

Dexter Downtown Development Authority

JUNE 18, 2020 < > 7:30 AM

Virtual Meeting

MINUTES

1. Call to Order: Called to order at 7:32 AM on June 18, 2020 by Chairman Doug Finn.

2. Roll Call

Becker, Patrick-ab	Bellas, Rich	Brouwer, Steve-ab
Darnell, Don	Finn, Doug	Fitzpatrick, Mike
Jones, Carol	Keough, Shawn	Magdich, Karen
Mekas, Phil-ab	Schmid, Fred-ab	Willis, Randy

Also in attendance: Michelle Aniol, Community Development Manager.

3. Approval of Minutes from the Regular Meeting on May 21, 2020

Motion Willis; support Keough to approve the minutes of the Regular Meeting of May 21, 2020 as presented.

Ayes: Bellas, Darnell, Finn, Fitzpatrick, Jones, Keough and Willis

Nays: None

Abstain: Magdich

Absent: Becker, Brouwer, Mekas and Schmid

Motion carries

4. Approval of Agenda:

Motion Willis; support Darnell to approve the agenda as presented.

Unanimous voice vote approval with Becker, Brouwer, Mekas and Schmid absent.

5. Pre-arranged Audience Participation: None

6. Non-Arranged Citizen Participation: None

7. Treasurer's Report: *Treasurer Mike Fitzpatrick provided information on the June Treasurer's Report. The following action was taken:*

a. June Invoices: *None*

b. Treasurer's Report – May 2020

Motion Willis; support Darnell to approve the June 2020 DDA Treasurer's Report.

Ayes: Bellas, Darnell, Finn, Fitzgerald, Jones, Keough, Magdich and Willis,

Nays: None

Absent: Becker, Brouwer, Mekas and Schmid

Motion carries

8. Correspondence / Communications:

None

9. Action Items:

- a. Emergency Ordinance – Discussion and possible action regarding DDA participation and assistance with barricades for expanded outdoor dining and retail display areas.

Staff presented the program for downtown businesses to provide more space for customers outside of their buildings. City Council approved the rental of water/sand filled barricades and welcomes DDA's participation in the project.

The consensus of the DDA was to participate in the sharing of costs of the barricades, look into the purchase of such barricades for future use and to direct staff to research the costs for purchase as well as for storage.

Motion Willis; support Darnell to support the Emergency Ordinance and contribute \$2,100 toward the costs of barricades for expanded outdoor seating and retail display.

Ayes: Bellas, Darnell, Finn, Fitzpatrick, Jones, Keough, Magdich and Willis

Nays: None

Absent: Becker, Brouwer, Mekas and Schmid

Motion carries

10. Discussion and Updates

None

11. Reports:

- a) Mayor – Shawn Keough
Mayor Keough includes his written report per packet and provided the following updates:

- *The Encore Theatre's requests for conditional rezoning and special land use were approved.*

- *City Council has been working on the 2020-2021 Budget and is scheduled to be approved at the June 22, 2020 Council meeting.*
- *The Mill Creek Trail is underway with the estimated completion before Labor Day.*
- *Two street projects are in progress, Grand Street to Hudson Street and Hudson Street from Forest Street to Ann Arbor Street.*
- *At the last Council meeting the Millage rate was approved which is at the same rate as last year. Also approved at that meeting were the water/sewer rates and the sewer rate was increased by 10% due to improvements made at the Wastewater Treatment Plant.*
- *There will be a Facilities Workshop at the first Council Meeting in July.*
- *Two large signs have been erected on Dexter Ann Arbor Road and Meadowview on the site for the proposed Fire Station.*

b) Staff – Michelle Aniol

Ms. Aniol includes her written report per packet and provided the following updates:

- *Dexter Creamery is modifying its business model due to the Coronavirus and they have asked to install a walkup window at the front of their store to reduce the number of people in the store to promote social distancing and forego outdoor seating.*
- *Interior work is moving forward on the Country Market space and I will be looking into signage for that space.*
- *Chelas is open again with outdoor seating and I will be working with Dexter Plaza for outdoor seating in that location.*
- *At the June meeting of the Planning Commission, The Encore Theatre presented the proper plans and materials for their changes for the Copeland property. The Dexter Schools have now decided that the land contract agreement between the Schools and the Encore should be revisited.*

12. Chairman's Report: Next meeting – July 16, 2020

At this point we are not sure if it will be a virtual meeting or not.

