



**Fenton
Downtown
Development
Authority**

City of Fenton – Downtown Development Authority
Board Meeting of Tuesday September 18, 2012
6:00 p.m. – Council Chambers – City Hall

Call to Order

Roll Call

- 1) Director's Report
- 2) Financial Report
- 3) Consent Agenda
 - a) Accounts Payable – Authorize payment of bills in the amount of \$62,322.41.
 - b) Minutes of the August 21st DDA Board Meeting.

CITIZEN COMMENTS: If you wish to address any agenda item, 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.

- 4) Discussion on 111 S. LeRoy
- 5) Cornerstone Soil Borings

Upcoming meeting: October 16, 2012

CITY OF FENTON
DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET
14-Sep-12

ASSETS:	
CASH IN BANK	\$1,853,689
MISC RECEIVABLES	\$0
DUE FROM OTHER FUNDS	<u>\$20,643</u>
TOTAL ASSETS	<u><u>\$1,874,332</u></u>
LIABILITIES:	
ACCOUNTS PAYABLE	\$19,377
ACCRUED WAGES	\$0
DUE TO OTHER FUNDS	<u>\$14,293</u>
TOTAL LIABILITIES	\$33,670
FUND EQUITY:	
FUND BALANCE	<u>\$1,840,662</u>
TOTAL LIABILITES AND EQUITY	<u><u>\$1,874,332</u></u>

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

	AMENDED BUDGET	YTD ACTUAL	PERCENT OF BUDGET	VARIANCE FRM BUDGET
REVENUES:				
TAX REVENUES	\$1,640,078	\$0	0.00%	(\$1,640,078)
REVENUE SHARING	(\$350,000)	\$0	0.00%	\$350,000
PREV YRS CHARGE BACKS.	(\$630,306)	\$0	0.00%	\$630,306
MISCELLANEOUS INCOME	\$0	\$1	0.00%	\$660
INTEREST INCOME	\$10,000	\$346	3.46%	(\$9,654)
TOTAL REVENUE	\$669,772	\$347	0.05%	(\$668,766)
DEBT PAYMENTS:				
PRINCIPAL	\$390,000	\$0	0.00%	\$390,000
INTEREST & FEES	\$120,650	\$0	0.00%	\$120,650
TOTAL PAYMENTS	\$510,650	\$0	0.00%	\$510,650
OPERATING EXPENSES:				
SALARIES	\$54,060	\$10,644	19.69%	\$43,416
EMP FRINGES	\$18,600	\$2,236	12.02%	\$16,364
CONFERENCES & DUES	\$2,000	\$520	26.00%	\$1,480
PROF SERVICES	\$15,000	\$672	4.48%	\$14,328
MARKETING	\$78,200	\$4,505	5.76%	\$73,695
EVENT MARKETING	\$60,000	\$16,314	27.19%	\$43,686
APPRAISALS	\$20,000	\$0	0.00%	\$20,000
LEGAL FEES	\$30,000	\$2,969	9.90%	\$27,031
INSURANCE	\$15,000	\$0	0.00%	\$15,000
FIRE HALL	\$0	\$3,523		(\$3,523)
OLD FIRE HALL UTILITIES	\$3,000	\$0	0.00%	\$3,000
RENTAL PROPERTY	\$5,000	\$5,788	115.76%	(\$788)
STREET LIGHTS	\$8,000	\$0	0.00%	\$8,000
LANDSCAPING MAINTENANCE	\$16,000	\$4,916	30.73%	\$11,084
LAWN CARE	\$8,000	\$2,018	25.23%	\$5,982
RIVER ST. UTILITIES	\$5,000	\$111	2.22%	\$4,889
WEBSITE	\$3,000	\$0	0.00%	\$3,000
HOLIDAY DECORATION	\$5,000	\$0	0.00%	\$5,000
SCULPTURE RENTAL	\$7,200	\$0	0.00%	\$7,200
MISCELLANEOUS	\$7,500	\$131	1.75%	\$7,369
TOTAL OPERATING	\$360,560	\$54,347	15.07%	\$306,213
PROJECTS:				
MASTER PLAN IMPLEMENTATION	\$0	\$3,000	0.00%	(\$3,000)
OLD FIRE HALL RESTORATION	\$400,000	\$0	0.00%	\$400,000
DISPATCH EQUIPMENT	\$0	\$17,003		(\$17,003)
COMMUNITY CENTER RESTORATION	\$0	(\$11,615)		\$11,615
STRIPING	\$3,000	\$0	0.00%	\$3,000
SILVER PARKWAY IMPROVEMENTS	\$0	\$1,050		(\$1,050)
STREETSCAPE	\$0	\$54,168		(\$54,168)
STREETSCAPE MAINTENANCE	\$15,000	\$0	0.00%	\$15,000
CORNERSTONE	\$700,000	\$21,250	3.04%	\$678,750
TOTAL PROJECTS	\$1,118,000	\$84,856	7.59%	\$1,036,144
TOTAL EXPENDITURES	\$1,989,210	\$139,203	7.00%	\$1,853,007
REVENUES OVER EXPENDITURES	(\$1,319,438)	(\$138,856)		
BEGINNING FUND BALANCE	\$1,979,518	\$1,979,518		
ENDING FUND BALANCE	\$660,080	\$1,840,662		

