

Kochville Township Downtown Development Authority
Board Meeting Minutes: July 16, 2010 (DRAFT)
8:30 a.m. at Kochville Township Hall

Board members present: Lyle Davis, Jr. (Chair), Vern Weber (Vice-Chair), Dave Abbs (Treasurer), Jim Loiacano (Supervisor), Jon Howell, Don Jackson, Dave Maine

Board members absent: Tom Basil, Jr., Scott LaDouce

Others present: Steve King (Director); Rob Eggers; Sheila Hill, Stephen Yanca, Mike Burger, David Sanchez, Marci Plahutnik; Vern Jump

Proceedings:

I. Opening:

Lyle Davis called the meeting to order at 8:30 a.m. and led the pledge of allegiance.

II. Agenda:

- Moved by Maine to approve the agenda as presented, seconded by Loiacano. Motion approved unanimously.

III. Minutes:

- Moved by Weber to approve the June 18, 2010 minutes as presented, second by Loiacano. Motion approved unanimously.

IV. Public Comment:

Steve Yanca commended the DDA board on doing a great job. He encouraged the board to continue working on “lightening our dark stores.”

V. Communications - None

VI. Reports:

a. Financial report:

Mr. Abbs said that one small adjustment for \$284 was necessary to the DDA’s financial records after the Township’s audit, but in all the DDA’s records were very clean.

VII. Unfinished Business:

a. Kochville Road:

Marci Plahutnik of Spicer Group said that the project is moving along well. All 4,000 feet of water main and hydrants were in. Some of the directional drilling for the project was done higher than it should have been, so this situation was being remedied.

Mr. Loiacano said he had met with the Shaheens the previous night to discuss a development project on the soon-to-be Temple Drive. He asked the DDA board if it wanted to contribute toward the cost of the Shaheens water connection for this development, for which the Shaheens have said they shouldn’t be

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obligated for more than the same proportion as other nearby connections. Mr. Davis said the DDA board needs to know more about the project before taking action.

Mr. Jackson wished to comment on the Shaheen development. The developer is installing a water loop, per requirement.

b. Signage

Wayfinding:

Marci Plahutnik said that 19 of the sign foundations had been excavated. The contractor is planning on pouring the foundations the week of July 19 over a several-day period. The breakaway foundation brackets are on backorder, and no alternative replacement is available immediately, which has slowed the project. The signs should begin being installed around the first week of August.

Gateway:

Mr. Eggers discussed correspondence from Garbko, which is ready to proceed with the easement for the gateway sign at Mackinaw and Tittabawassee. Garbko would like the sign installed before Labor Day, with no construction during that weekend, which is a busy period for the business.

Mr. King noted that the Township Board of Trustees had not yet approved the sign design, which he hoped would take place on July 27.

Mr. Weber expressed concern with the potential future location of a gateway sign at Davis and Tittabawassee Roads, citing traffic safety concerns at that intersection. Mr. Eggers replied that the exact location of a sign hadn't yet been determined, but that any sign would need to fit the location well.

Mr. Weber also expressed concern with landscape maintenance needs for any gateway signs.

- Moved by Maine, to approve construction of a DDA gateway sign at the northeast corner of Mackinaw and Tittabawassee Roads, subject to Kochville Township approval and obtaining an easement from the affected property owner, at a cost not to exceed \$38,000; seconded by Howell. Motion carried unanimously.
Yeas: Maine, Weber, Abbs, Howell, Jackson, Loiacano, Davis
Nays: None

c. Police Protection

Mr. Weber noted that the police protection agreement was ready for board approval. Negotiations with Saginaw County and the Saginaw County Sheriff's Department eliminated a 5% administrative fee from the cost of the contract. The DDA would purchase a Dodge Charger for use as a patrol car for its sheriff's deputies, saving substantially from the budgeted cost of a Chevy Tahoe. The DDA has requested officers with ICMA (defined contribution) retirement benefits, which would save the Authority about \$17,000 annually per officer; however, this was dependent on union negotiations at the County level. Startup costs for the officers would not exceed \$60,000. The vehicle will be left in the County's name, reducing the DDA's liability and improving the cost of insurance and gasoline.

