

**MINUTES OF THE CLAY TOWNSHIP DOWNTOWN DEVELOPMENT
AUTHORITY MEETING HELD TUESDAY, NOVEMBER 14, 2006 IN THE CLAY
TOWNSHIP MEETING HALL, 4710 PTE. TREMBLE ROAD, CLAY TOWNSHIP,
MICHIGAN.**

Chairperson Richard Wagner, Jr. opened the meeting at 7:30 p.m.

1. **ROLL CALL:** Present: Chair Richard Wagner, Jr.; Vice Chair Mark Thompson; Ann Horeftis, William Seifert, Jon Manos, Arthur Bryson. Absent: Pauline Dueweke. None.

Also present: Treasurer Connie Turner, Deputy Clerk Dorothy DeBoyer and Sergeant Patrick Foster.

2. **APPROVAL OF AGENDA/AMENDMENTS:**

Motion by Thompson, supported by Little, to add to the bills payable the bill from International Counsel on Shopping Centers. Ayes: All. Nays: None. Absent: Dueweke. **MOTION CARRIED.**

3. **APPROVAL OF THE OCTOBER 10, 2006 MINUTES:**

Motion by Thompson, supported by Seifert, to accept and file the 10/10/06 Minutes as submitted. Ayes: All. Nays: None. Absent: Dueweke. **MOTION CARRIED.**

4. **TREASURER'S REPORT OCTOBER 10, 2006**

Motion by Thompson, supported by Little to approve the Treasurer's Report for October 2006 as submitted. Ayes: All. Nays: None. Absent: Dueweke. **MOTION CARRIED.**

5. **BILLS PAYABLE:**

Motion by Thompson, supported by Seifert to pay the bills as follows: Recording Secretary Bill \$67.50 and the ICSC bill. Ayes: All. Nays: None. Absent: Dueweke. **MOTION CARRIED.**

6. **COMMUNICATIONS:** Chair Wagner asked if there is any additional communications not included in tonight's packet?

7. **OLD BUSINESS:**

a) **GOODEN PROPERTY (4768 Pte. Tremble Road) DISCUSSION:**

Jon E. Manos: There have been questions raised concerning the legality of purchasing the property next door. Thought we could purchase the land through a purchase agreement from the bank. An opinion from Robert Bendzinski regarding if municipalities and Authorities have the right to purchase property or make capital improvements without going through the bonding process. Township Attorney John McNamee was asked by the Township to research Mr. Bendzinski's opinion. After a great deal of time and effort was expended, Attorney Mr. McNamee has provided an opinion with respect to the concurrent jurisdiction of both the Downtown Development Authority and the Clay Township Building Authority. Bottom line is the Township can go down to the bank and borrow the money to purchase the land through a sale with the bank over a 15-year period. Mr. Bendzinski has created a problem that has taken time and finances. Mr. McNamee's letter states there is no question that the DDA can invest in capital improvements for the property. Capture amount over 2 Million Dollars over the next 4-5 year period until the capital debt winds down.

Pauline Dueweke arrived at 7:40 p.m.

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Jon Manos: The DDA would create whatever the capital improvements would be to that property. It is a worthwhile piece of property; DDA would not have to borrow anything. Suggest the DDA make a commitment to some capital improvements to be used on the property in the amount of \$700,000 range, it would leave the DDA with 3 Million to carry on whatever the DDA has so far in their programs which are existing and would give the DDA something solid. The Township Board then can make a commitment to purchase. DDA cannot extend out on the long-term lease, simpler for the General Fund to buy the property and the DDA would submit a capital improvement program.

Chair Wagner: Questioned in four years where do you get 2 Million Dollars.

Treasurer Turner: Stated figures.

Jon Manos: Calculations were from the Assessor.

Chair Wagner: There have been four (4) different plans in the past few months to purchase this land.

Lengthy discussion between Mr. Manos and Chair Wagner regarding the plan.

Mr. Manos: Township would front the money, if DDA does not commit to making capital improvements, it will not be purchased. Do we want to have a building, gazebo, walkways, public facilities for the Township?

Ann Horeftis: Questioned how this money is to be spent.

