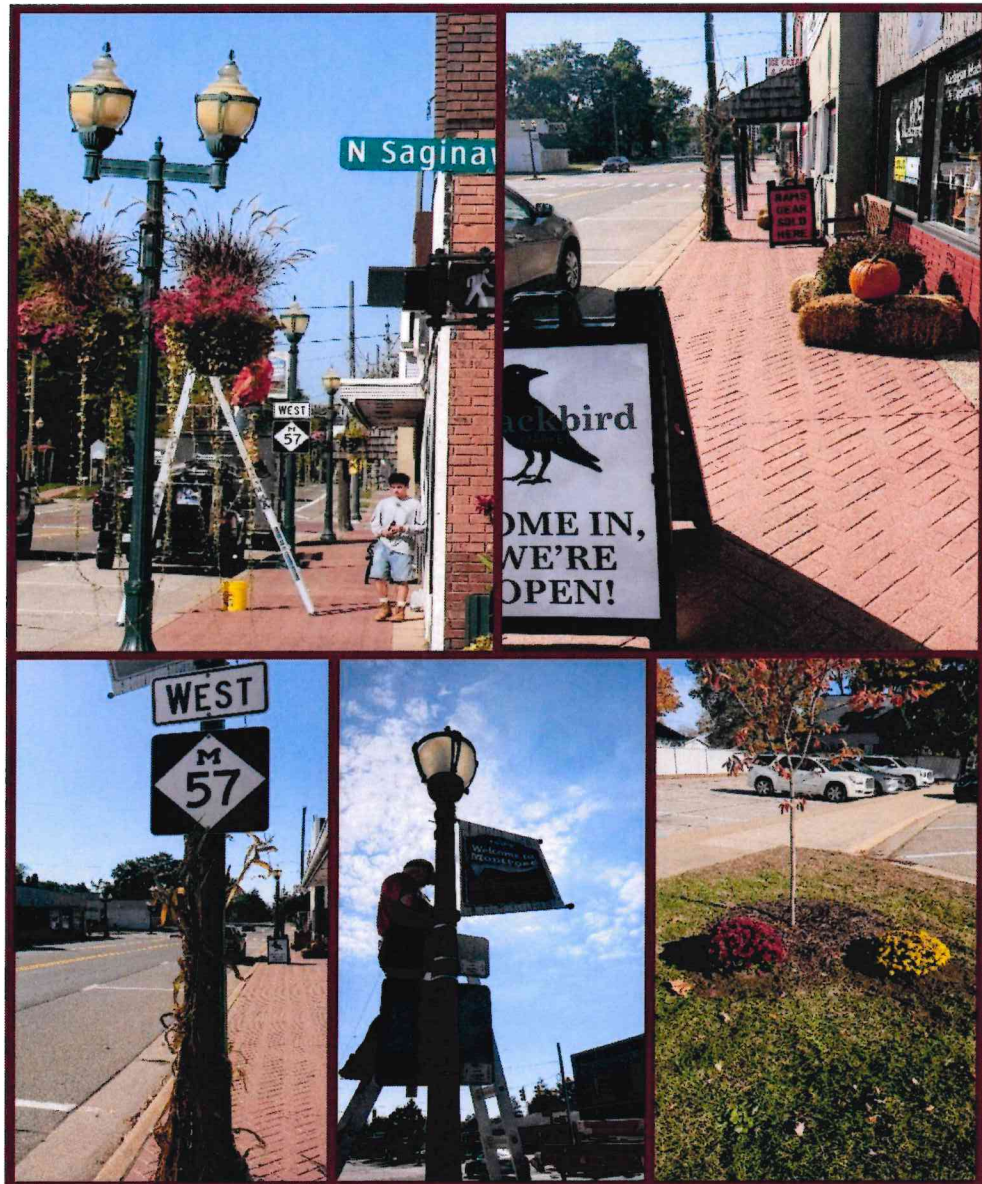


CITY OF MONTROSE

DDA MEETING PACKET





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

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

November 20, 2025 @ 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 August 21, 2025, D.D.A. Meeting Minutes
2. Approval of October 16, 2025, D.D.A. Meeting Minutes

PRESENTATION

Samantha Mariuz, EDFP Fleis & Vanderbrink – Alignment Report

OLD BUSINESS

1. Update from Board Member Coetta Adams on Street Lighting
2. Handicap Grant Update – 295 East State Street

NEW BUSINESS

1. Consider DDA Function, MCL Act, Community & Marketing Development
2. Consider M-57 Communications with MDOT
3. Consider DDA Community/Marketing Events

BID AWARD/PURCHASE

1. Consider Winter Decorations for Central Business District (CBD)

ORDINANCES

APPOINTMENTS

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

Next DDA Meeting – December 18, 2025 – 7:30 A.M.



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

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

October 16, 2025 @ 7:30 a.m.

(MEETING MINUTES)

CALL TO ORDER: Chair Lori Machuk called the City of Montrose Downtown Development Authority meeting to order at 7:30 a.m. held at the Montrose City Offices at 139 S. Saginaw Street, Montrose, MI.