Mr. Maine asked for clarification that the DDA was contracting for these sheriff's deputies, not officially acting as employer. Mr. Weber replied that this was correct.

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Mr. Davis noted that the agreement was for just over three years of protection, through October 1, 2013.

Mr. Kilby discussed some contract details. The contract contains a full opt-out clause, allowing either party to walk away with 90 days advance notice. Officers can use alternative modes of transportation, including bicycles and motorcycles, with approval from both parties.

Mr. Maine inquired about the cost of the officers. Mr. King noted that the contract calls for up to \$232,458 for two deputies' salary and benefits for the first contract year, but the DDA hopes to be assigned deputies with ICMA retirement benefits, reducing that cost to \$198,798. The contract includes a 2.5% annual escalation.

Mr. Howell asked about hours of patrol. Mr. Kilby said that the hours of patrol will be determined by the DDA and the Sheriff. He suggested leaving initial oversight for the DDA to Vern Weber, eventually transitioning to Mr. King. Schedules will be adjusted based on a number of factors.

- Moved by Loiacano to authorize the DDA Director and Chairman to execute the agreement for police protection with Saginaw County and the Saginaw County Sheriff's Department; second by Maine. Motion carried unanimously.

Yeas: Maine, Howell, Weber, Abbs, Jackson, Loiacano, Davis

Nays: None

Mr. Kilby discussed past litigation between Saginaw County and the Kochville Township DDA, as well as Delta College and the Kochville Township DDA. Saginaw County has decided not to appeal the recent ruling in the DDA's favor with the County; the previous suit by Delta College had also been dropped earlier in 2010.

- Moved by Maine to approve startup costs for DDA police protection related to the approved contract with Saginaw County and the Saginaw County Sheriff's Department, not to exceed \$60,000.00; second by Loiacano. Motion carried unanimously.

Yeas: Maine, Howell, Weber, Abbs, Jackson, Loiacano, Davis

Nays: None

d. Saginaw Township / Kochville Township Walking Path Connection

Mr. King discussed an approved grant from MDOT to help fund the connection of the Saginaw Charter Township walking path to the existing Kochville Township walking path. Both townships would need to match the State of Michigan's funding commitment, currently estimated at a bit over \$127,000 for each jurisdiction. The total project cost is estimated at more than \$567,000. The Township has escrowed about \$25,000 for a walking path project, meaning the unfunded portion of the match is about \$102,000.

Mr. Loiacano discussed the walking path project. The local match required is 35%, meaning most is being funded by MDOT. Because the Township is currently looking at other major financial obligations and the path connection would run entirely through the DDA district, it is requesting assistance from the DDA in funding the Kochville Township local match.

Mr. King noted that there is a strict timetable to meet for deciding whether or not to proceed with the project. MDOT needs to know the intention of Saginaw Township and Kochville Township by August 2010.

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Mr. Davis asked when Saginaw Township would know whether it is interested in proceeding with the project. Mr. Eggers noted that the official response is due by August 1.

Mr. Howell asked what would happen if Saginaw Township didn't commit to the project after the DDA had committed toward Kochville Township's match. Mr. Davis responded that the DDA would not be obligated if this occurred.

- Moved by Maine to approve up to \$51,000 toward the Kochville Township local match portion of the Saginaw Township / Kochville Township walking path connection project, to meet funding match requirements; second by Howell. Motion carried unanimously.

