

**MAY 13, 2022**  
**CHARTER TOWNSHIP OF BANGOR**  
**DOWNTOWN DEVELOPMENT AUTHORITY**  
**MINUTES**

Present were Brenda Rowley, Dr. Lee Newton, Kevin Peil, Cristen Gignac, Sandra Covaleski, Jeff Mayes, Mike Thelen and Barb Behmlander.

Absent: Glen Rowley

Also present Richard C. Sheppard, Trevor Keyes, Karl Zarbo of Lormax Stern and Kari Wardynski

The meeting was called to order at 8:00 a.m. by the Chairman.

The Chairman invited public comment and there was no one from the public that addressed the Board and public comment closed at approximately 8:00 a.m.

Roll call was taken as reflected above.

Motion was made by Behmlander and seconded by Mayes to approve the March 11, 2022 Minutes. Voice vote was obtained and unanimous approval of the Minutes.

Item 5 and 6 of the Agenda being the treasurer's report and payment of bills were moved by Behmlander to approve and seconded by Peil. Roll call taken and everyone approved and no one opposed. Absent Glen Rowley.

Item 7, there was a discussion regarding the request for development assistance.

Item 7a was Tri City Brewing, which Kevin Peil reported was already in the works and underway.

Item 7b was a request from Lormax Stern, owners of the Bay City Town Center for some assistance with the relocation of Planet Fitness. Mr. Zarbo representing Lormax Stern indicated that as owners of the Bay City Town Center they have been approached by Planet Fitness that they either wanted to be moved up to a front location with exterior exit or they would be looking to relocate outside of the mall. They continued with the explanation that in order to preserve the large tenant in their building, it would require an expenditure of \$1.2 million comprised of \$925,000 in out of pocket construction costs and a tenant payment of \$250,000 to allow the tenant to pay for associated expenses with its move. This is a unique circumstance because it was not all construction costs nor was it all designed for public facilities, but in large part was to

accommodate a large tenant and in order to continue to have vitality in a very large building, it was necessary to undertake this project rather than letting the tenant leave the building and result in continued decay or vacancies in the DDA area.

Thereafter, Ms. Wardynski had come to the meeting and was asked by the Chairman to provide an update on the financial status. Ms. Wardynski indicated that based upon the enhanced value in the DDA district, the DDA received approximately \$80,000 every year from the capture permitted by Delta College and the Township. They had an obligation to pay to those two taxing jurisdictions, anything in excess of \$500,000 balance. Bay County and Bay Metro Transportation Authority had opted out of allowing any tax capture of their funds.

Based upon the \$500,000 account balance, there had been payment recently made to the other taxing jurisdiction and within the \$500,000 was a \$30,000 amount allocated for a sign for the Shresta Drive area which has not yet been purchased nor constructed. There was further discussion about the reserves necessary and what was necessary for the contract expense budget. Essentially, that was the attorney fees and Niswander Development and they were in the vicinity of \$10,000-\$15,000, although they usually came in less than what was budgeted.

Discussion returned to the development after the attorney had indicated that with the financial assistance granted to Tri City Brewing and the request of Lormax Stern, the DDA could in fact spend their fund balance down below \$400,000 and not be required to make any pass through payment to the other taxing jurisdictions (Delta and Bangor).

There was further discussion about what other activities could be occurring at the Bay City Towne Center, including the potential of a mixed use rezoning to permit both commercial/retail and residential development on the vacant parcel to the northeast of the Towne Center as well as perhaps converting the Towne Center from a single owner with rental agreements to a condominium.

Based upon the extent of all the necessary funds to be expended, it was moved by Brenda Rowley and supported by Kevin Peil to table the request until a special meeting, which is now set for June 10, 2022 at 8:00 am to allow the Board Members to digest and review the information submitted by the applicant. Voice vote was obtained on tabling to the special meeting and all yes.

The Chairman gave an update on the Niswander Environmental indicating that they have requested a meeting on site for EGLE to inspect the current status. The Chairman indicated that he may not be capable of going and asked for volunteers that might be capable of going and shared the dates for all to be able to check their calendars.

There is no new business under Item 9.

Item 10, park bench update was reported on by Ms. Rowley that she had communicated with Supervisor Glenn Rowley that by the next meeting we should have an inventory completed of all park bench locations and the conditions of all park benches in the DDA district and be able to have some cost estimates for replacing these benches as may need to be replaced and perhaps act on this issue in July.

Bay Future status was reported by Mr. Keyes. He thanked everyone for coming to the annual meeting and they had record attendance of approximately 250.

He gave an update on the County committing a \$1 million of the American Rescue Plan Act funds it is receiving for the Bay Future to launch a small business grant program. Bay Future is now receiving grant applications from small businesses to receive up to \$20,000 per business. The grants will be allocated on the basis of continued payroll, rent, mortgage payments and utility payments that have occurred since January 1, 2022 through April 30, 2022. One of the requirements of receiving this program was that there be no overlap with other federal funding programs such as PPA. They have picked that date and the focus to ensure that there would be no overlap.

Other business was that Ms. Covaleski confirmed that as a Planning Commission member that Chipotle had been approved for construction in an out lot in front of Walmart, although it would be a downsized version without inside dining.

Moved by Brenda Rowley and seconded by Cristen Gignac to adjourn at approximately 9:02 am.

Richard C. Sheppard  
Recording Secretary