13. Non-Arranged Citizen Participation: None

14. Adjournment

Motion Willis; support Darnell to adjourn at 8:19 AM.

Unanimous voice vote approval with Becker, Brouwer, Mekas and Schmid absent.

Respectfully submitted,
Carol J. Jones, Secretary

Memo

To: Dexter DDA
From: Marie Sherry, City Treasurer & Mike Fitzpatrick, DDA Treasurer
Date: July 9, 2020
Re: Treasurer's Report for Fiscal Year End 06-30-2020

Invoice Approval Notes

- None

Cash Status

DDA Cash Balances Report			
6/30/2020			
Fund	Account Name	General Ledger Balance	Notes
248 - DDA General	TCF Pooled Account	\$ -	
394 - DDA Debt	TCF Pooled Account	\$ -	
	Total DDA Pooled Checking	\$ -	
248 - DDA General	TCF Money Market Account	\$ 47,569.40	
	Total DDA Pooled Savings	\$ 47,569.40	
248 - DDA General	Huntington Bank	\$ 112,410.78	
	Total Investments	\$ 112,410.78	
Total General Cash		\$ 159,980.18	
Total Debt Cash		\$ -	
		\$ 159,980.18	
Month End Cash		\$ 159,980.18	
Brownfield Payable		\$ -	
Projected FY 19/20 Revenue All Funds		\$ -	
Projected FY 19/20 Expenditures All Funds		\$ -	
Projected Year End Cash		\$ 159,980.18	

Fiscal Year 2019-2020 Revenue Expenditure Report

07/09/2020 REVENUE AND EXPENDITURE REPORT FOR CITY OF DEXTER							
PERIOD ENDING 06/30/2020							
% Fiscal Year Completed: 100.00							
		END BALANCE	2019-20		YTD BALANCE	AVAILABLE	
		06/30/2019	ORIGINAL	2019-20	06/30/2020	BALANCE	% BDGT
GL NUMBER	DESCRIPTION	NORM (ABNORM)	BUDGET	AMENDED BUDGET	NORM (ABNORM)	NORM (ABNORM)	USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY							
Revenues							
Dept 000 - ASSETS, LIABILITIES & REVENUE							
248-000-405.000	TAX CAPTURE REVENUE	363,807.17	430,000.00	430,000.00	447,753.70	(17,753.70)	104.13
248-000-574.001	PERSONAL PROPERTY TAX REIMBURS	9,978.71	4,000.00	4,000.00	13,575.71	(9,575.71)	339.39
248-000-664.000	INVESTMENT GAIN	5,294.48	3,000.00	3,000.00	5,880.38	(2,880.38)	196.01
248-000-665.000	INTEREST EARNED	2,828.90	1,000.00	1,000.00	223.21	776.79	22.32
248-000-671.000	OTHER REVENUE	5,000.00	0.00	39,800.00	39,827.92	(27.92)	100.07
Total Dept 000 - ASSETS, LIABILITIES & REVENUE		386,909.26	438,000.00	477,800.00	507,260.92	(29,460.92)	106.17
TOTAL REVENUES		386,909.26	438,000.00	477,800.00	507,260.92	(29,460.92)	106.17
Expenditures							
Dept 248 - ADMINISTRATION							
248-248-802.000	PROFESSIONAL SERVICES	0.00	10,000.00	10,000.00	1,545.00	8,455.00	15.45
248-248-803.000	CONTRACTED SERVICES	1,500.00	1,700.00	1,700.00	1,500.00	200.00	88.24
248-248-810.000	ATTORNEY FEES	42,492.83	20,000.00	40,000.00	30,528.56	9,471.44	76.32
248-248-841.000	CITY ADMINISTRATIVE COSTS	0.00	7,000.00	7,000.00	7,000.00	0.00	100.00
248-248-955.000	MISCELLANEOUS	15.00	0.00	0.00	0.00	0.00	0.00
248-248-957.002	DDA CAPTURE REFUNDS	0.00	500.00	500.00	59.45	440.55	11.89
Total Dept 248 - ADMINISTRATION		44,007.83	39,200.00	59,200.00	40,633.01	18,566.99	68.64
Dept 442 - DOWNTOWN PUBLIC WORKS							
248-442-803.015	CITY MAINTENANCE	10,000.00	10,000.00	10,000.00	10,000.00	0.00	100.00
Total Dept 442 - DOWNTOWN PUBLIC WORKS		10,000.00	10,000.00	10,000.00	10,000.00	0.00	100.00
Dept 901 - CAPITAL IMPROVEMENTS							
248-901-972.001	PURCHASE OF HOUSE	20,000.00	44,000.00	44,000.00	44,000.00	0.00	100.00
248-901-972.002	DTE SUBSTATION MOVE	0.00	156,000.00	156,000.00	156,000.00	0.00	100.00
248-901-974.001	OTHER CAPITAL IMPROVEMENTS	6,684.00	0.00	0.00	0.00	0.00	0.00
Total Dept 901 - CAPITAL IMPROVEMENTS		26,684.00	200,000.00	200,000.00	200,000.00	0.00	100.00
Dept 965 - TRANSFERS OUT - CONTROL							
248-965-999.394	TR OUT FOR BOND PAYMENTS - 394	266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
Total Dept 965 - TRANSFERS OUT - CONTROL		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
TOTAL EXPENDITURES		347,662.51	524,800.00	544,800.00	526,005.23	18,794.77	96.55
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:							
TOTAL REVENUES		386,909.26	438,000.00	477,800.00	507,260.92	(29,460.92)	106.17
TOTAL EXPENDITURES		347,662.51	524,800.00	544,800.00	526,005.23	18,794.77	96.55
NET OF REVENUES & EXPENDITURES		39,246.75	(86,800.00)	(67,000.00)	(18,744.31)	(48,255.69)	27.98

