

City of Fenton

301 South Leroy Street • Fenton, Michigan 48430-2196 • (810) 629-2261 • FAX (810) 629-2004

**CITY OF FENTON
JOINT MEETING OF THE CITY COUNCIL AND DOWNTOWN DEVELOPMENT
AUTHORITY AGENDA**

**Monday, October 17, 2016
City Hall Council Chambers
301 South LeRoy Street
6:00 PM**

Call to Order.

Roll Call.

CITIZEN'S COMMENTS: IF YOU WISH TO ADDRESS ANY AGENDA ITEMS, PLEASE IDENTIFY YOURSELF AND YOU WILL BE CALLED ON WHEN THAT ITEM IS REACHED. COMMENTS ON ITEMS NOT ON THE AGENDA MAY BE MADE AT THE CALL TO THE AUDIENCE.

BUSINESS:

- A) DIRECTOR'S REPORT (Downtown Development Authority only)**
- B) FINANCIAL REPORT (Downtown Development Authority only)**
- C) CONSENT AGENDA (Downtown Development Authority only)**
 - **Accounts Payable in the amount of \$41,337.76**
 - **Meeting Minutes of September 20, 2016**
- D) PRESENTATION/POSSIBLE ACTION REGARDING 111 LEROY PLACE DEVELOPMENT**

CALL TO THE AUDIENCE

ADJOURNMENT

IF ACCOMMODATIONS ARE NEEDED DUE TO A DISABILITY, PLEASE CONTACT THE CITY CLERK'S OFFICE.

CITY OF FENTON
DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET
12-Oct-16

ASSETS:	
CASH IN BANK	\$1,888,708
DUE FROM OTHER FUNDS	<u>\$100,000</u>
TOTAL ASSETS	<u><u>\$1,988,708</u></u>
LIABILITIES:	
ACCOUNTS PAYABLE	\$277
DUE TO OTHER FUNDS	<u>\$37,656</u>
TOTAL LIABILITIES	\$37,933
FUND EQUITY:	
FUND BALANCE	<u>\$1,950,775</u>
TOTAL LIABILITES AND EQUITY	<u><u>\$1,988,708</u></u>

CITY OF FENTON
DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
12-Oct-16

	AMENDED BUDGET	YTD ACTUAL	PERCENT OF BUDGET	VARIANCE FRM BUDGET
REVENUES:				
TAX REVENUES	\$1,738,090	\$1,220,424	70.22%	(\$517,666)
REVENUE SHARING	(\$350,000)	(\$350,000)	100.00%	\$0
PREVIOUS YRS CHARGE-BACKS	(\$75,000)	\$0	0.00%	\$75,000
DONATIONS	\$0	\$0		\$0
INTEREST INCOME	\$1,000	\$310	31.00%	(\$690)
TOTAL REVENUE	\$1,314,090	\$870,734	66.26%	(\$443,356)
DEBT PAYMENTS:				
PRINCIPAL	\$626,000	\$0	0.00%	\$626,000
INTEREST & FEES	\$195,510	\$95,145	48.67%	\$100,365
TOTAL PAYMENTS	\$821,510	\$95,145	11.58%	\$726,365
OPERATING EXPENSES:				
SALARIES	\$125,000	\$22,191	17.75%	\$102,809
EMP FRINGES	\$75,000	\$9,451	12.60%	\$65,549
CONFERENCES & DUES	\$8,000	\$113	1.88%	\$5,887
PROF SERVICES	\$15,000	\$0	0.00%	\$15,000
MARKETING	\$30,000	\$2,765	9.22%	\$27,235
EVENT MARKETING	\$73,500	\$26,996	36.73%	\$46,504
APPRAISALS	\$20,000	\$0	0.00%	\$20,000
LEGAL FEES	\$15,000	\$1,138	7.59%	\$13,862
INSURANCE	\$14,250	\$14,670	102.95%	(\$420)
RENTAL PROPERTY	\$5,000	\$189	3.78%	\$4,811
STREET LIGHTS	\$8,000	\$162	2.03%	\$7,838
LANDSCAPING MAINTENANCE	\$10,000	\$45	0.45%	\$9,955
LAWN CARE	\$9,000	\$2,920	32.44%	\$6,080
RIVER ST. UTILITIES	\$5,000	\$1,569	31.38%	\$3,431
HOLIDAY DECORATION	\$4,000	\$0	0.00%	\$4,000
WEBSITE	\$3,000	\$850	28.33%	\$2,150
SCULPTURE PURCHASE	\$0	\$7,250		(\$7,250)
SCULPTURE RENTAL	\$12,000	\$0	0.00%	\$12,000
MISCELLANEOUS	\$7,500	\$0	0.00%	\$7,500
TOTAL OPERATING	\$437,250	\$90,309	20.65%	\$346,941
PROJECTS:				
MASTER PLAN IMPLEMENT	\$550,000	\$0	0.00%	\$550,000
DOWNTOWN PARKING LOT	\$0	\$830		(\$830)
SHIAWASSEE DEMOLITION	\$0	\$0		\$0
FAÇADE IMPROVEMENTS	\$25,000	\$0	0.00%	\$25,000
ELIZABETH CONNECTOR	\$0	\$0		\$0
COMMUNITY CENTER RESTORATION	\$190,000	\$0	0.00%	\$190,000
STRIPING	\$3,000	\$0	0.00%	\$3,000
STREETScape MAINTENANCE	\$50,000	\$14,139	28.28%	\$35,861
TOTAL PROJECTS	\$818,000	\$14,969	1.83%	\$253,031
TOTAL EXPENDITURES	\$2,076,760	\$200,423	9.65%	\$1,326,337
REVENUES OVER EXPENDITURES	(\$762,670)	\$670,311		
TRANSFER TO DDA DEBT				
NET CHANGE	(\$762,670)	\$670,311		
BEGINNING FUND BALANCE	\$1,280,464	\$1,280,464		
ENDING FUND BALANCE	\$517,794	\$1,950,775		

