

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

The regular August meeting of the Charter Township of Bangor Downtown Development Authority was held on August 6, 2012, commencing at 7:30 A.M., prevailing time at the offices of the Township pursuant to notice.

Present: B. Behmlander, K. Lange, D. Leitermann, L. Newton, J. Rivet, M. Rowley, T. Watson and D. Zube

Absent: T. Thelen

Also present: T. Keyes, H. Eagle and W. Darbee

The Chairman called the meeting to order at 7:32 A.M. after determining that a quorum was present by roll call of the Chairman.

The Chairman then asked if there was any person in attendance who wanted to address the Board. The Chairman noted that no one made a request and so he moved onto the next order of business.

The Chairman requested acceptance of the May 7, 2012 regular meeting minutes. Mr. Zube moved that the minutes of the May 7, 2012 regular meeting minutes be accepted as circulated with the agenda. Ms. Behmlander seconded the motion. The Chairman called for questions on the motion and hearing none, the Chairman then called for discussion on the motion. The Chairman hearing no request for discussion on the motion, called for a vote on the motion. The motion passed seven votes in favor, zero votes against to accept the minutes of May 7, 2012 as circulated with the agenda.

Mr. Watson arrived at 7:38 AM.

The Chairman asked the Treasurer to review the quarterly report. She noted that the Debt Retirement & Projects Fund will have a cash balance as of August 6, 2012 of \$1,035,624.50 after pre approved payments of \$17,569.96 which the Treasurer itemized. She then reported that the DDA Operating Fund will have a cash balance as of August 6, 2012 of \$5,212.17 after payment of the itemized statements of \$2,608.00. She indicated that the budgets are set forth in back of the report and the receipts and expenditures are in line with the budgeted amounts. She does however, anticipate a number of budget adjustments to be done at the November meeting. Mr. Rowley moved to receive the Treasurer's report and including authorizing the Treasurer to pay the itemized statements as referenced. Mr. Watson seconded the motion. The Chairman called for questions on the motion and hearing none, he then called for discussion on the motion. The Chairman hearing no request for discussion

on the motion, called for a vote on the motion. The Motion passed eight votes in favor, zero votes against to receive the report of the Treasurer including payment of the itemized billings as listed.

The Treasurer then reviewed the 2011 Audit. She noted that the audit is without issues. Mr. Lange moved to receive the report. Mr. Rowley seconded the motion. The Chairman called for questions on the motion and hearing none, he then called for discussion on the motion. The Chairman hearing no request for discussion on the motion, called for a vote on the motion. The Motion passed eight votes in favor, zero votes against to receive the 2011 Audit.

The Chairman next noted is a report on the update on the expansion status of the DDA. He stated that details are still pending and so no update is being presented.

The Chairman stated he received a report from Bay Futures. He also noted that Mr. Keyes was in attendance to provide an update of Bay Future activities for the period January through June 2012. Following Mr. Keyes' report, Mr. Lange asked what specific efforts are being done to market the DDA by Bay Future. Mr. Keyes stated that no website specific activities are on line, but upon inquiry at Bay Futures the lot sites are regularly being provided to interested developers. He noted that some inquiries are location specific or in other ways are not useful for the inquirer.

The Chairman passed a one-page rendition of events occurring with relation to the electronic sign on Shrestha Drive at Wilder. Mr. Rowley then brought the Board up to date on recent happenings of the Empire Sign project. He noted that the issue of the breakaway system is new to the sign company. He indicated that the sign frame should be constructed in the next few days. He stated that the permits have not yet been taken out at the Road Commission. He also stated that the frame installer has been in touch with him about the installation process and since he is familiar with the installer, he believes that the work will be completed in a few days. At the request of the Chairman, the attorney provided a Memo relating to the procedure of cashing in on the Letter of Credit. Ms. Leitermann advised Mr. Rowley that the sign permit has been prepaid at the Road Commission by the DDA. Mr. Watson advised that he has a box of electronics which he believes needs to be installed in the sign. Mr. Rowley made a motion to allow either the Chairman or Mr. Rowley to commence the required action to secure the money from Independent Bank on the Letter of Credit within two weeks unless the project is completed or other arrangements are completed to extend the Letter of Credit. Mr. Lange seconded the Motion. Ms. Behmlander questioned what are the default provisions in the contract. The Chairman noted that the Memo of

the attorney is that the Letter of Credit is in default as of this date. The Chairman called for questions on the motion and hearing no further questions, he then called for discussion on the motion. The Chairman hearing no request for discussion on the motion, called for a vote on the motion. The Motion passed eight votes in favor, zero votes against to authorize Mr. Rowley or the Chairman to commence proceedings to collect on the Letter of Credit in two weeks.

