

CITY OF LOWELL
DOWNTOWN DEVELOPMENT AUTHORITY
THURSDAY, AUGUST 4, 2016
12 NOON

AT

LOWELL CITY HALL
COUNCIL CHAMBERS
SECOND FLOOR
301 EAST MAIN STREET

1. CALL TO ORDER; ROLL CALL
2. APPROVAL OF THE AGENDA
3. APPROVAL MINUTES OF PREVIOUS MEETING(S)
 - a) July 14, 2016 Regular Meeting
4. TREASURER'S REPORT
5. PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA
6. OLD BUSINESS
 - a) Downtown Development Plan
 - b) South Monroe Parking - Update
 - c) Economic Development
 - d)
7. NEW BUSINESS
 - a) LARA Trail
 - b.
8. REPORTS AND MEMBER COMMENTS
9. ADJOURNMENT

**OFFICIAL PROCEEDINGS
OF THE
DOWNTOWN DEVELOPMENT AUTHORITY
OF THE
CITY OF LOWELL
THURSDAY, JULY 14, 2016**

1. **CALL TO ORDER; ROLL CALL**

The Meeting was called to order at 12:15 p.m. by Chair Jim Reagan.

Present: Chair Jim Reagan, Brian Doyle, Cliff Yankovich, Dean Lonick, Dave Pasquale, Mike Sprenger, April McClure and Rita Reister.

Absent: Mike Larkin.

Also Present: City Clerk Susan Ullery, City Treasurer Sue Olin, DPW Director Rich LaBombard and Councilmember Alan Teelander.

2. **EXCUSE OF ABSENCES**

IT WAS MOVED BY DOYLE and seconded by YANKOVICH to excuse the absence of Boardmember Larkin.

YES: 8. NO: 0. ABSENT: 1. MOTION CARRIED.

3. **APPROVAL OF THE AGENDA**

IT WAS MOVED BY YANKOVICH and seconded by MCCLURE to approve the agenda as written.

YES: 8. NO: 0. ABSENT: 1. MOTION CARRIED.

4. **APPROVAL OF THE MINUTES**

IT WAS MOVED BY PASQUALE and seconded by REISTER to approve the minutes of the June 9, 2016 meeting as written.

YES: 8. NO: 0. ABSENT: 1. MOTION CARRIED.

5. **TREASURER'S REPORT**

DOWNTOWN DEVELOPMENT AUTHORITY FUND
FINANCIAL STATEMENT
July 14, 2016

Beginning Balance:	\$601,371.19
Revenue:	
TIFA Revenue	
Interest	
Misc.	
Total Revenues	\$601,371.19
Expenditures:	
Capital Outlay	
Salaries/FICA	\$2,426.41
Maintenance Supplies	\$2,192.46
Utilities	\$565.81
Misc. and Community Promotions	
Accrued Wages	
Accrued payables	\$11,002.77
Administration	\$284.29
Prof. Services	
Transfer to General Fund	
Total Expenditures:	\$16,471.74
Ending Balance	\$584,899.45

Capital outlay appropriated:

\$334,686.00 – S. Monroe Parking

\$110,000 – Avery Street project, 1/3 the cost not to exceed \$110,000

\$13,447.00 – Exterior handicap accessibility at Lowell Arts

\$4,000.00 – Radar speed signs (paid this accounts payable)

IT WAS MOVED BY LONICK and seconded by YANKOVICH to accept the Treasurer's Report with as written.

YES: 8. NO: 0 ABSENT: 1. MOTION CARRIED.

6. **PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA**

There were no public comments.

7. **OLD BUSINESS**

a. Downtown Development Plan.

There are no further updates at this time.

b. South Monroe Parking – Update.

Rich LaBombard provided an update on the streetlights. It will most likely be October before the lights come in for the parking lot. The dumpster is almost complete.

Boardmember McClure recommended putting more walkways in there and LaBombard said that can be done.

Greg Canfield thanked the DDA for their work in getting the parking lot done. He expressed some concern about the contracted company that did it, stating that some things were not done properly or with proper supervision.

c. Economic Development.

There are no further updates at this time.

8. **NEW BUSINESS**

a. LARA Trail.

Rich Anderson presented a picture of Phase 1 of the trail on Gee Drive. There will be 1,950 feet of trail and 870 of that will be in the DDA District. The trail itself will be 10 feet wide and made of asphalt. The estimated cost will be \$270,000.00, but they are hoping to be able to finish it for around \$220,000.00, with an estimated \$100,000.00 of that being inside the DDA District. The Trail will be in charge of maintenance.