CITY OF FENTON
DDA BOND CONSTRUCTION FUND
BALANCE SHEET
16-Sep-16

ASSETS:

CASH IN BANK	\$552,835
MISC RECEIVABLES	\$98,059
DUE FROM OTHER FUNDS	<u>\$1,346</u>
TOTAL ASSETS	<u><u>\$652,240</u></u>

LIABILITIES:

ACCOUNTS PAYABLE	
DUE TO OTHER FUNDS	<u>\$104,000</u>
TOTAL LIABILITIES	\$104,000

FUND EQUITY:

FUND BALANCE	<u>\$548,240</u>
TOTAL LIABILITES AND EQUITY	<u><u>\$652,240</u></u>

CITY OF FENTON

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
16-Sep-16

	AMENDED BUDGET	YTD ACTUAL	PERCENT OF BUDGET	VARIANCE FRM BUDGET
REVENUES:				
BOND PROCEEDS	\$0	\$0		\$0
GRANTS	\$0	\$0		\$0
DONATIONS	\$0	\$0		\$0
INTEREST & DIVIDENDS	\$0	\$0		\$0
TOTAL REVENUE	\$0	\$0		
EXPENDITURES				
COMMUNITY CENTER RESTORATION	\$0	\$0		\$0
BOND COSTS	\$0	\$0		\$0
CAROLINE ST IMPROVEMENTS	\$459,700	\$50,000	10.88%	\$409,700
STREETSCAPE	\$0	\$26,070		(\$26,070)
TOTAL EXPENDITURES	\$459,700	\$76,070		\$383,630
TRANSFERS				
TRANSFER IN DDA FUND	\$0	\$0		(\$129,170)
REVENUE OVER EXPENDITURES	(\$459,700)	(\$76,070)		
BEGINNING FUND BALANCE	\$624,310	\$624,310		
ENDING FUND BALANCE	\$164,610	\$548,240		

City of Fenton
DDA Refunding Bonds

Fiscal Year Ended June 30	Interest 1-Oct	Interest 1-Apr	Principal 1-Apr	Total Requirements
2017	\$32,475	\$32,475	\$405,000	\$469,950
2018	\$26,400	\$26,400	\$420,000	\$472,800
2019	\$20,100	\$20,100	\$435,000	\$475,200
2020	\$13,575	\$13,575	\$445,000	\$472,150
2021	\$6,900	\$6,900	\$460,000	\$473,800
TOTAL	\$99,450	\$99,450	\$2,165,000	\$2,363,900

Purpose: DPW Garage & Fire Hall

911 Dispatch Equipment

Fiscal Year Ended June 30	Interest 1-Apr	Principal 1-Apr	Total Requirements
2017	\$4,242	\$26,000	\$30,242
2018	\$3,510	\$26,000	\$29,510
2019	\$2,808	\$26,000	\$28,808
2020	\$2,106	\$26,000	\$28,106
2021	\$1,404	\$26,000	\$27,404
2022	\$702	\$26,000	\$26,702
TOTAL	\$14,772	\$156,000	\$170,772