Fund 394 - DDA DEBT FUND							
Revenues							
Dept 000 - ASSETS, LIABILITIES & REVENUE							
394-000-695.248	TRANSFER IN FROM DDA FUND 248	266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
Total Dept 000 - ASSETS, LIABILITIES & REVENUE		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
TOTAL REVENUES		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
Expenditures							
Dept 850 - LONG-TERM DEBT							
394-850-992.000	BOND FEES	500.00	500.00	500.00	500.00	0.00	100.00
394-850-997.005	2011 REFUNDING BOND (\$620K)	72,638.34	74,700.00	74,700.00	74,543.13	156.87	99.79
394-850-997.006	2015 REFUNDING - TAXABLE BOND	87,340.00	81,300.00	81,300.00	81,275.00	25.00	99.97
394-850-997.007	2017 REFUNDING - NON-TAXABLE BO	106,492.34	119,100.00	119,100.00	119,054.09	45.91	99.96
Total Dept 850 - LONG-TERM DEBT		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
TOTAL EXPENDITURES		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
Fund 394 - DDA DEBT FUND:							
TOTAL REVENUES		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
TOTAL EXPENDITURES		266,970.68	275,600.00	275,600.00	275,372.22	227.78	99.92
NET OF REVENUES & EXPENDITURES		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES - ALL FUNDS		653,879.94	713,600.00	753,400.00	782,633.14	(29,233.14)	103.88
TOTAL EXPENDITURES - ALL FUNDS		614,633.19	800,400.00	820,400.00	801,377.45	19,022.55	97.68
NET OF REVENUES & EXPENDITURES		39,246.75	(86,800.00)	(67,000.00)	(18,744.31)	(48,255.69)	27.98

Required Reporting

- Form 5176 – Request for State Reimbursement of Tax Increment Finance Authority. Deadline to file is June 15th.
- Form 2604 – Tax Increment Financing Plan Report for Capture of Property Taxes. Deadline to file is July 31st.
- Qualifying Statement – Deadline to file is December 31st.
- Audit – Deadline to file is December 31st.
- Annual Report of Status of Tax Increment Financing Plan. Deadline to file is December 31st.

**Mayor Report – By Shawn Keough
Prepared on July 8, 2020**

Hello Residents and Council,

Here is my report of recent activities and my calendar of planned Dexter activities looking ahead:

Follow-up to “And the Signs say...”

Three weeks ago, in my last Mayor Report, I asked for community input regarding the signs on Dexter Ann Arbor Road and Meadowview that describe the site as “Proposed Future Home of the Dexter Fire Station”. More specifically, I asked for input on whether the community was interested in building a new station and what are they comfortable spending. The Sun Times followed up on my report and asked if they could print it in their newspaper. Since that time, I have received 7 emails from community members, a couple of texts and multiple responses from people that I have passed or seen in various public places over the past few weeks who saw and read the article. I will be sharing each of the emails that I received with my fellow Council members and City staff, but so far everyone that has contacted me is not in favor of building an \$8,000,000 fire station. Some responses have encouraged us to finish the facility process that we started. Some responses have encouraged us to find a solution that is more fiscally responsible. Most responses agree that we don’t need a fire station that large, especially in light of the new stations in our partner townships in DAFD. I hope more citizens and community members share their opinions on this topic. I am excited about our next Council workshop where we will be focusing on options for City offices. Hopefully, we can make some progress in finding a much better solution than the office we are currently using above the PNC Bank.

