

**CHARTER TOWNSHIP OF BANGOR
DOWNTOWN DEVELOPMENT AUTHORITY
MINUTES**

A regular meeting of the Charter Township of Bangor Downtown Development Authority was called by the Chairman to be held on August 7, 2017, commencing at 8:00 AM, prevailing time at the offices of the Township pursuant to notice.

Present: B. Behmlander (at 8:30 AM), C. Gignac, J. Mayes, L. Newton, J. Rivet,
G. Rowley and T. Thelen
Absent: S. Covaleski and B. Rowley
Also present: K. Wardynski and W. Darbee

The Chairman called the meeting to order at 8:00 AM after determining that a quorum was present by roll.

The Chairman noted that Mr. Jeff Mayes has been appointed to the Board and is best remembered as a prior Supervisor and member of the DDA.

The Chairman called for persons who wanted to address the Board. The Chairman asked to amend the agenda without objection. He then deleted items 9 and 10 and replaced them with (9) Request of Bay City Mall for funding, and (10) Lesneski request for gift of Lots in return for an office building of greater than \$1,000,000. Hearing no objection, the Chairman went on the next item on the agenda.

The Chairman requested acceptance of the May 1, 2017 regular meeting minutes. Mr. Rowley moved acceptance of the May 1, 2016 regular minutes as circulated. Ms. Girgac seconded the motion. The motion passed seven votes in favor, zero votes against.

The Treasurer, Ms. Wardynski, reviewed the quarterly report. The Debt Retirement & Projects Fund has after pre-approved payments the sum of \$789,576.85. The Operating Fund has after payments to Weinlander Fitzhugh (\$2,050.00) and Bay Area Chamber of Commerce (\$381.00) and to be approved payment to Darbee Hammond, PC (\$1,000.50) a balance of \$27,795.87. Ms. Wardynski then reviewed a budget adjustment to allow the purchase of the tractor. Mr. Rowley moved with support of Mr. Newton to authorize payment of the bills as reported by the Treasurer and receive her report. The motion passed seven votes in favor, zero votes against.

Ms. Wardynski then reviewed a Budget Adjustment to reflect tractor purchase. Mr. Rowley with support of Mr. Newton moved to recommend adoption of the adjusted budget to the Township Board. The motion passed seven votes in favor, zero votes against.

The Chairman reminded all that last meeting he reported that during a wind storm a sign had blown off the Euclid sign and had damaged a car located on Thelen's lot. He indicated that personnel from the County under Ms. Gignac's direction were able to fix the sign for free. The Chair then led a discussion whether the DDA should maintain the sign remove it. Consensus was to leave the sign as it was useful for the multi-purpose arena. Rentals on the sign will be pursued by the tenants in the park.

The Chair then brought to the attention of the Board another request of Bay City Mall for \$100,000 payment for \$2,000,000 renovation in the elimination of the food court with Petsmart. The Chair stated that this is the 3rd request in generic format of the Mall owners for \$100,000 for a \$2,000,000 investment in the Petsmart location. Over time the Return of Investment of 5% of total expenditures has been overlooked. Additionally the requests are coming piecemeal with no plan in so far as the DDA is concerned. He advised that Malls are taxed differently than other businesses and are based upon rentals versus cash value and thus the return is much longer than normal. After discussion it was the consensus to not act upon the request until next meeting when the DDA might be presented with an overall plan from the Mall and a review of the return on investment.

The Chairman summarized the request of Dr. Bobby Lesneski asking for a gift of the two lots in Shresthat Subdivision next to the Tendercare facility in return for the construction of a dental building for not less than \$1,000,000 of investment. He noted that this would likely solve the problem of filling by the DDA as the two lots would need to be properly filled and the lot next to the County Arena could be the recipient of excess fill dirt. After discussion it was moved by Ms. Girgac with support of Mr. Newton that the Chairman be authorized to pursue the creation of an Agreement with Lesneski on the terms as outlined. The motion passed seven votes in favor, zero votes against.

The Chairman indicated that personnel from the Bay County Drain Department had done some work at the wetlands mitigation site. He stated that the fragmites could not be cut because of the warm winter and they will need to be cut next winter.

B. Behmlander arrived at 8:30 AM

The Chairman returned to the obligation of the DDA to fill the S & S Lots owned by the DDA. Since about three years is still left to get the fill completed, his recommendation is to wait for a while to address the fill issue but keep it on the agenda.

The Chairman indicated that there was nothing further to report on Bay Future at this time.

The Chairman asked if there was any other business to come before this body at this time. No recreational funds are legitimate to pay for the school funding. Rowley: Township may not be able to fund its \$10,000 funding.

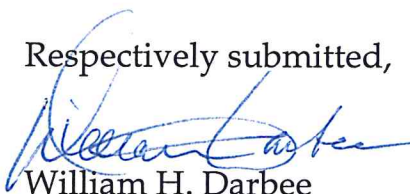
The Chair outlined to Ms. Behmlander the issues related to the request of BC Mall and that action is delayed until the next meeting. Ms. Behmlander advised Lormax Stern does all the renovation work and provides a tenant with a completed structure ready to put inventory on the shelf. It does the remodel for all tenants versus paying the tenant. The goal of Lormax Stern is to bring tenants to the Mall from outside the areas and specifically those tenants not being served by other malls and Birch Run. She advised that the Mall is starting to project its budgets and needs for the 2018-19 years. The Chair indicated that before the Board acts on the request that it needs to have a strategy of Lormax Stern for the future as well as to try to determine a return on its investment..

Newton asked about the weeds by the sign into park. Mr. Rowley stated that the Township has done the cutting but the work has not been inspected yet and thus will have to get back with Mr. Newton later in the week. Mr. Newton also desires to have any information that the DDA has on the remaining Lots for sale which the Chair will get to him.

Ms. Behmlander stated that along the sidewalks, the grass needs to be cut back on sidewalks as the overgrowth is both unsightly and very difficult to control. Mr. Rowley indicated he would look into her suggestion.

The Chairman hearing no further request for business, adjourned the meeting at 8:47 AM.

Respectively submitted,



William H. Darbee
Recording Secretary