2014 DDA BONDS

Streetscape & Community Center \$3,650,000

Fiscal Year Ended June 30	Interest 1-Oct	Interest 1-Apr	Principal 1-Apr	Total Requirements
2017	\$52,784	\$52,784	\$135,000	\$240,568
2018	\$51,434	\$51,434	\$135,000	\$237,868
2019	\$50,084	\$50,084	\$140,000	\$240,168
2020	\$48,684	\$48,684	\$145,000	\$242,368
2021	\$47,234	\$47,234	\$150,000	\$244,468
2022	\$45,641	\$45,641	\$240,000	\$331,282
2023	\$42,041	\$42,041	\$250,000	\$334,082
2024	\$38,291	\$38,291	\$255,000	\$331,582
2025	\$34,466	\$34,466	\$265,000	\$333,932
2026	\$30,491	\$30,491	\$275,000	\$335,982
2027	\$26,365	\$26,365	\$285,000	\$337,730
2028	\$22,091	\$22,091	\$295,000	\$339,182
2029	\$17,666	\$17,666	\$305,000	\$340,332
2030	\$12,900	\$12,900	\$315,000	\$340,800
2031	\$6,600	\$6,600	\$330,000	\$343,200
TOTAL	\$526,772	\$526,772	\$3,520,000	\$4,573,544

2016 DDA BONDS

CAROLINE ST EXTENSION \$1,000,000

Fiscal Year Ended June 30	Interest 1-Oct	Interest 1-Apr	Principal 1-Apr	Total Requirements
2017	\$9,886	\$11,053	\$50,000	\$70,939
2018	\$10,553	\$10,553	\$55,000	\$76,106
2019	\$10,003	\$10,003	\$55,000	\$75,006
2020	\$9,453	\$9,453	\$55,000	\$73,906
2021	\$8,903	\$8,903	\$55,000	\$72,806
2022	\$8,353	\$8,353	\$70,000	\$86,706
2023	\$7,653	\$7,653	\$70,000	\$85,306
2024	\$6,953	\$6,953	\$70,000	\$83,906
2025	\$6,253	\$6,253	\$70,000	\$82,506
2026	\$5,465	\$5,465	\$70,000	\$80,930
2027	\$4,678	\$4,678	\$75,000	\$84,356
2028	\$3,815	\$3,815	\$75,000	\$82,630
2029	\$2,915	\$2,915	\$75,000	\$80,830
2030	\$1,196	\$1,196	\$75,000	\$77,392
2031	\$1,040	\$1,040	\$80,000	\$82,080
TOTAL	\$97,119	\$98,286	\$1,000,000	\$1,195,405

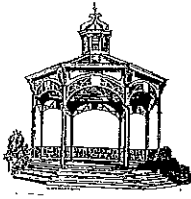
City of Fenton
Downtown Development Authority
9/30/2016

DDA			
DDA Checking	Chase		\$214,505
DDA Savings	Chase	0.08%	\$1,180,322
DDA Savings	State Bank	0.30%	\$251,262
DDA Savings	First Merit	0.10%	\$255,338
DDA Bond Proceeds Checking	Chase		\$77,598
DDA Bond Proceeds Savings	Chase	0.08%	\$35
DDA Bond Proceeds Chk Caroline			\$517,459
Total			<u>\$2,496,519</u>

