



**Fenton
Downtown
Development
Authority**

FENTON DOWNTOWN DEVELOPMENT AUTHORITY PROCEEDINGS

6:00 p.m.

Tuesday December 19, 2006

The meeting was called to order at 6 p.m. by Board Chairman Stiles.

ROLL CALL:

PRESENT: Bagnall, Brant, Critchfield, Petty, Plew, Schmidt, Stiles,
Vamossy, Wesch, Williams

ABSENT: Lasco, Osborn, VanGilder

OTHERS: Brent Morgan, Executive Director DDA, Cynthia Shane, Treasurer
Phil Adkison, DDA Attorney

MINUTES:

Motion by Petty, supported by Plew, to approve the minutes of November 21, 2006. MOTION CARRIED, ALL AYES.

CORRESPONDENCE, MINUTES & REPORTS:

a. Financial Report

Motion by Bagnall, supported by Wesch, to approve the Financial Report for December 2006 as presented. MOTION CARRIED, ALL AYES.

b. Minutes of DDA Projects Committee Meetings of

Motion by Petty, supported by Schmidt, to place the Minutes of the DDA Projects Committee Meeting of November 9 and December 7, 2006 on file.
MOTION CARRIED, ALL AYES.

EXECUTIVE DIRECTOR'S REPORT:

Director Morgan reviewed the Director's Report for the board.

ACCOUNTS PAYABLE:

Motion by Williams, supported by Petty, to approve the Accounts Payable in the amount of \$4,138.21 as presented.
MOTION CARRIED, ALL AYES.

OLD BUSINESS:

a. Review and Discussion of Phase 1 Projects and Matrix: Director Morgan reported that at the DDA Board Meeting of November 21, 2006 Board Members identified their top five projects. As requested by the board, Director Morgan compiled information into a matrix for discussion and review. He noted that some of the language describing the projects provides for flexibility. He asked the board to look at the top five and rank them according to preference. This information will be taken to the DDA Budget Committee to create a five year financial plan.

Director Morgan stated that significant discussion was held at the DDA Projects Committee on structuring the projects. Discussion ensued regarding the process of creating Ad Hoc Committees by project with Board Members serving on them. Moreover, Director Morgan would chair the committees who would make a recommendation to the Projects Committee for review and in turn make a recommendation to the DDA Board of Directors. Chairman Stiles stated there are five projects and 13 members on the DDA Board of Directors. Moreover, the DDA Projects Committee has representation (members of the committee) from the City Council, Planning Commission and Development Area Citizens.

Director Morgan stated he would contact DDA Board Members via a memo requesting they prioritize there top five projects and the committee they want to serve on.

Chairman Stiles addressed the audience at this time and asked if anyone had any items on the agenda they would like to address.

Andreas Casey of 4370 Island View Drive Fenton Michigan 48430 representing the Fenton United Methodist Church addressed the board. Ms. Casey read a letter from the Fenton United Methodist Church that was sent to Fenton City Council and read at their meeting.

Chairman Stiles thanked her for sharing her opinion. Director Morgan stated that DDA Board Members received copies of the letter in there packets.

Board Member Critchfield asked how many families are members of the United Methodist Church? Ms. Casey said about 800 families, approximately 1300 people.

b. Design Assistance Test Case:

Director Morgan reported that at the November 21, 2006 DDA Board Meeting the DDA Board of Directors passed the following motion:

Amended by Plew and supported by Brant as follows:

That the DDA Board of Directors contract with John Dziurman Architects to provide design assistance for the Fenton Hotel for an amount not to exceed \$2500, pending liability review and opinion by the DDA Attorney Philip Adkison to be reviewed by the DDA Board at the December Board Meeting prior to the DDA Director executing any and all documents associated with the contract. Furthermore, the Fenton Hotel is being utilized as a test case for the further development of a Design Assistance Program that may or may not be implemented by the DDA and provided to other historic buildings in Downtown Fenton.

ROLL CALL VOTE:

Ayes: Brant, Critchfield, Petty, Plew, Schmidt, Stiles, Vamossy,
Wesch, Williams

Nays: Bagnall, VanGilder

Absent: Lasco, Osborn

MOTION CARRIED, TWO NAYS.