Dean Lonick went to the podium to address the issue and asked that his memo be read into the minutes.

“I would like to address this issue separately as a constituent of the DDA and as a member of the DDA.

As a DDA District Constituent:

I represent the Lowell City property owners DDL Properties, LLC and West Main, LLC as well as the Lowell businesses Michigan Wire Tech, LLC and D&D Trucking Acquisition, LLC, all of which reside in the Lowell DDA District. Our properties consist mainly of heavy industrial zoned classification but include residential classification. Our businesses are heavy industrial in nature. As such, our businesses have contributed significantly to the tax revenues of the City of Lowell in general and the DDA in particular, and operationally have supported significantly many of the other businesses through both customer and vendor relationships. Other than King Milling, I suspect most do not have an understanding of the business issues and considerations involved with operating a

heavy industrial business, just as I do not pretend to understand the issues and considerations with operating a retail business.

LARA has proposed the construction of a trail on the West boundary of our properties. In the design and planning process, we were not consulted as to what potential impact this could have on our businesses and indeed we learned about it in a DDA public meeting, after the design was complete. After voicing opposition to the project I was invited to a meeting with LARA, Lowell Township, and planning and design personnel. Although the meeting was congenial, I was politely told that my permission is not required for the project to proceed. And, the request was made for us to provide an easement into our properties around a power pole.

Over the years our businesses have significantly supported essentially all of the programs and causes that we have been solicited to support. 4H, FFA, Lowell High School football, baseball, tennis, and wrestling, F.R.O.M., Little League, Boy Scouts of America, Rotary, and others. When the Creekside Kingdom was built, we donated our trucks and drivers to go to Arkansas to fetch the materials. I personally worked alongside Jim Reagan, Bob Pfaller, and many others to construct it on that weekend. When the sewer was in the process of being extended to the West end to support the growth there and other properties owners would not cooperate, we allowed the easement to be completely on our property, without remuneration. When the LL&P Bowed Road a substation was being planned, some property owners did not want to allow power poles on their property. We were asked for, and granted, an easement for that project to proceed, without remuneration. I think we've been good corporate citizens.

Whereas the prospect of foot traffic is beneficial to the retail businesses, it is detrimental to industrial businesses. The unintended consequences of this project include at a minimum higher insurance risks and rates. The mere prospect of this project has already cost us a potentially lucrative piece of business.

Although LARA has indicated they would provide the maintenance, I do not have confidence that they will satisfy City of Lowell ordinances and that responsibility will fall back on me.

At the meeting with the project principals, it was explained to me that the project of connecting the trails to the new Lowell Township has been in the works a long time and they just want to get it done and completed in this construction season. When I offered that other routes would provide a better solution, I was told essentially it just couldn't be done. Again, I was politely told that my permission was not required to proceed.

I do not oppose the goal of connecting the trails to the Lowell Township park. I vehemently oppose the project as proposed. I am disappointed in the City of Lowell and Lowell Township that the lack of understanding of different types of businesses did not result in consideration or consultation as to the detrimental nature of this project to long time businesses.

If there is any way possible that this project can be reconsidered, I request that it be. I do not think that just because 'we can do it without your permission' and 'we have to get it done in this construction season' should be acceptable reasons to put forever impositions and negative business consequences on a taxpayer.

As a DDA Board Member:

The Lowell DDA was formed some 20 odd years ago with the purpose of assisting to facilitate the creation and maintenance of an environment that provides the opportunity for businesses in the Lowell City downtown area to succeed and flourish. Interestingly enough, the major concern at that time was the parking situation. That's not been solved and perhaps it's one of those things that does not have a solution but rather is a process that needs to be managed. Since the revenue source for the DDA was decided to be through TIFA, the established DDA district was as large as practicable within legal constraints and included the West end commercial and industrial properties. In those early years the growth was in the West end and therefore contributed disproportionate TIFA revenues to the coffers. As Downtown projects matured through the years, this body gave consideration to West end projects to insure those constituents had equal representation and opportunity. As it has thus far turned out, relatively little has been required or done on the West end.

I am opposed to the DDA contributing any funding to the proposed LARA trail project as presented. First, I cannot see where it contributes in any way to the Downtown, proper, business environment, and may rather provide a "bypass" around the area, akin to what interstates have done to many small towns. Second, and supportive, it is on the absolute extreme fringe of the district. Third, rather than contribute to the opportunity for the DDA District businesses to succeed and flourish, we've received testimony that it is indeed a detriment to some businesses. And fourth, although the DDA has maintained a healthy fund balance, the near term prospect seems to be the revenue stream is weakening and all projects need scrutiny, something I think this body has done well. I'd prefer we consider contributing to road reconstruction and other infrastructure projects nearer the Downtown, proper."