City of Fenton
 DDA Refunding Bonds

Fiscal Year Ended June 30	Interest 1-Oct	Interest 1-Apr	Principal 1-Apr	Total Requirements
2012	-	\$86,010	\$310,000	\$396,010
2013	\$55,125	\$55,125	\$360,000	\$470,250
2014	\$49,725	\$49,725	\$370,000	\$469,450
2015	\$44,175	\$44,175	\$385,000	\$473,350
2016	\$38,400	\$38,400	\$395,000	\$471,800
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	\$286,875	\$372,885	\$3,985,000	\$4,644,760

Purpose: DPW Garage & Fire Hall

EXP CHECK RUN DATES 08/30/2012 - 09/26/2012

BOTH JOURNALIZED AND UNJOURNALIZED OPEN

BANK CODE: 05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 401 DDA CONSTRUCTION FUND					
Dept 851 DOWNTOWN DEVELOPMENT					
401-851-810.000	PROF SERV - ENGINEERING	CIB PLANNING	REVIEW FACADE GRANT PROGRAM	172.50	
401-851-810.000	PROF SERV - ENGINEERING	NEW MOON VISIONS	CORNERSTONE NARRATIVE	500.00	
401-851-818.400	MARKETING	NEW MOON VISIONS	MARKETING SERVICES	3,525.00	
401-851-825.300	STREETScape	LANDSCAPE ARCHITECTURE S	DOWNTOWN STREETScape PROJECT	7,575.00	
401-851-825.400	RENTAL PROPERTIES	CONSUMERS ENERGY	111 S. LEROY	29.11	
401-851-826.000	LEGAL FEES	FAHEY SHULTZ BURZYCH RHO	DDA DIRECTOR	87.50	
401-851-971.413	LANDSCAPING MAINT	CJ CALLAGHAN & SONS	LANDSCAPE DDA PROPERTIES	1,114.13	
401-851-971.413	LANDSCAPING MAINT	CJ CALLAGHAN & SONS	LANDSCAPE MAINTENANCE	2,437.50	
401-851-971.413	LANDSCAPING MAINT	CJ CALLAGHAN & SONS	PLANTING BED MAINTENANCE	125.00	
401-851-971.414	LAWN CARE	CJ CALLAGHAN & SONS	LAWN MAINTENANCE DDA PROPERTIES	840.00	
401-851-975.750	WEBSITE	3SIXTY INTERACTIVE	WEB SITE HOSTING & SUPPORT AUGUST	216.67	
401-851-975.812	CORNERSTONE	MANSOUR REALTY, INC	SEPTEMBER CONSULTING CONERSTONE	3,000.00	
401-851-975.812	CORNERSTONE	SAA ARCHITECTS, INC.	CORNERSTONE BUILDING	42,700.00	
Total For Dept 851 DOWNTOWN DEVELOPMENT				<u>62,322.41</u>	
Total For Fund 401 DDA CONSTRUCTION FUND				<u>62,322.41</u>	
Fund Totals:					
Fund 401 DDA CONSTRUCT				<u>62,322.41</u>	
Total For All Funds:				<u>62,322.41</u>	

EXP CHECK RUN DATES 08/23/2012 - 08/23/2012

JOURNALIZED PAID

BANK CODE: 05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 401 DDA CONSTRUCTION FUND					
Dept 851 DOWNTOWN DEVELOPMENT					
401-851-719.000	EMPLOYEE FRINGES	HEALTHPLUS	SEPTEMBER PREMIUMS	278.36	3965
401-851-719.000	EMPLOYEE FRINGES	METLIFE	SEPTEMBER PREMIUMS	19.93	3966
401-851-818.400	MARKETING	NEW MOON VISIONS	SERVICES MONTH OF JUNE 2012	5,008.00	3967
401-851-818.410	EVENT MARKETING	NEW MOON VISIONS	ARTWALK EVENT COORDINATION	5,068.80	3967
401-851-818.410	EVENT MARKETING	NEW MOON VISIONS	SILVER REWARDS CARD PROMOTION	3,000.00	3967
401-851-818.410	EVENT MARKETING	NEW MOON VISIONS	MAY 2012 THIRD THURSDAY EVENT	1,000.00	3967
401-851-818.410	EVENT MARKETING	TRI-COUNTY TIMES	ART WALK ADS	290.08	3968
Total For Dept 851 DOWNTOWN DEVELOPMENT				14,665.17	
Total For Fund 401 DDA CONSTRUCTION FUND				14,665.17	
Fund Totals:					
Fund 401 DDA CONSTRUCT				14,665.17	
Total For All Funds:				14,665.17	