Recent Activities since the June 22, 2020 City Council meeting

June 29, 2020 – Meeting with homeowner on Central regarding poor property maintenance at 3319/3321 Central – I was contacted by a neighbor who lives in close proximity to the property at 3319/3321 Central. This property is in very poor condition and has recently been condemned due to a recent electrical fire. It previously served as three rental apartments. I have shared my observations of this property with our Community Development Manager and asked her to follow up with the property owner appropriately to see if repairs and clean up can be initiated by the property owner.

June 30, 2020 - Conference call with Detroit Edison (DTE) regarding power outage on June 10, 2020 – City Manager Nicholls and I spoke with three representatives from DTE to discuss the power outage that occurred in portions of Dexter on June 10, 2020. The June 10th power outage was unique in that several lights flickered for long periods of time. Upon investigation by DTE, apparently a switch at the Diamond Circuit failed and needs to be replaced. DTE plans to do additional investigation during the repair. We expect to have a follow up call with them in a few months.

July 8, 2020 – Phone conversation with Peter from Dexter Pub – Peter and his wife contacted me to discuss their concerns over the process for getting a permit for their outdoor seating. I explained that the City has tried to be flexible in allowing the use of the additional space while all the businesses go through the formal application process, subject to other rules and requirements by other agencies. There seems to be some confusion over what is required for ADA compliance at the ramps into the outdoor seating areas. I shared their concerns with our Community Development Manager and City Manager and asked them to help clarify the requirements through visual examples.

Upcoming Activities

July 13, 2020 – City Council meeting – this meeting will be a virtual Zoom meeting and begin at 6 pm. City Council is holding a special workshop at 5 pm to discuss options for City Offices. The special workshop will also be a virtual Zoom meeting.

July 16, 2020 – Downtown Development Authority meeting

July 16, 2020 – Dexter Area Fire Board meeting

July 27, 2020 – City Council meeting

I look forward to seeing you around our town (but still from 6 feet away) ☐

All the best to everyone! Please stay safe and enjoy Dexter!

Shawn Keough
Mayor, City of Dexter

skeough@DexterMI.gov

(313) 363-1434 (cell)

STAFF REPORT

To: Downtown Development Authority
Courtney Nicholls, City Manager

From: Michelle Aniol, Community Development Manager

RE: Staff Report for July 16, 2020

Date Prepared: July 14, 2020

1. Upcoming Virtual Meetings/Webinars: July/August 2020:

- 1) ZBA, July 20th
- 2) City Council, July 27th
- 3) Planning Commission, Aug 3rd
- 4) Post-Pandemic Boom for Main Street Commerce (webinar), Aug 4th
- 5) Urban County Executive Committee, Aug 5th
- 6) Affordable Housing/Equity Leadership Team, Aug 10th
- 7) City Council, Aug 10th
- 8) ZBA, Aug 17th
- 9) DDA, Aug 20th

2. General Updates:

A. City Council Updates:

- 1) **Encore Theatre Conditional Rezoning** – City Council accepted the recommendation of the Planning Commission and approved changes to the approved Conditional Rezoning Agreement to clarify the following:
 - The land contract purchase of the DCS properties, by the Encore Theatre.
 - The terms of the Agreement are binding only on the Encore Theatre, when and if Encore Theatre and the Schools close on the purchase and sale of the Property, pursuant to the terms of Land Contract.
 - Neither the DCS nor its properties would be bound by the terms of the Agreement, in the event the Encore Theater's land contract interest is terminated.
 - DCS must notify the City if Encore fails to perform or complete the land contract purpose.
- 2) **Northern United Text Amendment** – City Council accepted the recommendation of the Planning Commission and approved an amendment to the Zoning Ordinance to allow outdoor seating as an accessory use to a tasting room, in the RD Research and Development District. Since a tasting room is a special land use in the RD District, the applicant must apply for special use approval.
- 3) **AR Brouwer Tap Fee Request** – City Council accepted the staff's calculation that the development of two new residential dwelling units at 8093 and 8099 Main Street would require a \$16,000 tap fee.