ROLL CALL: Board members recorded as present were Chairwoman Lori Machuk, Scott Webster, Eric Reed, Steve Gold, Mike Burkhart, Deborah Gross, Coetta Adams and Mayor Thomas Banks. Also present was City Manager Joe Karlichek. **Absent:** Jerry Mears.

PLEDGE OF ALLEGIANCE: The pledge of allegiance was recited.

CITIZEN COMMENTS: NONE

The purpose of this agenda item is to allow persons to comment on agenda items only. 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.

- **No Comments from Public**

APPROVAL OF DDA BOARD MEETING MINUTES

1. Approval of August 21, 2025, D.D.A. Meeting Minutes

Action

Motion: Gross to amend the August 21, 2025 minutes to include contract amount with F&V (Item 3, under New business) and bring those minutes back to the November 2025 meeting.

Second: Gold second

A-YES – Motion Carried

COMMUNICATIONS TO THE DDA BOARD

None

OLD BUSINESS – None

PRESENTATION – F&V – did not occur due to potential scheduling conflict. Looking to November DDA meeting.

NEW BUSINESS

1. Consider Montrose Downtown Development Authority Tax Increment Pass Through Agreement
Action – Approval of Pass Through Agreement
Motion: Deborah Gross.
Second: Mayor Banks
A-YES – Motion Carried
2. Consider Discussion of Façade Grant
Action – No Action, rather the consensus of the DDA Board is to not permit “roofs” but would like to potentially make changes to eligibility.
Motion: n/a
Second: n/a
3. Consider Discussion related to 137 West State Street Property for Sale
Action – No Action, rather there was robust discussion on property acquisition and future of land as it relates to the city’s Master Plan.
Motion: n/a
Second: n/a
4. Consider Discussion on downtown light poles
Action: No Action, rather there was much discussion on the initial proposal, future lighting through M-57. Board Member Coetta Adams to work with City Manager on MDOT Grants and communicate her findings. We will add this to Old Business at the November meeting.
Motion: n/a
Second: n/a

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.

- **No Comments from Public**

DDA BOARD MEMBER COMMENTS – Steve Gold announced he is resigning from the Board citing his departure to Florida for the remainder of the year and he wants to see another individual be appointed to bring some vigor. Various other comments were made.

ADJOURNMENT – Meeting Adjourned 9:32 A.M. – A – YES Vote

Next DDA Meeting – November 20, 2025 – 7:30 A.M.

City of Montrose DDA Board Agenda



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

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

**August 21, 2025 @ 7:30 a.m.
(MEETING MINUTES)**

CALL TO ORDER: Chair Lori Machuk called the City of Montrose Downtown Development Authority meeting to order at 7:30 a.m. held at the Montrose City Offices at 139 S. Saginaw Street, Montrose, MI.

ROLL CALL: Board members recorded as present were Chairwoman Lori Machuk, Scott Webster, Eric Reed, Steve Gold, Mike Burkhart, and Mayor Thomas Banks. Also present was City Manager Joe Karlichek. **Absent:** Jerry Mears, Deborah Gross, Coetta Adams

PLEDGE OF ALLEGIANCE: The pledge of allegiance was recited.

CITIZEN COMMENTS: NONE

APPROVAL OF DDA BOARD MEETING MINUTES

1. Approval of July 17, 2025, D.D.A. Meeting Minutes

Action

Motion: Mayor Banks approve July 17, 2025 Meeting Minutes

Second: Gold second

A-YES – Motion Carried

COMMUNICATIONS TO THE DDA BOARD

None

UNFINISHED BUSINESS – None

NEW BUSINESS

1. Consider Grant Request – Tim Hobson – Handicap Improvement 295 E. State Street.

Action

Motion: Eric Reed Motion to allocate \$5,000.00 in Jennings Grant Money for Handicap Improvement 295 E. State Street

Second: Mike Burkhart

A-YES – Motion Carried

2. Presentation: Samantha Mariuz, EDFP Fleis & Vanderbrink – D.D.A – Proposal for Services.

Action: NONE. Presentation by Sam from F&V was provided.

3. Consider Approval of Fleis & Vanderbrink – D.D.A – Proposal for Services.

Action

Motion: Scott Webster motion to approve the F&V Proposal not to exceed \$12,500.00.

Second: Mayor Banks

A-YES – Motion Carried

4. Consider Discussion related to Downtown Fall Event & Decorations for Fall. (no memorandum).

Action

Motion: Scott Webster Motion to Approve Fall Decorations for downtown in the amount not to exceed \$1,200./00

Second: Mike Burkhart

Motion: Approve not exceed \$1,000.00 to purchase games/activities for October 18, 2025, Downtown Event.

Second: Scott Webster

A-YES – Motion Carried

5. Consider adding item #5 to Agenda to discuss Lighting for Downtown

Motion: Mayor Banks Motion to Adding and Discussing

Second: Scott Webster

A-YES – Motion Carried

Motion: Mayor Banks Motion to spend not to exceed \$15,000.00 on Lighting by Trimlight Company.