The Chairman indicated that the Streetscaping Committee has completed the entranceway on Shrestha Drive from Wilder. The Chairman emphasized that some of the landscaping costs were privately funded and paid directly by Mr. Newton.

The Chairman noted that Dr. Shrestha is willing to sell the remaining lots to the DDA in the Commercial Park at a distressed price as the DDA has worked with him in the past. Mr. Lange noted that the SEV is about \$319,000 and inquired if the DDA is interested in purchasing it for the “distressed value.” The Chairman was not aware of what the “distressed value” might be but thought it could be about the value of the SEV. Ms. Behmlander moved to consider this offer at the November meeting subject to securing a market appraisal of the land. Mr. Zube seconded the motion. Mr. Rowley indicated that owning the land may bring the value of the land down. The Chairman noted that this would place any developer in an enviable position if the developer had to put down 20% on any project. Mr. Zube would like to know the carrying costs for the land. Mr. Newton indicated there is a difference between a market appraisal and a Broker’s Price Estimate. Ms. Behmlander with consent of Mr. Zube modified the motion to change the market appraisal to a Broker’s Price Estimate, if cost effective and is \$1,000 or less, and to allow the Chairman to call a special meeting prior to the November meeting if deemed necessary to act upon the offer. Mr. Rowley asked Mr. Keyes if providing free land would be beneficial. Mr. Keyes stated generally yes, but it would depend upon the circumstances, such as location, and the business involved. Mr. Rivet noted that there are other property owners on or about Shrestha Drive who may be affected by the decision of the DDA to provide free lots to a developer. The Chairman called for questions or discussion on the motion called for a vote on the motion. The Motion passed eight votes in favor, zero votes against to secure additional information and bring it on for further discussion at the November meeting or an earlier special meeting of the Board.

The Chairman noted that a sidewalk just north of The Home Depot cannot be constructed on the land because of the owner’s objection to an easement. Mr. Lange described the factual situation involving the area and issues involved. Mr. Lange noted that a DDA option might include adding a sidewalk next to the roadway,

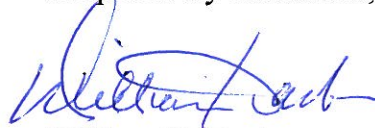
assuming enough area is involved with the permission of the Road Commission and a review of the current easements which traverse the property. Mr. Rowley suggested reviewing the documents relating to the land to see if some land may be available to place a sidewalk in the area. The Chairman suggested that Civil Engineering Consultants should be the lead in approaching Road Commission about the sidewalk location. Mr. Rowley moved to request the Drain Commissioner to survey the frontage of the lot in question should there be a relevant easement found in the area including locating the western edge of the existing highway and if found to be appropriate to authorize the Chairman to proceed with installation of the sidewalk. Mr. Zube seconded the motion. The Chairman called for questions on the motion and hearing none, he then called for discussion on the motion. The Chairman hearing no request for discussion on the motion, called for a vote on the motion. The Motion passed eight votes in favor, zero votes against. The Chairman requested that if construction of a sidewalk is appropriate, then Mr. Watson be authorized to proceed with the details of locating and constructing of the sidewalk. If no easement can be constructed, then Mr. Watson will request an alternate location of the crosswalk across State Street.

The Chairman asked if the attorney had any report. The attorney provided no additional report.

The Chairman asked for old business, and hearing none moved onto the next order of business which was new business.

The Chairman hearing no further business requested a motion to adjourn. It was moved by Mr. Lange with a second of Ms. Behmlander to adjourn the meeting at 8:11 AM. The Chairman hearing no opposition to the motion declared the meeting adjourned at 9:05 AM.

Respectively submitted,



William H. Darbee
Recording Secretary