B. Business Updates:

- 1) **UIS Update:** UIS has had to re-evaluate its plans due to the COVID crisis. As a result, the company has decided an expansion of its current facility is no longer practical and a larger, stand along building would better suit its current and long range needs. Consequently, the company will need to apply for an amendment to an approved site plan and submit an

application for a land division. The company and its contractor, AR Brouwer are moving quickly to submit the application and revised plans for placement on the Planning Commission's August 3, 2020 agenda.

2) Commonwealth Heritage Group: In an effort to better conform to certain federal regulations, the State Historic Preservation Office (SHPO) is making changes to the Section 106 review procedures. Beginning July 1, 2020, applications for Section 106 review will only be accepted if the review of historic properties, both archaeological and architectural, has been completed by individuals meeting applicable federal qualifications. The City has one business that benefits from this change, Commonwealth Heritage Group.

C. METRO Act Update: The Zayo Group has reached out to staff for guidance on a resubmittal of a Metro Act Permit Application. While a formal application has not been submitted, staff does anticipate one may be coming in the near future.

D. Social Districts and Cocktails to Go: The legislature passed House Bill 5781 to allow a qualified licensee to obtain a permit to sell and dispense alcohol to customers for consumption in the commons area of a social district, until December 31, 2024. The Governor approved the bill July 1, 2020, with immediate effect. Staff is working to compile information and anticipates written report will be provided at your next meeting.

E. Encore Theatre Outdoor Production Series: Due to the current COVID crisis, indoor productions are not allowed. So, The Encore Theatre applied for a temporary use permit to do a series of outdoor musical productions. The Zoning Ordinance allows staff to administratively review and approve temporary uses. In this case the permit was issued for outdoor musical tribute productions associated with and produced by the Encore Theatre, on Thursday, Friday and Saturday evenings, from 7:30 – 9:30 pm, July 16- September 30, 2020. The audience is limited to ticket holders and the total gathering cannot exceed 100 persons, including performers, and social distancing guidelines, as mandated by Executive Order must be followed. Conditions addressing restricting alcohol service and consumption, sound levels, trash and debris were also applied.

3. On-going Projects (Not Updated Since Last Report):

A. Small Business Assistance:

1) Michigan Small Business Restart Program: The Michigan Strategic Fund (MSF) has authorized funding for the [Michigan Small Business Restart Program](#). The program will allow eligible small businesses and non-profits negatively affected by the ongoing coronavirus pandemic to apply for a grant funding up to \$20,000. There will be a single, statewide [application](#) for the [Michigan Small Business Restart Program](#). The [application](#) period opens on **July 15, 2020 and end August 5, 2020**.

Grant Eligibility

Businesses and nonprofits with 50 or fewer employees, worldwide, located in Michigan who have **NOT** received a grant under the Michigan Small Business Relief Program (MSBRP) are eligible to apply. Businesses must also demonstrate for the following:

- Part of an industry or nonprofit that can demonstrate it has been impacted by the COVID-19 emergency
- Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses or other similar expenses
- Demonstrates an income loss as result of the COVID-19 emergency as determined by the Michigan Strategic Fund (MSF).

Additionally, at least 30 percent of the funds awarded under this program will be provided to women-owned, minority-owned or veteran-owned eligible businesses. The MEDC anticipates that more than 5,000 businesses across the state will benefit from this program.

Eligible Expenditures

Grants must be used for expenditures made between March 1, 2020 and December 30, 2020 that meet the following criteria:

- Necessary expenditures incurred due to the public health emergency with respect to COVID-19 (such as resulting from employment or business interruptions due to COVID-19)
- Working capital to support payroll expenses, rent, mortgage payments, utility expenses, costs related to reopening a business or nonprofit or other use authorized under the CARES Act.

More info is also on the Ann Arbor SPARK website: <https://annarborusa.org/news/michigan-small-business-restart-program/>, and they have a number of other COVID-19 related business resources available to you through their [Business Recovery Center](#).

2) **SBDC update:** The Small Business Development Center announced another funding option. It's called MI CEED (Great Lakes Woman's Counsel) is offering up to 25k loans for working capital. The rate for these is 5% for 5 years and it's taking about a week to 10 days to process. It's a loan and not forgivable, however, this is a SBA program and the SBA will be making the first 6 months of payments, as long as the loan is closed before Sept 2020. Here's the link for their website: <https://www.greatlakeswbc.org/ceed-lending>.