Jon Manos: Joint venture for the people, asking for is a commitment to have a capital improvement program that we can tell the people that we can accomplish over the next several years.

Ann Horeftis: Who are we talking about and who gets to decide how that money is spent? Think the DDA should have access to the figures and how calculated.

Mr. Manos: Explained the breakdown and how the Assessor calculates the capture.

Pauline Dueweke: This is taxpayer's money, citizens assume we are working together for the interest of the township as a whole. Property has great potential, realistically would be a worthwhile capital investment. Can't we form a joint committee as an authority for whatever public building is put on the property? In a power struggle, we have an opportunity to buy land.

Jon Manos: DDA would commit to \$600,000 to \$700,000 out of 2 Million dollars, you would have the remainder to spend on programs you have right now. Not looking to kill the DDA budget, something that would be solid to spend money on. General Fund can handle the purchase within the budget and the DDA can handle the other end of it. Township Board would need a commitment.

Chair Wagner: It will take the DDA \$600,000 to finish the sidewalk to the swamp, costly easement acquisitions. Stated oppositions the DDA has to face, DDA theme stumbling blocks, etc.

Pauline Dueweke: Could we make it a percent of the DDA capture?

Jon Manos: It has to be a commitment in dollars.

**MOTION BY DUEWEKE TO FORM AN ADHOC SUBCOMMITTEE OF TOWNSHIP BOARD MEMBERS, DDA MEMBERS AND ANY OTHER INTERESTED CITIZENS THAT ARE INTERESTED TO ADDRESS THE ISSUE OF CAPITAL IMPROVEMENTS AS SOON AS POSSIBLE AND HAVE THAT COMMITTEE REPORT BACK WHAT THEY THINK IS A FEASIBLE SOLUTION.
NO SUPPORT.
MOTION DIES.**

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MOTION BY DUEWEKE THE DDA SUPPORTS THE CONCEPT TO MAKE A COMMITMENT TO FUND THE PROPERTY IF THE TOWNSHIP BUYS IT.

Discussion:

Jon Manos: Rather see the motion state donate some dollars into this thing and we can come back with a formal resolution to commit the dollar and it could then be recommended to the Township Board.

Chair Wagner: Really resent making suggestions of what amount of money the DDA will put in for capital improvement when nobody has any information on what kind of improvements, game plan changes every time.

MOTION BY DUEWEKE, SUPPORTED BY THOMPSON THE DDA COMMIT \$500,000 AT A RATE OF \$100,000 A YEAR TO ASSIST THE TOWNSHIP IN FUNDING CAPITAL IMPROVEMENTS TO THE PROPERTY NEXT DOOR TO THE TOWNSHIP OFFICES PROVIDING THE TOWNSHIP BUYS IT.

Discussion:

Jon Manos: Installment program for a budgeted amount would have to sit and wait.

AMEND THE MOTION: DDA TO COMMIT UP TO \$500,000 TO ASSIST IN FUNDING CAPITAL IMPROVEMENTS TO THE GOODEN PROPERTY IF THE TOWNSHIP BUYS IT.

Discussion:

Joe Little: Should stay with the \$100,000 per year.

Manos: Could open up an appeal process allowing capturing units to apply for a share. Lengthy discussion what the amount of capture the DDA would receive over the next several years.

Thompson: Agree amending the original plan would bring other entities into play.

R/C VOTE: AYES: Thompson, Dueweke, Manos, Bryson. NAYS: Horeftis, Seifert, Little, Wagner.

MOTION FAILED.

b) Phase II:

No final bill from the contractor, process of correcting drain problems.

c) Traffic Light at Ainsworth:

Mark Thompson: Light is an emergency light only activated by the fire department, if DDA billed for light, personally will not approve it.

d) **Flower Pots:** Picked up and put in storage; like to look at a more professional way next spring.

e) **Phase III:** No discussion.

f) Township Sign Proposal:

Sign update: Clay Twp. LDT sign was approved for the amount of \$31,044.00.