Second: Scott Webster

A- (5) YES - Motion Carried.(1) – NO, Steve Gold

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 BOARD MEMBER COMMENTS

ADJOURNMENT – Meeting Adjourned 8:32 A.M. – A – YES Vote

Next DDA Meeting – September 18, 2025 – 7:30 A.M.

CITY OF MONTROSE

DOWNTOWN DEVELOPMENT AUTHORITY ALIGNMENT REPORT

Report Date: October 7, 2025

DRAFT



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.

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

Depot Rental Income	\$3,500	Provides steady offset for utilities, maintenance, and insurance on the historic facility.
Other Income	\$0	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.

Administration and Operations	\$9,000	Includes salaries, IT, legal, and administrative costs to support daily functions.
Façade Improvement Program	\$7,000	Ongoing small-grant initiative supporting private property investment and downtown beautification.
Professional and Contracted Services	\$8,000	Provides for technical assistance, marketing, and external consulting tied to strategic initiatives.
Utilities and Depot Operations	\$1,900	Covers electric, gas, and water expenses associated with the Depot facility.
Training, Dues, and Subscriptions	\$2,200	Supports board training, compliance with Act 57 reporting, and professional memberships.
Capital Allocation	\$40,000	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 & 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>
Streetscape Enhancements (sidewalks, streetlights, benches, landscaping, signage)	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.
Parking Lot Improvements	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.
Public Utility Upgrades (storm, water, sanitary)	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.
Façade and Sign Grant Program	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.
Downtown Beautification / Landscaping	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.
Marketing and Business Development	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.

Wayfinding and Gateway Signage	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.
Lions Park & Civic Spaces	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.
Downtown Lighting Improvements	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.
Redevelopment Site Support (vacant/underused parcels)	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.

<u>DDA & TIF Plan Priority</u>	<u>Where it ties in (Master Plan / CIP / Street Plan / Housing)</u>	<u>Potential Funding & Local Partners (2025)</u>
Streetscape Enhancements (sidewalks, lighting, furnishings, landscaping, wayfinding)	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.
Parking Lot Improvements (rebuild, resurfacing, green infrastructure)	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.
Public Utility Upgrades (water, sewer, storm; Maple/Hickory/Grover)	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.
Façade & Sign Grant Program (expand, energy & accessibility add-ons)	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.

Downtown Beautification / Landscaping	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.
Marketing & Business Development (events, promos, merchant support)	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.
Wayfinding & Gateways	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).
Lions Park & Civic/Event Space	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.
Downtown Lighting Improvements	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.
Redevelopment Site Support (infill/mixed-use, utilities, access)	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.

CITY OF MONTROSE

MEMORANDUM

Date: October 16, 2025

To: Kim Lynch, Finance Director, Treasurer

From: Joe Karlichek, City Manager

Subject: Jennings's Foundation Grant Disbursement

Background: The Jennings's Foundation provided a \$10,000.00 Grant to the DDA Board in 2024 with a caveat that those funds be used specifically for handicap access improvements in the DDA District.

At the August 21, 2025 DDA Meeting, Pastor Tim Hobson provided a presentation and three (3) proposals for improvements to 295 East State Street. Of those proposals Mr. Hobson hired the firm "Mr. Asphalt" to provide the work. The DDA approved his proposal and awarded \$5,000.00 to be disbursed (see attached Draft Meeting Minutes).

Mr. Asphalt completed the work on Monday October 14, 2025 and provided Mr. Hobson the receipt (attached to this memorandum). Total project cost \$30,500.00.

Recommendation: Based on the direction of the DDA Board and completion of the project, I am requesting the disbursement of \$5,000.00 to satisfy the Grant and DDA Board direction.



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

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

**August 21, 2025 @ 7:30 a.m.
(MEETING MINUTES)**

CALL TO ORDER: Chair Lori Machuk called the City of Montrose Downtown Development Authority meeting to order at 7:30 a.m. held at the Montrose City Offices at 139 S. Saginaw Street, Montrose, MI.

ROLL CALL: Board members recorded as present were Chairwoman Lori Machuk, Scott Webster, Eric Reed, Steve Gold, Mike Burkhart, and Mayor Thomas Banks. Also present was Interim City Manager Joe Karlichek. **Absent:** Jerry Mears, Deborah Gross, Coetta Adams

PLEDGE OF ALLEGIANCE: The pledge of allegiance was recited.

CITIZEN COMMENTS: NONE

APPROVAL OF DDA BOARD MEETING MINUTES

1. Approval of July 17, 2025, D.D.A. Meeting Minutes

Action

Motion: Mayor Banks approve July 17, 2025 Meeting Minutes

Second: Gold second

A-YES – Motion Carried

COMMUNICATIONS TO THE DDA BOARD

None

UNFINISHED BUSINESS – None

NEW BUSINESS

1. Consider Grant Request – Tim Hobson – Handicap Improvement 295 E. State Street.

Action

Motion: Eric Reed Motion to allocate \$5,000.00 in Jennings Grant Money for Handicap Improvement 295 E. State Street

Second: Mike Burkhart

A-YES – Motion Carried

2. Presentation: Samantha Mariuz, EDFP Fleis & Vanderbrink – D.D.A – Proposal for Services.

Action: NONE. Presentation by Sam from F&V was provided.