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount	Check
Fund 401 DDA CONSTRUCTION FUND							
Dept 851 DOWNTOWN DEVELOPMENT							
401-851-719.000	EMPLOYEE FRINGES	THE STANDARD LIFE INS	DENTAL PREMIUMS NOV	10/13/2016	10/13/16	86.74	5041
401-851-719.000	EMPLOYEE FRINGES	THE STANDARD LIFE INS	VISION PREMIUMS NOV.	10/13/2016	10/13/16	14.46	5041
401-851-825.100	106 SHIAWASSEE DEMOLITIO	MILFORD SALVAGE IRON&	DEMOLITION OF 106 SHIAWASSEE	5248	10/25/16	16,450.00	
401-851-825.300	STREETSCAPE	MDOT	LOCAL PROGRESS PER SIGNED AGREEMEN	591-8053068	10/11/16	6,677.10	5038
401-851-825.400	RENTAL PROPERTIES	FENTON WATER DEPT.	JUNE THRU AUG. WATER BILL	26001066	10/11/16	96.30	5037
401-851-864.000	CONFERENCES & DUES	VISA	SEPT. STATEMENT	09/20/2016	10/13/16	933.22	5042
401-851-971.413	LANDSCAPING MAINT	CJ CALLAGHAN & SONS	LANDSCAPE MAINTENANCE AND PLANT WA	26074	10/25/16	22.50	
401-851-971.414	LAWN CARE	CJ CALLAGHAN & SONS	SEPT. LAWN SERVICE	26050	10/25/16	360.00	
401-851-971.414	LAWN CARE	CJ CALLAGHAN & SONS	DDA PROPERTIES LAWN SERVICE	26069	10/25/16	960.00	
401-851-975.720	STREETSCAPE MAINTENANCE	FAMILY FARM & HOME	GROUND CLEAR	217/34	10/11/16	19.99	5036
401-851-975.720	STREETSCAPE MAINTENANCE	FAMILY FARM & HOME	GROUND CLEAR	219/34	10/11/16	19.99	5036
401-851-975.720	STREETSCAPE MAINTENANCE	FENTON WATER DEPT.	JUNE THRU AUG. WATER BILL	30111103	10/11/16	5,585.60	5037
401-851-975.720	STREETSCAPE MAINTENANCE	TAYLOR HARDWARE, INC	SEPT. STATEMENT	10/01/2016	10/11/16	21.86	5039
401-851-975.730	FACADE IMPROVEMENT PROG	HAMEL BRENNAN PROPERT	DDA FACADE GRANT	10/13/2016	10/13/16	10,000.00	5040
401-851-975.750	WEBSITE	3 SIXTY INTERACTIVE	WEBSITE SUPPORT	3797	10/11/16	130.00	123
Total For Dept 851 DOWNTOWN DEVELOPMENT						41,377.76	
Total For Fund 401 DDA CONSTRUCTION FUND						41,377.76	

INVOICE GL DISTRIBUTION REPORT FOR CITY OF FENTON
EXP CHECK RUN DATES 10/11/2016 - 10/25/2016
BOTH JOURNALIZED AND UNJOURNALIZED OPEN AND PAID
BANK CODE: 05

GL Number	Inv. Line Desc	Vendor	Invoice Desc.	Invoice	Due Date	Amount Check
Fund Totals:						
			Fund 401 DDA CONSTRUCTION FUND			41,377.76
			Total For All Funds:			<u>41,377.76</u>



**Fenton
Downtown
Development
Authority**

**FENTON DOWNTOWN DEVELOPMENT AUTHORITY
PROCEEDINGS**

September 20, 2016

Meeting was called to order by Chairman Craig Schmidt at 6:03 p.m.

ROLL CALL:

PRESENT: Bertschy, Green, Henderson, James, Kasper, Osborn, Saule, Schmidt, Strayer, Sweetman (10)

ABSENT: Bayer, Canever (2)

OTHERS: Lynn Markland, City Manager

DIRECTOR'S REPORT:

Lynn Markland gave the Director's Report. Administration is in the process of making an offer to a candidate to fill the position of Assistant City Manager/DDA Director. Markland reported on conversation with Ghassan Saab regarding the proposed new building near the United Methodist Church. Design changes are being made to cut cost but administration insists quality must be kept. Markland also reported on the proposed new building at old Action Auto site which will be a 3 story flat iron building, 79 parking spaces behind, 1st floor retail, 2nd/3rd floor office space. A November Girls Night Out event is in the works.

FINANCIAL REPORT:

Lynn Markland entertained questions on the financial report. No questions were raised.

CONSENT AGENDA:

Minutes from August 16, 2016.

MOTION to approve minutes of August 16, 2016 meeting with wording change on Caroline Street bid time frame.

MOTION by Schmidt

SUPPORTED by Osborn

All Aye's – None Opposed

MOTION CARRIED

CITIZENS COMMENTS:

None

111 W. SHIAWASSEE FAÇADE GRANT APPLICATION

Public Hearing was opened by Craig Schmidt at 6:20 pm

No Audience comments or questions were raised.

Public Hearing was closed by Craig Schmidt at 6:21 pm

Administration recommends the DDA Board accept the landscaping modifications and award a Façade Improvement Grant to Chris Bayer at a cost not to exceed \$10,000.