Some further discussion about different options continued on.

b. Chamber of Commerce Building – Request to Pay for Paint/Supplies.

Liz Baker stated that they would like to paint the Chamber building. Impact Church has their "Love Week" next week and they have a crew that will come and paint for free, but they still need the supplies and paint. She is asking for \$1,200 - \$1,500 to cover the cost for the paint and supplies.

IT WAS MOVED BY YANKOVICH and seconded by SPRENGER to approve the cost of paint and supplies for the Lowell Area Chamber to be painted in an amount not to exceed \$1,500.

YES: 8. NO: 0 ABSENT: 1. MOTION CARRIED.

Baker also wanted to thank the DPW for all of the extra work they did for them in preparation for the Riverwalk Festival.

9. REPORTS AND MEMBER COMMENTS.

Boardmember Yankovich stated that he was confused about the trail and requested more information to be presented at the next meeting on August 4, perhaps with Dave Austin. He would like an estimate for what it would cost to run the trail down Gee Drive and behind Tractor Supply. He also had questions about bicyclists and where they should be riding.

IT WAS MOVED BY DOYLE and seconded by YANKOVICH to adjourn at 12:55 p.m.

Date:

APPROVED:

James E. Reagan, Chair

Susan Ullery, City Clerk

DOWNTOWN DEVELOPMENT AUTHORITY FUND
 FINANCIAL STATEMENT
 August 3, 2016

Beginning Balance:		\$457,371.59
Revenue:		
TIFA Revenue		
Interest		
Misc.		
Total Revenues		\$457,371.59
Expenditures:		
Capital Outlay		
Salaries/FICA		\$3,590.76
Maintenance Supplies		\$5,206.63
Utilities		\$565.81
Misc. and Community Promotions		\$56.44
Accrued Wages		\$2,329.17
Accrued payables		\$80,703.35
Administration		\$611.82
Prof. Services		
Transfer to General Fund		
<i>Total Expenditures:</i>		\$93,063.98
Ending Balance		\$364,307.61

Capital outlay appropriated

- \$334,686.00 S. Monroe Parking
- \$110,000.00 – Avery Street project, 1/3 the cost not to exceed \$110,000
- \$ 13,447.00 exterior handicap accessibility Lowell Arts

CHECK DISBURSEMENT REPORT FOR CITY OF LOWELL
 CHECK DATE FROM 07/13/2016 - 08/03/2016

Check Date	Bank	Check #	Payee	Description	Account	Dept	Amount
Fund: 248 DOWNTOWN DEVELOPMENT AUTHORITY							
07/13/2016	GEN	68052	BERNARDS ACE HARDWARE	OPERATING SUPPLIES	740.000	463	64.99
07/13/2016	GEN	68060	ELAN CITY	CAPITAL OUTLAY	970.000	450	4,000.00
07/13/2016	GEN	68062	EPIC EXCAVATING, INC.	CAPITAL OUTLAY	970.000	450	6,868.75
07/13/2016	GEN	68070	KERKSTRA PORTABLE, INC.	OPERATING SUPPLIES	740.000	463	180.00
07/13/2016	GEN	68073	LOWELL LIGHT & POWER	PUBLIC UTILITIES	920.000	463	565.81
07/14/2016	GEN	68092	B.C. PIZZA	COMMUNITY PROMOTION	880.000	740	49.44
07/21/2016	GEN	68116	KING MILLING COMPANY	MISCELLANEOUS EXPENSE	955.000	463	1,707.78
07/21/2016	GEN	68136	WILLIAMS & WORKS INC.	PROFESSIONAL SERVICES	801.000	450	9,240.33
07/22/2016	GEN	68137	PETTY CASH	COMMUNITY PROMOTION	880.000	740	7.00
07/29/2016	GEN	68140	C & D HUGHES, INC	CAPITAL OUTLAY	970.000	450	58,282.85
07/29/2016	GEN	68155	THORNAPPLE RIVER NURSERY, INC.	OPERATING SUPPLIES	740.000	463	143.00
07/29/2016	GEN	68156	WILLIAM BOS GREENHOUSE	OPERATING SUPPLIES	740.000	463	161.70
07/29/2016	GEN	68157	WILLIAMS & WORKS INC.	PROFESSIONAL SERVICES	801.000	450	2,015.70
Total for fund 248 DOWNTOWN DEVELOPMENT AUTHORITY							83,287.35