Yeas: Maine, Howell, Weber, Abbs, Jackson, Loiacano, Davis

Nays: None

VIII. New Business

a. Business Incubator

Mr. King gave a presentation regarding business incubators. He has been approached by Saginaw Valley State University regarding a potential partnership to create an incubator in the DDA district. Incubators are, essentially, facilities and programs that help improve the success rate of startup businesses, ideally transferring these businesses into the business district, creating value and economic benefit for the community. Downtown Development Authorities are a very common mechanism for creating incubators, and are eligible to receive and spend grant funds intended for incubators.

b. Elmer Lange Recreation Event and Kochville Harvest Days

Mr. King noted that DDA board members had previously discussed putting on a local business show. He feels that this would be best if paired with another event. The Kochville Township Parks and Recreation Committee is planning the first Elmer Lange Park Recreation Event for August 7, which provides a nice platform for a local business promotional event. He requested \$1,375 to pay for tents, tables and chairs for this tent, which would allow local businesses to promote within the community for little cost.

- Moved by Weber to approve up to \$1,500 for tents, tables and chairs for the Elmer Lange Park Recreation Event on August 7; second by Abbs. Motion carried unanimously.

Yeas: Maine, Howell, Weber, Abbs, Loiacano, Davis

Nays: None

Abstention: Jackson

Mr. King said he has also been approached by Brian Jackson of the Saginaw County Community Foundation, also of the Kochville United Methodist Church, about creating a community harvest event this fall. Part of this event would be a farmers' market, which DDAs often support. The church grounds are located within the boundaries of the DDA district, but this would not be a church event.

Mr. Davis commented that other organizations would need to be treated equally if the DDA were to support this event. Mr. Abbs echoed these concerns.

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Mr. Weber asked for more information on this event. Mr. Davis noted that local farmers had to be included in the event to obtain support from the community.

c. Holiday Decorations and Lighting

Mr. King said that a large number of flags had been blown down off of the DDA streetlight flagpoles this summer, due to the heavy flag weight, high wind speeds, and old flagpoles. The DDA would need to spend money to replace a number of these poles.

Mr. King noted that he had met with Bronner's to discuss holiday decoration options in the DDA district. Options are entirely open-ended. Decorating the district this holiday season would make it more appealing for shoppers and visitors. He has asked Bronner's to prepare several options for the board to consider, which will be presented at the August DDA meeting.

Mr. Maine discussed the positive feedback he's received from holiday decorations at his business. Mr. Weber mentioned that Thomas Township rents its decorations, which simplifies the process for that community.

d. Marketing: Advertising and Newsletters

Mr. King noted that he had met with WNEM, which had approached the DDA regarding holiday advertising. The proposal at hand, with two price points for the DDA reflecting different levels of exposure, would buy a minimum number of television, radio, and internet spots, with DDA businesses being provided the opportunity to purchase spots to dovetail on this at a significantly reduced rate.

Mr. Davis asked Mr. King to inquire with businesses that have participated in Downtown Bay City's co-operative advertising program.

Mr. King explained that the two options developed by WNEM would cost either \$8,175 or \$5,000, with per-spot discounts for the larger program. Businesses would then purchase to co-op onto the program for a limited expense, as little as \$150 or as much as \$1,000.

Mr. Maine asked Mr. King to inquire with DDA businesses to check on their interest in such a program. Mr. Loiacano asked Mr. King to also look into non-traditional advertising methods. Mr. Maine suggested that if the DDA will start marketing the district, it may want to eventually work with a marketing consultant to develop a marketing plan.

Mr. Howell suggested looking into promoting a greater shopping region that could include the rest of the Cardinal Square district, including Fashion Square Mall. Much shopping traffic in the area crosses back and forth across the Tittabawassee Road line.

e. DDA Five-Year Strategic Plan

Mr. King said that a short-term strategic plan would help focus the DDA's efforts most effectively. He had distributed a list of eligible projects from the DDA's TIF plan, and asked board members to look over that list and think about what they'd like to focus on in coming years.

f. Closed session pursuant to Act 267 of the Michigan Public Acts of 1976 to discuss the purchase or lease of real property pursuant to Section 8(d) and to consider material exempt from discussion or disclosure by state or federal statute pursuant to Section 8(h).