3. Consider Approval of Fleis & Vanderbrink – D.D.A – Proposal for Services.

Action

Motion: Scott Webster motion to approve the F&V Proposal.

Second: Mayor Banks

A-YES – Motion Carried

4. Consider Discussion related to Downtown Fall Event & Decorations for Fall. (no memorandum).

Action

Motion: Scott Webster Motion to Approve Fall Decorations for downtown in the amount not to exceed \$1,200./00

Second: Mike Burkhart

Motion: Approve not exceed \$1,000.00 to purchase games/activities for October 18, 2025, Downtown Event.

Second: Scott Webster

A-YES – Motion Carried

5. Consider adding item #5 to Agenda to discuss Lighting for Downtown

Motion: Mayor Banks Motion to Adding and Discussing

Second: Scott Webster

A-YES – Motion Carried

Motion: Mayor Banks Motion to spend not to exceed \$15,000.00 on Lighting by Trimlight Company.

Second: Scott Webster

A- (5) YES - Motion Carried.(1) – NO, Steve Gold

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 BOARD MEMBER COMMENTS

ADJOURNMENT – Meeting Adjourned 8:32 A.M. – A – YES Vote

Next DDA Meeting – September 18, 2025 – 7:30 A.M.

(989) 777-7536

MR. ASPHALT

Snow Plowing

PAVING - SEALCOATING

Bryan - 989-737-7421

PROPOSAL SUBMITTED TO	Justin Carter	PHONE	810-247-9289	DATE	5/19/25
STREET	295 E. State St.	CITY, STATE, ZIP	Monroese		
JOB LOCATION	pkwy lot				

We hereby submit applications and estimates for.

☐ Recap Existing Asphalt or Concrete

Edge and clean area to be recapped. Apply vegetation killer. Apply layer of SS-1 tackcoat. Fill in low areas and dips with asphalt and compact. Then lay 2" of hot bituminous asphalt and roll to a smooth finish. Tamp edges.

Price \$

☐ Seal Coating

Edge and clean asphalt. Apply heavy duty rubberized Federal Spec Coal Tar Sealer.

Price \$

☐ Crack Filling

Clean out major cracks with high air pressure. Fill with hot Flez-A-Fill crack filler that will expand and contract with temperature change.

Price \$

☒ Striping

☐ Stripe lot to owner's specifications.

☒ Re-stripe lot

Price \$

☒ Regrade Existing Stone Area

Excavate grass on edges of drive and middle of drive if needed. Add necessary stone-crete where needed. Grade and compact complete driveway for proper water drainage. Apply vegetation killer. Pave area with 3" of hot bituminous asphalt and roll to a smooth finish. Tamp edges.

Price \$

☒ Complete Excavation

Excavate dirt, sod, asphalt or concrete. Haul away debris. Install 6" stone-crete. Grade and compact stone for proper water drainage. Apply vegetation killer. Lay 3" of hot bituminous asphalt and roll to a smooth finish. Tamp edges.

Price \$

☐ Remove and Replace

Price \$

☐ Concrete

Excavate dirt, sod, asphalt or concrete. Haul away debris. Install 4-6" of sand. Grade and compact sand for proper water drainage. Pour 4" 4000 mix concrete with wire reinforcement. Smooth broom finish.

Price \$

☐ Others

Price \$

We Propose hereby to furnish materials and labor - complete in accordance with above specifications, for the sum of:

dollars (\$).

Payment to be made as follows:

30% down balance upon completion

Our workers are covered by workman's Compensation. We have all the necessary licenses and insurances. All asphalt installed on our own stone-crete base (4-6 inches stone) is guaranteed for 1 year against raveling, peeling water holes and breaking up under normal automobile traffic. We cannot be responsible if the sub-base is poor. Asphalt will have a tendency to crack when driven over the edge. So this cannot be warranted. All asphalt work performed on customer's present base is not guaranteed. All asphalt work is not guaranteed against cars leaving marks with tires and indentations. Once job is started and customer cancels, 50% of the order is due to Mr. Asphalt. Once job is awarded, customer has 3 days to cancel. Asphalt work is not guaranteed when customer or other company applies sealcoating. All materials installed on the job are owned by Mr. Asphalt until job is paid in full. All descriptions of pavement thickness in proposal refer to average thickness. Variations in subgrade conditions and technical limitations may result in variations from this average. We warrant that sufficient materials will be used on the project to result in the average thickness named. All work to be done in a workmanship like manner.

All checks to be made payable to "MR. ASPHALT"

Authorized Signature

Bryan Renner

Note: This proposal may be withdrawn by use if not accepted within 30 days.

Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. you are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance:

Signature:

Signature:

PAVING - SEALCOATING

Phone (989) 777-7536

#5583

SOLD TO Tim Holson

ADDRESS:

CITY, STATE, ZIP:

PHONE:

QUANTITY
ORDERED

DESCRIPTION

PRICE

TOTAL

Remove & replace
existing parking lot
and section of front city
sidewalk \$30,500-
paid in full
Thank You!