3) **Additional Resources:** Staff has compiled a list of resources to help small businesses through the COVID-19 crisis. The information has been electronically distributed to businesses within the city and posted on the City's website https://www.dextermi.gov/businesses/doing_business_in_the_city.php. Resources include:

- List of businesses in the city that are open. The list includes contact information, hours of operation and a description of the goods/services being provided.
- Restaurant Employee Relief Fund is providing \$500 for eligible restaurant employees adversely affected by COVID-19.
- Small Business Support Webinars, including 1) navigating the cash flow crunch, 2) managing your freelance business in the COVID-19 crisis, and 3) sustaining your restaurant during COVID-19. The webinars are provided by the small business development center.
- Small Business Paycheck Protection Program - The Paycheck Protection Program provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits. An updated Fact Sheet was added to the website on April 7, 2020.
- Washtenaw Small Business Resiliency Fund - Ann Arbor SPARK, Washtenaw County's Office of Community & Economic Development, Washtenaw County Community College's Entrepreneurship Center and the Small Business Development Center have developed an emergency fund that provides working capital grants in amounts up to \$2,500 to qualifying small businesses (in Washtenaw County).
- Small Business Relief Grants & Loans - The Michigan Economic Development Corporation is providing immediate relief to small businesses in Washtenaw County through the **Small Business Relief Program**, a funding initiative that will award grants and loans, through Ann Arbor SPARK, to eligible businesses in Washtenaw County.

Ann Arbor SPARK was allocated \$900,000 from the \$10 million MEDC grant fund and Washtenaw County businesses will be eligible for \$375,000 of that allocation. The MEDC loan fund totals \$10 million and will lend eligible borrowers a minimum of \$50,000 and a maximum of \$200,000.

- Economic Injury Disaster Loan - A low interest, fixed-rate loan that can provide up to \$2M in assistance for a small business, through the U.S. Small Business Administration.

B. **RSQE Forecast Update - May 2020:** The University of Michigan Research Seminar in Quantitative Economics has provided an Interim update to its Forecast for the U.S. and Michigan for 2020-2022.

The fallout from the COVID-19 pandemic has reached historic proportions. Real GDP for the first quarter of 2020 fell at a 4.8 percent annual rate. UM RSQE expects real GDP to shrink at an eye-popping 30 percent annual rate (8.5 percent non-annualized) in the second quarter of 2020 and the unemployment rate to exceed 17 percent.

UM RSEQ is optimistic that a dramatic second wave of new COVID-19 cases can be avoided, and that schools will reopen in person in the fall. They predict social distancing to continue over the next several quarters, stemming largely from private sector caution rather than government mandates.

The headline unemployment rate jumped from 4.4 percent in March to 14.7 percent. Total nonfarm payroll employment fell by a historic 20.5 million jobs. The labor force participation rate dropped to 60.2 percent. The May payroll job count is likely to shrink by several million more, while the unemployment rate could top 20 percent. However, UMRSEQ believes a sharp turnaround will start as soon as June.

The 2020-22 Outlook will not be a "V". UM RSQE expects a sharp, severe contraction in second quarter of 2020, a partial snapback in the third quarter, and a slow recovery after. The housing sector largely follows the broader economy, collapsing in the second quarter of 2020 and then partially recovering in the third quarter. As mortgage rates remain low and unemployment rates retreat, housing starts gradually grow.

UM RSQE projects light vehicle sales to recover slowly from an 8.6-million-unit sales pace in March, to a total of 13.3 million for 2020. Sales grow to 15.2 and 15.8 million units in 2021–22, respectively, as unemployment remains elevated.

Law inflation and persistent unemployment are also addressed in the attached summary. You can view the entire forecast by clicking the following link: <https://lsa.umich.edu/econ/rsqe.html>

- C. Short-Term Rentals (STRs):** Staff review the results of the exercise conducted with the Planning Commission at its February meeting, and clarified Commissioners concerns regarding potential adverse impacts, along with STR characteristics that raised concerns. Staff also provided an overview and summary of STR regulations from other communities, similar to Dexter, with key takeaways identified. The PowerPoint Presentation was included in the Planning Commission's February 3rd packet and can be accessed by clicking the following link: https://www.dextermi.gov/Boards_Commissions/Planning_Commission/2020/Packets/2020.02.03.PC.Packet.pdf.

The next step is for staff to begin drafting ordinance language for Planning Commission review. Based on feedback from the Commission, regulations must work with the market, make it easy to operate safely (but do not over-regulate) and update enforcement tools.