

MINUTES (DRAFT)
KOCHVILLE TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY (DDA)
SEPTEMBER 16, 2011 – 8:30 AM (Township Board Room)

Board Members Present: Lyle Davis, Jr., Vern Weber (Vice-Chairman), Jim Loiacano (Township Supervisor), Tom Basil, Jr., Dave Maine

Board Members Absent: Dave Abbs (Treasurer), Scott LaDouce (Secretary), Jon Howell, Don Jackson

Others Present: Steve King (Director), Kevin Kilby, Rob Eggers, Deputy S. Fausnaugh

Proceedings

I. Opening of Meeting

Lyle Davis opened the meeting with the pledge of allegiance at 8:35 a.m.

II. Approval of Agenda

- Moved by Loiacano, second by Basil, to approve the agenda as presented. MOTION CARRIED UNANIMOUSLY.

III. Public Comment - None

IV. Communications / Information

Mr. King said that invitations to the DDA's 2011 open house would be mailed out very soon. The DDA also mailed out a public safety letter with comments from Deputy Fausnaugh and Fire Inspector Rossi.

V. Reports

a. Financials

Mr. King noted that the statement ending August 30 showed a fund balance of \$893,000.

b. Police Protection

Deputy Fausnaugh said that North Saginaw Charter Academy now has a new principal who is proactive in addressing parking concerns at the school.

Mr. Weber said that posited that the DDA may wish to open a gas account card for use by the DDA sheriff's deputies in order to simplify regular fuel and maintenance expensing. Mr. Maine suggested obtaining the Sheriff's Department's credit card policy to know if and how it would affect the DDA vehicle credit card.

- Moved by Weber, second by Davis, to submit an application for vehicle fuel and maintenance credit card, with card not to be used until a card policy is adopted by the DDA and put in place. MOTION CARRIED UNANIMOUSLY.

VI. Consent Agenda

- a. Meeting Minutes of August 12, 2011
- b. Treasury Report / Payment of the Regular Bills
- c. Next DDA Meeting: Friday, September 16, 2011
- d. Board Member Absences

- Moved by Basil, second by Loiacano, to approve the Consent Agenda as presented. MOTION CARRIED UNANIMOUSLY.

VII. Projects and Updates

a. Pierce Road

Mr. King said that the Saginaw County Road Commission would be bidding out the design/engineering services for the Pierce Road reconstruction project.

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Mr. Davis asked how the payment logistics would work for the project. Mr. King said that all the DDA had done to that point was commit up to \$400,000 toward the project. Mr. King would be the DDA's liaison for the project.

Mr. Kilby noted that Spicer Group had done all of the preliminary design work for the project to this point, but had not yet been paid. Mr. King commented that he had indicated to Kochville Township, SVSU and the Road Commission that those preliminary design fees may need to be included as part of the DDA's \$400,000 project contribution, depending on the results from bidding the project's engineering services. Work will likely begin when school is out for the summer of 2012.

b. Tittabawassee Road Streetlight Project

Mr. Eggers said that Helm Electric, the low bidder on the project, would begin installation work on September 20. The first work would be to bury electrical lines, then install concrete pole bases, then install the poles themselves.

Mr. Davis inquired how much Helm Electric's bid was under the DDA's budgeted expense figure, which Mr. King replied was about \$50,000. Helm Electric's bid was about \$175,000, whereas the DDA had budgeted \$225,000 for project installation costs.

Mr. Eggers said the project should be completed by November 15. Consumers Energy will be leaving the cobra head lights on the road in place until after the new lights are installed.

Mr. Basil asked if affected areas would be seeded this fall. Mr. Eggers said it may make sense to wait until the spring to do the landscape restoration work, including seeding.

c. DDA Streetlight (Induction Lighting) Retrofit

Mr. King said that Roenicke Electric has been busy replacing the DDA's existing street light fixtures. Most of the lights to that point were replaced outside of the Bay Road (M-84) corridor.

Mr. Weber said the new lights not only use less electricity but also shine more light output.

d. DDA Office Space Proposal

Mr. King said that the DDA has a terrific working relationship with Kochville Township, so even when the DDA moves its office he expects to be on site at Township Hall rather frequently. He distributed a proposed lease agreement for the property at 5151 Hampton Place within the DDA district, for approximately 1,170 total square feet, at a monthly cost after yearly rent prepayment of \$10.15 per square foot, which includes utilities other than electricity and telecommunications, and which reflects about an eight-percent discount. If rent is not prepaid for the year, the rent is \$1,072.50 per month. Mr. King noted that, as was mentioned at a prior meeting, two board members – Dave Abbs and Tom Basil, Jr. – own minority investment stakes in the property and thus had to abstain from discussion or voting on the item.

Mr. King said that based on the DDA's prior comments about office space, the board desired to find the smallest, least expensive, but professional-looking office space available within the district. The proposed office would provide plenty of space for DDA files and materials, a meeting room area to meet with potential new businesses and other clients, and the means with which to be an intermediary for clients seeking to invest in Kochville Township's DDA district. He noted that the lease contains a 90-day "out clause" that provides the board with some flexibility for the future. In addition, the two-year lease term does not exceed any board member's appointment term so that it adheres to legal requirements.