10/14/25
DATE

B. Renner
SALESPERSON

SUBTOTAL

SALES TAX

TOTAL

CITY OF MONTROSE

MEMORANDUM

Date: October 26, 2025

To: DDA Board, City Council, Treasurer/Finance Director & City Clerk

From: Joe Karlichek, City Manager

Subject: DDA Function, MCL Act, Police Services/Community Marketing/Safety

Background: On October 20, 2025 I received the following email (below) from city clerk Christina Rush relative to the DDA and allowable expenditures under the Law. While the DDA Board conducted its lawful practice, I still researched the inquiry and consulted with our city attorney and DDA Consultant to provide the following answer.

Another consideration is that the DDA was established, based on city records, in 2007 some eighteen (18) years ago. The TIF Development Plan was developed and published in 2007 and indicates a variety of roles and responsibilities and what lawful action the DDA Board can undertake to improve the downtown. While I am not clear as to the chronic confusion within the administration as to the DDA and what it can do, I hope this will clear misinterpretation and misunderstanding of the past.

Email from city clerk;

Joe,

I wanted to bring the recent event expenditures to your attention, as the activities from this past weekend do not appear to fall under the allowable exceptions for municipal spending, such as observances of Armistice (Veterans), Independence, or Memorial Days, nor Diamond Jubilee or Centennial celebrations (see attachment: Allowable Expenditures under Restrictions on Local Government Expenditures, No. 3, second paragraph).

In the past, there has been significant concern regarding similar matters, for example, the DDA has been prohibited from contributing to events such as Candlewalk, and the City has not been permitted to cover costs such as police services for the annual Blueberry Festival. Those expenses have consistently been required to be paid by the applicant or event sponsor.

We have now received an invoice from the Montrose Township Police Department related to activities held this past weekend (see attachment: Fall O-Ween Invoice). If you are wondering why I am now questioning this, I did not believe the DDA was running or hosting the event; according to the City Council meeting packet from September 23rd, the DDA was listed as "sponsoring" it, which is a significant difference in interpretation.

Because I anticipate this will be questioned, could you please provide the specific MCL or legal authority under which the DDA was permitted to host and/or financially support this event? This will ensure proper documentation and justification for audit and record-keeping purposes.

ANSWER

Under the provisions of the Michigan Downtown Development Authority (DDA) Act, Public Act 197 of 1975. Under Michigan Compiled Laws (MCL) governing Downtown Development Authorities (DDAs), DDAs are explicitly granted the power to operate and fund marketing initiatives to promote their downtown districts. This is a core function authorized under the state's DDA Act.

Specifically, MCL 125.4207(2) grants a DDA the authority to:

- a) Prepare and implement development plans designed to promote economic growth within the district.
- b) Acquire, construct, and operate facilities that serve public use or promote economic welfare.
- c) Improve or operate any public facility or structure within the district that contributes to the economic growth or stability of the downtown area.
- d) Develop long-range plans, in cooperation with public and private entities, to promote the economic growth of the district.

Further, MCL 125.4207(2)(r) authorizes the DDA to *“create, operate, and fund marketing initiatives that benefit retail and general marketing of the downtown district.”*

These provisions clearly establish that a DDA’s function extends beyond physical infrastructure improvements and includes marketing, promotional, and community engagement activities that foster economic development, attract investment, and build public confidence in the downtown.

Consistent with this authority, community events and sponsorships are recognized statewide as legitimate tools of economic development and placemaking. The Michigan Economic Development Corporation (MEDC) and Michigan Downtown Association (MDA) both identify public events, community partnerships, and promotional activities as eligible DDA functions that promote the vitality and identity of downtowns.

Below are just a few examples where municipalities, DDA’s and businesses (within the DDA District) partner to improve their communities like we are doing here in the City of Montrose:

<https://www.wixomgov.org/departments/community-services-parks-recreation/sponsorships>

<https://www.trentonmi.org/1145/Event-Sponsorship#:~:text=DDA%20sponsorships%20can%20help%20pay,Trenton%20Downtown%20Development%20Authority%20District>

This Space Intentionally Left Blank

DDAs are able to fund these marketing initiatives through a variety of financing options available to them under Michigan law, including:

- **Tax Increment Financing (TIF) revenues:** Capturing the incremental growth in property taxes within the district to reinvest in downtown activities.
- **Millage:** Levying a property tax millage on properties within the downtown district.
- **Grants and donations:** Accepting funds from public and private sources.

Regarding public safety expenditures, the DDA's responsibility for ensuring the safety of event participants within the downtown district falls under its authority to manage and operate district activities and facilities (MCL 125.4207(2)(e)). In Michigan, the primary legal basis for municipalities to pay for police services for community-sponsored events comes from the Home Rule City Act, specifically **MCL 117.4j**, and the inherent "police powers" granted to local governments to protect the public health, safety, and welfare.

Summary

The Montrose DDA and the City of Montrose are permitted under state law and local policy to engage in activities under the provisions outlined to promote, market and sponsor community events within the DDA District to further the goals of economic development and public welfare

In addition, the current 2007 – 2032 Montrose DDA Development Plan & TIF directly calls for Marketing Strategies to promote Montrose to businesses citing job creation, and general pride to the downtown. Setting aside \$40,000.00 in funding and an additional \$25,000.00 annually for holiday decorations, minor projects and administration.

