhouse**

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**Background:** Provided to the DDA Board is a proposal for beautification, supplies and maintenance from the Montrose Greenhouse. I contacted the Montrose Greenhouse and set a meeting to discuss their services. Attending in the meeting was Chairwoman Machuk and Sam Spence, DPW Supervisor. We discussed the 250<sup>th</sup> anniversary and “red-white-blue” themes for Spring and Summer flowers/arrangements for the downtown as well as logistics, maintenance and care.

The city will not be placing flower pots on the light poles as we are expecting (as discussed) placing Veterans Banners and American Flags throughout the downtown, Depot and city parks. Flags will continue through the east and west city limits as well. Essentially, the city will reflect our American Heritage and celebration of our country and its Veterans. Much effort and planning has taken place and more to follow.

### Summary

The total for Summer, Fall and Winter is \$5,400.00 plus (one time investment) 6 large pots \$660.00 with soil \$450.00 for a grand total of \$6,510.00. This is well within the budgetary guidelines. The DDA TIF plan calls for \$25,000.00 annually in beautification.

Note, the Montrose Greenhouse includes maintenance, pruning and replacement of any flowers that may die as well. This will immensely help our DPW this summer and fall.

Storage of large pots will be located at the DPW Cold Storage building for safekeeping in the post winter decorative period.

**Recommendation: It is recommended the DDA Approve the Montrose Greenhouse Proposal and direct city administration to implement its 2026 Beautification Project.**

Montrose Greenhouse  
11440 W. Vienna Rd  
Montrose, Mi 48457

RECEIVED  
FEB 11 2026  
CITY OF MONTROSE

Feb 10, 2026

**Bill To:**

City of Montrose

Summer Quote: \$2850.00

Summer quote includes the Montrose Greenhouse to take all 10 pots and plant during the planting season and maintain them at the greenhouse until the pots go out to the sidewalk in the Spring when the weather is warm enough for them to not get frosted at night. This price includes the Montrose Greenhouse to maintain the pots once a month pruning and upkeep on the plants. Also included are replacements in the event that a plant dies through the month of August to ensure the pots look nice through the Blueberry festival. The plants will stay in the pots through Labor Day and will then be replaced with fall plants.

Fall Quote: \$1350.00

Fall quote includes the Montrose Greenhouse to replant all 10 pots with mums and various other fall plants as well as the monthly maintenance of plants. The fall plants will remain in pots through Thanksgiving.

Winter Quote: \$1200.00

Winter quote includes the Montrose Greenhouse to replant all 10 pots with winter greens and decorative sticks, pinecones and various winter mix along with a holiday bow. This planting will take place directly after Thanksgiving to ensure pots are decorated for candle walk and can remain there through the New Year

RECEIVED

FEB 11 2026

CITY OF MONTROSE

Montrose Greenhouse  
11440 W. Vienna Rd  
Montrose, Mi 48457

Feb 10, 2026

**Bill To:**

City of Montrose

This quote is for two separate styles of pots. Price is \$110.00 per large round pot or \$110.00 per an arrangement of three rectangles that are different heights and would be tied together with a decorative sash/ribbon.

6 Large round pots \$110.00 each	\$660.00
Or 6 rectangular sets of 3	

Premium potting soil to fill	\$450.00
Whatever set chosen and also the	
4 pots already retained by the city	

This quote is a one time fee and the city would own the pots for future decorating purposes