

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

The regular May meeting of the Charter Township of Bangor Downtown Development Authority was scheduled to commence at 7:30 AM on May 6, 2013, prevailing time at the offices of the Township pursuant to notice.

Present: B. Behmlander, K. Lange, D. Leitermann, L. Newton, J. Rivet (at 7:48 AM), T. Thelen, T. Watson (at 7:45 AM) and D. Zube

Absent: M. Rowley

Also present: M. Samyn, K. Zarbo, T. Thurlow and W. Darbee

The Chairman, Mr. Lange, called the meeting to order at 7:35 A.M.

The Chairman then asked if there was any person in attendance who wanted to address the Board. Mr. Newton of Newton Properties wanted to present an agreement which he has with Graff Chevrolet who was represented by Mr. Thurlow. He passed out a summation of his presentation which would include a purchase of some or all of the property at a reasonable sum with an option of a transfer back to the DDA of a portion of the property in the future should a higher and better use option present itself. They plan on using the area for parking of cars and in return would maintain the area, by putting in sidewalk, pay the taxes, plant trees, create a park/garden and pay for same. They would work with the DDA should a better use become available. The Chairman suggested waiting until next meeting to make a decision so as to allow the DDA members to absorb their presentation and perhaps for the proposed Lessees to refine their presentation. Mr. Thelen suggested to consider their proposal positively and to allow them to bring further details for consideration, perhaps at a special meeting of the Board. Mr. Thurlow on behalf of Graff indicated that they were in agreement with the statement of Mr. Newton.

The Chairman requested acceptance of the February 4, 2013 regular meeting minutes. Ms. Leitermann moved that the minutes of the February 4, 2013 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 six votes in favor, zero votes against to accept the minutes of February 4, 2013 meeting as circulated with the agenda.

Mr. Watson and Mr. Rivet both arrived.

The Chairman asked the Treasurer to present the quarterly financial report. Ms. Leitermann noted that the DDA Debt Retirement & Projects Fund started with

\$887,574.80 and had pre-approved payments since the last meeting of \$750 to Muchlfeld Builders for removal of the old Ice Arena Sign and \$345 to Civil Engineering Consultants for a sketch of the Landscape Wall and Easement Description for the Shrestha Drive entrance off Wilder Road for a total of \$1,095 leaving a balance as of today of \$886,479.80. She then advised that the Authority Fund started with \$29,396.60. A pre-approved fee to the Township for Administrative Fees of \$6,000 leaves a balance before payables of \$23,395.60. There are currently payables for attorney fees of \$1,330, to Bay Future of \$10,000 and to the Township for snow removal of \$4,550 which will after payment leave a balance of \$7,515.60. After her presentation, Mr. Zube moved with support of Mr. Thelen to pay the outstanding itemized billings and to receive the report of the Treasurer. The Chairman asked for questions on the motion and hearing none called for a vote on the motion. The motion passed eight votes in favor with no votes against.

The Treasurer suggested an amendment to the budget to decrease Attorney Fees by \$50 and to increase Miscellaneous by \$50 to pay for the Sign Permits to the State for the Multi-Use building. Mr. Lange moved with support of Mr. Rivet to adopt the proposed budget changes and to recommend adoption to the Township Board. The Chairman asked for questions on the motion and hearing none called for a vote on the motion. The motion passed eight votes in favor with no votes against.

The Chairman next requested a report on the update on the expansion status of the DDA. Mr. Watson stated that there is no report for this meeting. The Chairman noted that the DDA was established in July 1989 and it goes until terminated. The TIF Plan and Development Plan were adopted October 30, 1989 with a duration of 30 years. The Township Board can amend the TIF Plan and Development Plan up to October 30, 2019.