Montrose City contracts for police services with Montrose Township. The DDA and City determined there was a need for police services to protect families and children attending the "Fall-O-Ween" event on October 18, 2025 located in the Central Business District (CBD) where roads were closed for Hay Rides. The cost for those police services in the amount of \$170.12 is a nominal expenditure to ensure the safety of the community and can be paid for.

The DDA Board is assimilating an amended TIF Plan with its consultant for next FY that includes 2 – 3 sponsored events to facilitate marketing initiatives that are consistent with the DDA/TIF Plan.

Recommendation: It is highly recommended that the city clerk, who is tasked with accounts payable (AP), process the invoices received. This memorandum will be shared with the City Council & DDA Board to eliminate any confusion there may be from here on out as to the roles and responsibilities of the DDA and what is lawfully tasked under the Statutes, By-Laws and TIF Plan.

Excluded from DDA District
 Included with DDA District
 Rights-of-Way
 Roads
 Railroads
 City Limits
 2006 Parcel Lines



CITY OF MONTROSE

MEMORANDUM

Date: November 10, 2025\

To: Chairwoman Machuk and Board Member of the DDA

From: Joe Karlichek, City Manager

Subject: Consider M-57 Communication with MDOT

Background: Since my hiring as the city manager, I have taken many tours of the downtown business district, visited with business owners, interacted with patrons and walked both south and north CBD and alleys. In addition to that activity, I have had numerous discussions with our DPW Supervisor who has described to me a number of “near misses” with excessive speeding of traffic, heavy trucks and other apparatuses while performing flower watering duties during the late Spring and Summer months. I too, through my personal observations have seen excessive speeding, racing of engines, squealing of tires and distracted driving.

These direct communications with businesses, DPW staff and my personal observations raised enough concern to begin having discussions with our police chief. Those discussions surrounded strategies and too deploy increased law enforcement efforts along M-57. From those discussions I learned the city council, through its past city manager, requested a “speed study” (*enclosed with this memorandum*) dated March 6,, 2023. That report cited conflicting speed patterns (some 5) along M-57 and speed concerns. The MSP conducted their study,, published their study that included alleviating the 5 speed zones to 3 and increased the speed limit from 30 mph in the direct downtown business district to 35 mph.

Consequently, the speed study, as in most cases, created additional conflict. The study, in my professional opinion, did not consider business and foot traffic amongst patrons in the immediate downtown. These are serious concerns for the vitality of Montrose City and Township, or “Montrose.” Montrose shares M-57 and the CBD and GBD of M-57 is a major economic engine for both communities. Negative consequences to the city and township will continue without proper law enforcement, considerable adjustments to speed control, speed recognition, and other considerations this Board and city council should discuss.

Accompanying this memorandum is the speed study and copy of the email exchange with MODT following a request to MDOT, from the city’s DPW Supervisor, to deploy non-static speed signs the city currently has in its possession. Currently, the Township of Montrose has a “Speed Trailer” however it appears the software is outdated, the trailer width is too wide for right-of-way and offers nothing more than a flashing speed signal.

City administration is requesting the DDA Board discuss this matter and offer additional solutions.

Recommendation: It is recommended DDA Board discuss this matter and provide or offer city administration additional solutions.

Joe Karlichek

From: Joe Karlichek
Sent: Wednesday, November 5, 2025 3:13 PM
To: Inman, Harold (MDOT)
Cc: Whiteherse, Ryan (MDOT); L Machuk; Jamie Cochran; DPW Director; T Banks
Subject: RE: Montrose speed detection signs

Hello Harold,

Thank you for the information relative to the speed signs. I am very disappointed in the city not having the ability to identify quantitative speed data. The city has "mobile radar signs" currently that are operated by solar. They are re-movable and movable on the static speed limit signs currently in the ground, can these be deployed? Perhaps there's a misinterpretation? As you know, data is a critical component to fixing issues. In lieu of the clarification we need, the city is working with our police chief Jamie Cochran to deploy a speed trailer along M-57 and hope to have this active in the next few weeks. The challenge with that is due to the width of the trailer and sizes of the right-of-way.

Relative to the Speed Study, **I am requesting a copy of the speed study.** I nor the police department can locate a copy. Please direct me to where this can be obtained or send via email here manager@cityofmontrose.us

We respect the fact that M-57 is a trunk line, what our city and contiguous communities cannot accept are believed and chronic issues with overweight trucks, excessive speeding, and other various traffic concerns that we believe is contributing to a negative economic impact and safety in our community. Our police chief was also going to contact the MSP and see if their Carrier Officers can patrol and assist, but it appears that may not be an option either.

In addition, every inch on M-57 (*in the city*) is under the City DDA and one of the primary functions of the DDA is economic and marketing development. While we understand there is a law enforcement component to a solution there is the simple fact that the immediate downtown area at 35mph and observed heavy/overweight speeding large trucks is unacceptable. Our DPW Supervisor has reported to me since my hiring (June 2025) several near misses this year when he and DPW staff are out simply watering flowers (in the immediate downtown business district). I personally have observed, on numerous occasions, vehicles and heavy trucks traveling at high rate of speeds whether coming into town and through town. Business owners have expressed their concerns as well.