MOTION to approve Façade Improvement Grant request at a cost not to exceed \$10,000 provided all administrative reviews have taken place.

MOTION by Kasper

SUPPORTED by Bertschy

Roll Call Vote: Bertschy-aye, Green-aye, Henderson-aye, James-aye, Kasper-aye, Osborn-aye, Saule-aye, Schmidt-aye, Strayer-aye, Sweetman-aye. (10)

MOTION CARRIED

113 MILL ST. FAÇADE GRANT APPLICATION

No Public Hearing necessary due to Mark Hamel no longer being a member of the DDA. Kasper expressed concern over this application being non-compliant with current guidelines. Concerns with 113 Mill St. are being outside of the targeted zone and construction already completed. Exceptions have been made for other businesses that did not meet the guidelines. Administration recommends Hamel Brennan LLC be granted a Façade Improvement Grant for 113 Mill St. at a cost not to exceed \$10,000.

MOTION to approve the Façade Improvement Grant for 113 Mill St. at a cost not to exceed \$10,000.

MOTION by Schmidt

SUPPORTED by Sweetman

Roll Call Vote: *Bertschy-Abstained*, Green-aye, Henderson-aye, James-aye, *Kasper-nay*, Osborn-aye, Saule, aye, Schmidt-aye, Strayer-aye, Sweetman-aye (8/1/1)

MOTION CARRIED

CALL TO THE AUDIENCE:

Megan Putman questioned the new sidewalk near *A Joyful Noise*. Putnam also suggested limiting service businesses downtown.

BOARD COMMENTS:

Strayer questioned the status of the sidewalk near *A Joyful Noise*. Saule questioned who is handling Industrial landscaping. Markland reported on the two landscaping projects being bid together to get a better price.

Schmidt questioned the Fenton sign on Main St. Markland will follow up on the status of moving the base of the sign.

James questioned the landscaping beds/crushed curb on Silver Lake Rd. near the train tracks. Markland commented on the possibility of those beds/curbs being removed. It is too dangerous for anyone to be out there maintaining the beds. Osborn commented on the possibility of bumper bars going in that space.

James commended Vek's maintenance looking iconic now. Green commented on Vek's project which included extensive work removing the old paint.

Strayer suggested balancing restaurants with retail.

Schmidt commented on desire for foot-traffic businesses open after 5:00 pm.

Osborn will be making Board Member changes based on attendance records.

Kasper questioned the status of the proposed speed limit changes. Markland reported that changes are in progress.

James questioned the status of the truck route ordinance. Markland reported that new signs have been ordered.

ADJOURNMENT:

Meeting adjourned at 7:02 pm

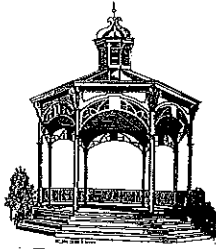
Respectfully Submitted,

Craig Schmidt, Chairman
Downtown Development Authority

Jennifer Kienast
DDA Recording Secretary

✓ *Date Approved:* _____

Memorandum



THE CITY OF
FENTON

DATE: October 14, 2016

**TO: Mayor Sue Osborn and City Council
Chairman Craig Schmidt
DDA Board Members**

FROM: Lynn Markland, City Manager

A handwritten signature in cursive script, appearing to read "Lynn Markland", is written over the "FROM" line.

RE: 111 Leroy Place

In July, the City Council and DDA held a joint meeting to review a presentation regarding a new building in the downtown. The proposed building would be built to the North of the Methodist Church. The building would be four floors with the first floor designated for retail use, the second floor for office space, the third and fourth floors would be condominiums. At the meeting the developer informed us that the project was underfunded by about \$400,000 in addition to the state grant they hoped to receive.

Since the meeting the administration and the DDA Design Committee along with Mayor Osborn have been working with the developers and their architects to find an acceptable solution. The developers have informed us that they have made some adjustments/modifications to the project that will reduce the costs so that the project is financially feasible without a financial contribution by the DDA. The DDA would still be responsible for the demolition of the current building on the site and also to build a parking lot on the site. These were items that the DDA had accepted in the RFP process. The developers and the DDA Design Committee have requested a joint meeting of the City Council and the DDA so they can present the current project and move forward with the preparations for the construction of the building. If everything is acceptable to all parties, I would suggest the City Council and the DDA request our attorney to prepare a development agreement for the site and project.