The Chairman then noted that since the last meeting the Bay City Mall has been sold. He stated that in November he along with Mr. Watson met with the potential owners of the Mall. He stated that the Mall is the bedrock for the Development Area and the DDA would likely support assistance as deemed appropriate and pursuant to the statute. Mr. Zarbo a representative of the owners gave a presentation of what they desire to do with development and answered questions as they arose. He noted that the owner also represents various entities. Thus part of their success has been the fact that they are owners and brokers of various stores. He noted that the management team will continue in tact at the Mall. He stated that the space where a new Marshalls will be located is about to be under construction. He noted that two tenants in the new Marshalls area have been relocated in the Mall. It is the Mall's desire that Marshalls will be open before the Christmas season. He advised

that Rue21 will be a new tenant while Shoe Department will be expanding and will be changing its name to Encore. The initial cost of this Phase I will be \$1,500,000 and an additional 13,000 square feet under lease. Phase II will be started after the December season and start in early 2014 with \$3-3,500,000 construction cost. He noted that much of the upgrading will be to meet current codes and handicap facilities as well as a general facelift for the Mall generally and getting ready leased areas for the new or relocated stores. He assured the Board that there are many local subcontractors doing the work with Clements Electric starting shortly on the job. Mr. Lange moved to have a Development Agreement for the Phase I Project which would repay the Mall for DDA project eligible funding up to a maximum of \$75,000 with no minimum nor a requirement of an increase in the taxable value of the Mall. Mr. Rivet seconded the motion. The Chairman asked for questions on the motion and hearing none called for a vote on the motion. The motion passed eight votes in favor with no votes against. He then requested the attorney to prepare the Development Agreement with the Mall as soon as possible.

The Chairman stated he received a monthly report from Bay Futures. He noted that he had a very informative conversation with Ms. Samyn stating that Bay Futures should be considered as a resource for the DDA. Ms. Samyn confirmed that Bay Futures should be considered as a 3-person staff of the DDA for ideas or assistance. The Chairman confirmed that with the passage of the payment to Bay Futures earlier, that the DDA is now signed up as a supporter for Bay Futures for another year.

The Chairman asked Mr. Watson about the status of the easement with Gordons at the entrance of Wilder Road with Shrestha Drive. Mr. Watson stated a motion was needed in order to hold Gordon's harmless. Mr. Darbee noted that is within the easement as stated. To be safe, Mr. Watson moved to be able to work on any language modification which is being requested by Gordons. Mr. Rivet seconded the motion. The Chairman asked for questions on the motion and hearing none called for a vote on the motion. The motion passed eight votes in favor with no votes against.

The Chairman asked Mr. Rivet to present the status of a possible Dutsky easement along State Street Road for a sidewalk. Mr. Rivet indicated that with each solution that he presents to Mr. Dutsky, that Mr. Dutsky continues to raise additional concerns. As a result Mr. Rivet stated that the easement will not be able to be voluntarily secured at this point. Following discussion, Mr. Thelen moved to request the Township to commence condemnation in order to secure an easement for a sidewalk over the property of Dutsky which would be funded by the DDA. Mr. Newton seconded the motion. The Chairman asked for questions on the motion and

hearing none called for a vote on the motion. The motion passed eight votes in favor with no votes against.

The Chairman suggested that the lots purchased from Shrestha needed to be cleaned up and presentable for sale. Accordingly, he moved to create a budget of \$5,000 to be used to clean up the properties purchased from Shrestha. Mr. Watson seconded the motion. The Chairman asked for questions on the motion and hearing none called for a vote on the motion. The motion passed eight votes in favor with no votes against.

The Chairman stated that he was unaware of the status of any other new developments which had contacted the DDA since the last meeting.

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

The Chairman asked for old business.

The Chairman asked for any new business.

The Chairman hearing no further business requested a motion to adjourn. It was moved by Mr. Watson with a second of Mr. Rivet to adjourn the meeting at 8:45 AM. The Chairman hearing no opposition to the motion declared the meeting adjourned at 8:45 AM.

Respectively submitted,



William H. Darbee
Recording Secretary