The city is actively working with various organizations bringing in development to the downtown. Social activities to stimulate business, commerce bringing people, families, and children are also increasing. A recent approved \$2.2 million dollar renovation project will soon begin on the northwest corner of Saginaw/M-57.

Finally, I 34 years in public safety and have experienced very negative and poor outcomes when conditions are ignored. I want to partner and work with your organization on solutions to address these matters before we have; one, a fatality, two, improve the economic vitality of Montrose. No city can live and thrive with the current conditions on M-57 within the city limits.

Cc: Mayor, DDA Chairwoman, DPW Director and Police Chief

Joe Karlichek

City Manager

City of Montrose

139 South Saginaw Street

Montrose, MI 48457

Office Phone: 810.639.6168 Ext. 4

www.cityofmontrose.us

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From: Inman, Harold (MDOT) <InmanH@michigan.gov>

Sent: Wednesday, October 29, 2025 8:24 AM

To: DPW Director <dpwdirector@cityofmontrose.us>

Cc: Joe Karlichek <manager@cityofmontrose.us>; Whiteherse, Ryan (MDOT) <WhiteherseR@michigan.gov>

Subject: Re: Montrose speed detection signs

CAUTION: This email originated from outside the City of Montrose. Maintain caution when opening external links/attachments

Good morning Sam, permanent speed detection signs are not allowed on state trunklines. A temporary speed trailer may be acceptable for a short period of a week or two. Since there was a traffic study just a few years ago there are no plans to conduct another one in this area. If you have other questions let me know.

Thanks,

Harold Inman

MDOT Davison TSC

Maintenance Coordinator

248-431-2265

Get [Outlook for iOS](#)

From: DPW Director <dpwdirector@cityofmontrose.us>

Sent: Wednesday, October 29, 2025 8:04:10 AM

To: Inman, Harold (MDOT) <InmanH@michigan.gov>

Cc: Joe Karlichek <manager@cityofmontrose.us>

Subject: Montrose speed detection signs

CAUTION: This is an External email. Please send suspicious emails to abuse@michigan.gov

Good morning, Harold. The City of Montrose currently has two speed detection signs located on local streets. They are solar powered, speed indicating devices. We are wondering if we are allowed to place them along M-57? You can reach me directly if needed, 810.275.5331. Thanks in Advance.

Sam Spence

City of Montrose-DPW

Montrose, Mi. 48457

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TRAFFIC SURVEY REPORT (State)

Original Date 03/06/2023	Incident No. 0003-23
-----------------------------	-------------------------

COUNTY(s) Genesee	CITY(s)/TWP(s)/VILLAGE(s) Montrose	MDOT C.S. 25101	
NAME OF ROAD M-57		RIGHT OF WAY	ROADWAY WIDTH
LENGTH OF ROAD UNDER STUDY 1.595	PARAMETERS OF STUDY AREA Glenn Mark Trail to Seymour Rd		
DIVIDED	SURFACE MATERIAL		SHOULDER WIDTH & MATERIAL
ALIGNMENT		ADVISORY SIGNS	
DEVELOPMENT		SIDEWALKS	NUMBER OF LANES
PRIVATE DRIVES	COMMERCIAL DRIVES	INTERSECTIONS	SIGNALIZED INTERSECTIONS 2
BRIDGES, RR CROSSINGS, OTHER		EXISTING TCOS 25-003-88	VOLUME COUNT (ADT)/DATE

Information:Information:

The Montrose City Council requested that the speed limits along M-57 within their incorporated area be evaluated. They expressed two primary concerns; the excessive number of speed zones creating confusion for drivers-making enforcement difficult and the speed of/noise from commercial vehicles traveling through the city, especially concerning eastbound traffic.

Participants:

Neil Rankin, Montrose City Manager
Jamie Cochran, Montrose Township Police Chief
Steven Pethers, MDOT Davison TSC
Ted Stone, MSP TCRU

Investigation:

On April 13, 2021, Pethers and I responded to Montrose in an unmarked vehicle and traversed the city several times making observations of traffic patterns and the traffic control devices. We did note what appeared to be excessive speed zones with two of the zones measuring just over .25 miles long and one being less than .25 miles.

Observations of commercial traffic revealed that westbound traffic speeds appeared to be mitigated by the quickly changing character of M-57 to the west of Seymour Road and an uphill grade. Eastbound traffic did reveal some drivers failing to adhere to the posted speed limit. This was due in part to the nature of the immediate area and, the very slight initial change in speed limits from 55 mph to 50 mph as they entered the city.

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TRAFFIC SURVEY REPORT (State)

Original Date
03/06/2023

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0003-23

Speed Study:

On April 13th Pethers and I also completed speeds studies along the M-57 corridor corresponding with the current five speed zones. Traffic was non-peak with the clear skies and dry roadways persisting.