- Moved by Davis, second by Maine, to approve terms of proposed lease agreement with Hampton Place Leasing LLC, for DDA office space at 5151 Hampton Place, Saginaw, MI 48604, not to exceed \$12,000 in annual rent, subject to approval by DDA legal counsel and DDA insurance provider. MOTION CARRIED UNANIMOUSLY VIA ROLL CALL VOTE.
Yeas: Maine, Weber, Loiacano, Davis
Nays: None
Abstention: Basil

Mr. Kilby stated that even with Mr. Basil's abstention from discussion and voting, the motion still passed because per DDA bylaws, a majority of the present quorum voted in the affirmative.

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- Moved by Maine, second by Weber, to approve payment of lump sum rent for 12 months' rent at 5151 Hampton Place, Saginaw, MI 48604, in the amount of \$11,875.50. MOTION CARRIED UNANIMOUSLY.
- Moved by Weber, second by Maine, to approve up to \$3,500.00 in startup supply and moving-related expenses for the relocation of the DDA office. MOTION CARRIED UNANIMOUSLY VIA ROLL CALL VOTE.
Yeas: Maine, Weber, Loiacano, Davis
Nays: None
Abstention: Basil

VIII. Business

a. Landscaping Maintenance RFP

Mr. Kilby said the only proposed significant change to the contract was the increase in the number of annual grass cuttings, from 15 to 20. The upkeep of the gateway signs was also added to the new proposed contract.

Mr. Basil noted that flags and banners on Bay Road were not technically addressed in the proposed contract language. Mr. King agreed, and said that Tittabawassee Road banners and flags would also need to be added to include those fixtures to be installed this fall.

Mr. Davis stressed that he wants grass, landscaping and public areas, including trash cans, to look desirable.

Mr. Maine suggested that the DDA's image is extremely important. He feels it is important, even if it means paying a bit more, to maintain a high standard and lead by example.

Mr. Kilby said that per section 1.5.4 of the proposed contract, the DDA director has the ability to request special landscaping-related services to be addressed as needed, which provides the DDA with a mechanism to take on additional maintenance responsibility in the future if the board feels this is needed.

Board consensus was to preliminarily approve the proposed contract, with noted amendments, to be bid out.

b. Property Improvement Grant – Introduction

Mr. King said that with no comments having been received as to proposed changes to the grant program language, he was proposing adoption of the language in order to begin implementing a matching improvement grant system. The DDA will need to appoint a subcommittee to review future applications in order to streamline the process. The grant will allow existing businesses to further benefit from their inclusion in the DDA, and also potentially provide an incentive for some future businesses seeking to relocate in the area. The DDA will also need to determine how much money it wants to allocate to the program.

Mr. Kilby noted that the improvement grant would only cover up to 50-percent of exterior improvements, not interior. The DDA retains a great deal of flexibility as to how to fund the program and individual projects. The DDA maintains full legal discretion as to how or if it chooses to fund improvement projects in the district. By approving the language – the grant process – the DDA does not require itself necessarily to fund the program or any projects, but allows any potential projects to be able to be considered much more quickly, subject to board approval.

Mr. Davis pointed out that anyone in the DDA district can apply for the grant. Mr. Kilby also noted that a five-year maintenance easement is required for the DDA to be able to maintain an improvement if it is not kept up by the property owner. He clarified that board members with businesses or property in the district can also apply for the grant.

- Moved by Weber, second by Davis, to approve the Kochville Township DDA property improvement grant program. MOTION CARRIED UNANIMOUSLY.

c. Results from the 2011 DDA Strategic Planning Workshop

Mr. Davis recalled that the DDA held its annual strategic planning session on September 7.

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Mr. Eggers recapped the proceedings of the planning workshop, where the DDA gave feedback on its direction for the next few years. Some projects that are planned to be implemented this year or next include: Tittabawassee Road street lighting; induction lighting retrofit; Pierce Road reconstruction; Kochville walking path extension; and decorative mast arm traffic signals at the Bay/Tittabawassee intersection. Projects newly discussed for future consideration included: sidewalk connections on Bay and Tittabawassee Roads; implementing a public art display program; better defining traffic through the Lowe's parking lot area; utility burial on Bay and Tittabawassee Roads; public plaza construction; and new gateway signage improvements.

Mr. Maine said that the DDA is currently a growth area of the region, and it needs to plan on how to stay there. He inquired whether the proposed projects correlate with what was conceptualized by the MSU community design study earlier in the year. Mr. King said this was largely correct.

Mr. Davis commented that the DDA continues to improve the district. As long as water and sewer and other infrastructure is available, as development comes to the region it is going to want to be in Kochville Township.

Mr. Loiacano noted that the Township has recently begun discussing hiring a part-time planner to assist the Township with implementing plans and other improvements to build on these and other community improvements.

IX. Board Member Comments

Mr. Maine said the DDA is on the "right track."

Mr. Loiacano said that Mr. Howell's term on the DDA is nearly up and will be considered by the Township at its next meeting.

- Moved by Maine, second by Basil, to recommend reappointment of Jon Howell to the DDA board. MOTION CARRIED UNANIMOUSLY.

Mr. Weber commented that for future board appointment considerations, attendance needs to be considered.

Mr. Davis said that he had begun discussing a new contract with Mr. King, as his employment contract expires on March 31, 2012.

X. Adjournment

- Moved by Weber, second by Davis, to adjourn. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 10:01 am.

Minutes written by Steve King

Lyle Davis, Jr., Chairman

Date

Stephen M. King, Director

Date