Moreover, the DDA Board of Directors requested I obtain a review from the DDA Attorney in regards to the liability the DDA could be exposed to by the results of the study. The following questions were asked:

1. If the study has some negative findings such as designating the Hotel as an unsafe building, revealing stabilization issues and reporting high cost estimated for proposed options that result in a decrease of business, the closing of the Fenton Hotel or an unhappy property owner is the DDA liable?
2. Is it necessary for the DDA to have the owner of the Fenton Hotel sign a Hold Harmless Clause in regards to the DDA and the Architect?
3. Are there any other liability issues the DDA should be concerned about?

As requested by the DDA Board of Directors I have presented these questions to Phillip Adkison (DDA Attorney) and have attached his opinion along with a draft of the Indemnity Agreement for review.

Phillip Adkison the DDA Attorney reviewed the agreement for the board. Board Member Brant asked if this form could be used again? Mr. Adkison said it could be adjusted for each project. Director Stiles stated this agreement clarifies possible consequences for the property owner. Board Member Brant asked that if this is a test case should the agreement come back to the board and Adkison? Mr. Adkison responded, no this should be handled by the Executive Director.

Chairman Stiles said we should present the agreement to Mr. Sorise for his signature.

Motion by Schmidt, supported by Brant to have the Indemnity Agreement finalized by the DDA Attorney and authorize the DDA Executive Director to execute the agreement which includes requesting Mr. Sorise sign the agreement. MOTION CARRIED, ALL AYES.

NEW BUSINESS:

a. Reminder of March Annual Meeting: Director Morgan reminded the Board that the *DDA BYLAWS AND RULES OF PROCEDURE* were amended and adopted by the DDA Board of Directors on June 15, 2004 and approved by the Fenton City Council July 12, 2005. According to the BYLAWS the Annual Meeting will be held in March and include the following: the election of officers and establish the regular meeting dates, times and locations for DDA Meetings in 2007. At the Annual Meeting last year DDA Board Members requested I remind them of the upcoming meeting a few months ahead of time.

b. DDA Development Plan and Tax Increment Financing Plan: DDA attorney Philip Adkison reviewed his letter to the DDA for the board regarding the DDA Development Plan and Tax Increment Financing Plan. He said that the Downtown Development and TIF Plan for the Fenton DDA are more specific than most. The DDA Board needs to amend the Plan to allow the implementation of the Downtown Master Plan. He recommended that the board be as open as possible to give as much authority as possible so that the plan does not have to be amended frequently. Director Morgan requested that a motion be made that the Executive Director and the DDA Attorney Philip Adkison amend the DDA Development Plan & Tax Increment Finance Plan to enable the DDA Board to implement projects contained in the Downtown Implementations Strategies Document and the Downtown Master Plan. Board Member Petty asked for a timeframe and cost. Mr. Adkison said he expected his firm would spend 15 to 20 hours on this project.

Motion by Petty, supported by Williams to authorize the DDA Executive Director to contract with the DDA Attorney Philip Adkison to draft an amended DDA Development Plan & Tax Increment Finance Plan that enables the Downtown Development Authority to implement the projects contained in the Downtown Implementations Strategies document the Downtown Master Plan & Design Guidelines.

MOTION CARRIED, ALL AYES.

CLOSED SESSION:

Motion by Schmidt, supported by Critchfield to approve the request of the Economic Development Director to enter into closed session to consider the purchase or lease of real property.

ROLL CALL VOTE:

Ayes: Bagnall, Brant, Critchfield, Petty, Plew, Schmidt, Stiles, Wesch,
Williams, Vamossy
Nays: None
Absent: Lasco, Osborn, VanGilder

MOTION CARRIED ALL AYES.

Recessed to closed session at 7:30 p.m.

Reconvened to open session at 7:40 p.m.

OTHER:

Motion by Critchfield, supported by Williams to authorize the Executive Director of the DDA to undertake an appraisal on the property discussed in closed session.

MOTION CARRIED, SCHMIDT ABSTAINED.

Board Member Petty reported that the Citizen Bank/Republic Bank merger has resulted in a consolidation of branch offices. The Republic Bank property on E. Sliver Lake Road may be available. Board Member Schmidt suggested that the Executive Director begin researching this item.

ADJOURNMENT:

The meeting adjourned at 7:45 p.m.

Respectfully submitted by,

Jeri Stiles

Jeri Stiles, Chairman
Downtown Development Authority

Jane E. Wingblad

Jane E. Wingblad
Recording Secretary