Sample site; 1,000 feet west of the west city limits

Current speed limit 50 mph

85th percentile 51 mph

50th Percentile 47 mph

Sample site; 200 feet west of Grafton Street

Current speed limit 40 mph

85th percentile 44 mph

Sample site; 100 feet west of Saginaw Street

Current speed limit 30 mph

85th percentile 35

Sample site; 200 feet west of Nanita Drive

Current Speed limit 35 mph

85th percentile 38 mph

Sample site; 650 feet west of Seymour Road

Current Speed limit 45 mph

85th percentile 43 mph

Crash History:

A five-year review of traffic crashes along this section of M-57 showed a total of 71 incidents or an average of 14.2 per year.

Of these there were 5 injury crashes all being denoted as 'A' injury. No fatalities were reported. Of these crashes 3 were due to driver's failing to yield while entering the traveled lanes of M-57, 1 was due to a failure to stop in assured clear distance same direction (rear end), and 1 was due to disregarding a stop-and-go light.

84.5% of all crashes occurred on dry roadways, 85.9% occurred during the hours of daylight, 81.7% occurred while the sky was either clear or cloudy.

Crashes by type showed the majority were rear end going straight (38%) followed by side swipe

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TRAFFIC SURVEY REPORT (State)

Original Date
03/06/2023

Incident No.
0003-23

same direction (11.3%).

Of these the driver violation by percentage was determined to be: 16.7% were due to disobeying a traffic control device, 35.2% were due to failure to stop in assured clear distance, 22.5% were due to failure to yield, and 25.4% were due to disregarding a stop and go light.

Recommendations:

Review of the speed data collected, crash history, and concerns expressed by the complainant led to the following recommendations.

Beginning MP 01.147 to End MP 01.780 which previously consisted of both a 50 mph and 40 mph zones be posted at 45 mph.

Beginning MP 01.780 to End MP 02.305 which previously consisted of a 30 mph and a 35 mph speed zones be posted at 35 mph.

Beginning MP 02.305 to End MP 2.642 be posted at 45 mph with the remaining distance to End MP 02.742 reverting to 55 mph.

Rescinded Traffic Control Order:

The current governing TCO 25-003-88 be rescinded with the speed zones being reconfigured as stated above.

Follow up Contacts:

The City Manager Neil Rankin and the Chief of Police Jamie Cochran were both contacted and advised of the proposed changes.

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City of Montrose
M-57 (Vienna)
Speed Study 2021

Proposal to decrease the
number of speed zones from 5 to 3




CITY OF MONTROSE

MEMORANDUM

Date: November 13, 2025

To: Chairwoman Machuk and Board Members of the DDA

From: Joe Karlichek, City Manager 

Subject: Consider DDA Community/Marketing Events

Background: One of the primary roles for the DDA is Community Development and Marketing. These activities promote good-will, opportunity to acknowledge businesses and owners and create an environment of hospitality for the Montrose community. Bringing families and patrons to the community through well-organized, planned and budgeted activities provides consistency to the community and instills stability. These efforts have the opportunity to entice entrepreneurs and a sense of pride that are important characteristics to the culture of Montrose.

Chairwoman Machuk and I have had a number of meetings and discussions with community members and others discussing ways the DDA can fold in with or take a more assertive role in promoting Montrose through Community Development and Marketing. Following those numerous meetings and discussions the activities listed below were conceived for the DDA Board to consider in 2026.

The proposed community events, dates and times are not budgeted, as of yet, and the Board will be asked to consider applying a budget to these events (*assuming they are approved*) at their January 15, 2026 meeting. This will give additional time for administration to convey these activities to various organizers and begin building/laying the foundation going forward.

It is also recommended Chairwoman Machuk appoint a “Sub-Committee” of the DDA where these dedicated people can provide direct involvement in assisting in planning, organizing volunteers, assist in supplies/ordering lists, and other activities. The Sub-Committee can then make further recommendations to the DDA Board facilitating administration and the Board’s decisions.

Proposed 2026 DDA Community Events

1. Spring Fling – Saturday March 21, 2026 (1 p.m. to 4 p.m.)
2. Blueberry – August 2026. *Chairwoman Machuk to provide discussion
3. Fall-O-Ween Festival - Saturday October 17, 2026 (5 p.m. to 8 p.m.)
4. Candlewalk – Saturday December 5, 2026 (5 p.m. to 8 p.m.)

Recommendation: It is recommended DDA Board Approve these Community Activities for 2026.

CITY OF MONTROSE

MEMORANDUM

Date: November 13, 2025

To: Chairwoman Machuk and Board Member of the DDA

From: Joe Karlichek, City Manager 

Subject: Consider Winter Decorations for Central Business District (CBD)

Background: The DDA Board is being asked to consider purchasing, not to exceed, \$2,000.00 in winter decorations such as greenery, pots, bows and bulbs from Mayn Street Flowers, Montrose, MI.. These decorations will not interfere with DPW winter operations and are for the CBD.

Pictures of what these decorations will look like accompany this memorandum.

Recommendation: It is recommended DDA Board Approve this purchase. Fund #248-515-801 and #248-703-752