Consideration today is the two police signs, one on Taft and M-29. Sign Company will remove them and take them to the shop and refurbish to match the large sign for a cost of \$2,724.38. Hold off completion of the large lawn sign until it is decided definitely if the property next door will be purchased, if so the placement of the main sign would be relocated.

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MOTION BY SEIFERT, SUPPORTED BY BRYSON TO ACCEPT THE PROPOSAL FROM PHILLIPS SIGN & LIGHTING INC. FOR THE TWO POLICE SIGNS FOR A COST NOT TO EXCEED \$5,500.00, WORK TO COMMENCE ON THESE SIGNS A.S.A.P. AND TO DEFER THE WORK ON THE LARGE SIGN. AYES: ALL. NAYS: NONE. ABSENT: NONE.

MOTION CARRIED.

g) Community Survey update. Dorothy DeBoyer reported.

8. NEW BUSINESS:

A. BUDGET AMENDMENT

Two items on the agenda:

- Treasurer Connie Turner explained police equipment money left over from last budget, which was money that was given to police for equipment. Not originally put into new budget.

- Had to lower property taxes because DDA cannot capture from the fire dept. because it is a special assessment.

MOTION BY THOMPSON, SUPPORTED BY SEIFERT TO APPROVE AMENDING THE DDA FISCAL YEAR BUDGET AS FOLLOWS:

- CURRENT REAL PROPERTY TAXES: REMOVE FIRE DEPARTMENT TAXES FROM THE DDA REVENUE FOR THE FISCAL YEAR BUDGET IN THE AMOUNT OF \$31,787.87;

- POLICE EQUIPMENT LINE: POLICE EQUIPMENT HAD MONEY LEFT OVER FROM LAST BUDGET IN THE AMOUNT OF \$38,251.92. AMEND FISCAL YEAR BUDGET TO INCLUDE INTO NEW BUDGET.

R/C VOTE: AYES: HOREFTIS, SEIFERT, BRYSON, MANOS, THOMPSON, WAGNER. NAYS: NONE. **MOTION CARRIED.**

SERGEANT PATRICK FOSTER: Presented to the DDA Board the expenditures to date and outstanding debts owed. Also, he presented a plan of expenditures should the DDA approve the remaining money from the police budget.

MOTION BY THOMPSON, SUPPORTED BY HOREFTIS TO AUTHORIZE THE POLICE DEPARTMENT TO SPEND THE BALANCE OF THEIR MONEY AS PRESENTED BY SERGEANT FOSTER UP TO \$38,261.00. AYES: ALL. NAYS: NONE. ABSENT: NONE.

MOTION CARRIED.

9. BOARD MEMBER COMMENTS:

Discussion concerning the purchase of the property, need time to consider the options, form a subcommittee to research and come up with some ideas, need a game plan, etc.

Jon Manos: Very disgusted with the DDA Board's outlook and there was a lot of work that went into projecting the capture the DDA would receive over the years ahead, not garbage opinions. This issue could have been resolved.

Jon Manos excused at 9:11 p.m.

Continued discussion by the Board on the issue.
Many opinions from the Board were expressed.

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MOTION BY BRYSON, SUPPORTED BY SEIFERT, IF CLAY TOWNSHIP BUYS THE GOODEN PROPERTY, 4768 PTE. TREMBLE ROAD, THE DDA WILL COMMIT TO SPENDING UP TO \$500,000 FOR CAPITAL IMPROVEMENTS TO THE PROPERTY AS THE DDA BOARD SEES FIT.

R/C VOTE: AYES: LITTLE, DUEWEKE, THOMPSON, BRYSON, SEIFERT, HOREFTIS, WAGNER. NAYS: NONE. ABSENT: MANOS (excused).

MOTION CARRIED.

10. PUBLIC COMMENTS:

Dorothy DeBoyer: Personal opinion regarding the property issue, we are all Township Boards and do think we need to work in a spirit of cooperation, think what is beneficial to our citizens. Hoping this can move forward and be beneficial to all concerned.

11. ADJOURNMENT

Motion by Seifert, supported by Thompson to adjourn the meeting at 9:50 p.m. Ayes: All. Nays: None. Absent: Manos. MOTION CARRIED.

Valerie J. Kulba
Recording Secretary