EXP CHECK RUN DATES 09/06/2012 - 09/06/2012

JOURNALIZED PAID

BANK CODE: 05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 401 DDA CONSTRUCTION FUND					
Dept 851 DOWNTOWN DEVELOPMENT					
401-851-719.000	EMPLOYEE FRINGES	MERS	AUGUST CONTRIBUTION M. BURNS	425.49	3972
401-851-719.000	EMPLOYEE FRINGES	MERS	JULY CONTRIBUTIONS M BURNS	340.38	3972
401-851-719.000	EMPLOYEE FRINGES	THE STANDARD INSURANCE C	SEPTEMBER PREMIUMS	15.30	3973
401-851-719.000	EMPLOYEE FRINGES	VISION SERVICE PLAN	SEPTEMBER PREMIUMS	6.56	3975
401-851-864.000	CONFERENCES & DUES	VISA	AUGUST 2012 VISA MICHAEL BURNS	12.25	3976
401-851-956.100	MISCELLANEOUS	VERIZON WIRELESS	CELL PHONE	49.71	3974
401-851-956.100	MISCELLANEOUS	VISA	AUGUST 2012 VISA MICHAEL BURNS	24.27	3976
Total For Dept 851 DOWNTOWN DEVELOPMENT				<u>873.96</u>	
Total For Fund 401 DDA CONSTRUCTION FUND				<u>873.96</u>	
Fund Totals:					
				Fund 401 DDA CONSTRUCT	873.96
Total For All Funds:				<u>873.96</u>	

EXP CHECK RUN DATES 09/13/2012 - 09/13/2012
 BOTH JOURNALIZED AND UNJOURNALIZED OPEN
 BANK CODE: 05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 401 DDA CONSTRUCTION FUND					
Dept 851 DOWNTOWN DEVELOPMENT					
401-851-818.410	EVENT MARKETING	FENTON REGIONAL CHAMBER	REIMBURSEMENT FOR TASTE OF FENTON	4,754.00	
401-851-825.400	RENTAL PROPERTIES	CONSUMERS ENERGY	111 S. LEROY	29.11	
401-851-956.100	MISCELLANEOUS	FENTON WATER DEPT.	FINAL WATER BILL 111 S LEROY	460.93	
Total For Dept 851 DOWNTOWN DEVELOPMENT				<u>5,244.04</u>	
Total For Fund 401 DDA CONSTRUCTION FUND				<u>5,244.04</u>	
Fund Totals:					
				Fund 401 DDA CONSTRUCT	5,244.04
Total For All Funds:				<u>5,244.04</u>	



**Fenton
Downtown
Development
Authority**

FENTON DOWNTOWN DEVELOPMENT AUTHORITY PROCEEDINGS

6:00 p.m.

Tuesday August 21, 2012

The meeting was called to order by Chairman Schmidt at 6:00pm.

ROLL CALL:

PRESENT: Bertschy, Canever, Green, James, Kasper, Osborn, Saule, Schmidt Strayer, Sweetman, Wesch

ABSENT: Bayer, Henderson

OTHERS: Michael Burns DDA Director/Assistant City Manager,
Lynn Markland City Manager

EXECUTIVE DIRECTOR'S REPORT:

Everything has been signed with Clarkston Union/Union Joints. Site plan will be by October 1st. Curt Catallo said that he is starting work right away and is very excited.

The Police Dept. is having an open house on Monday 8/27/12 from 5pm-7:30pm. Everyone is encouraged to stop by and see the new dispatch area.

Sharman from New Moon gave an update:

-ArtWalk was a huge success. The way they had it set up, moved people up and down Leroy St. Both the artist and the business sold a lot. Biggby Coffee and Kimberly Kay Furniture both saw an increase in business. The entertainment was donated. Fenton Patch did a great job on profiles of the artists.

-Schmidt thanked New Moon for their good work.

-Silver Lining Rewards program has a number of business involved. It is a tough sell to the big box stores though.

-Social media is clicking in. Facebook, Twitter, Be Closer site and Bench Mark Report all show an increase.

-A survey was sent to all merchants on Silver Parkway. There was a lack of interest. Sent out 50 and only got 4 back.

-Burns added that there is a Merchants Workshop on September 13th at 8:00am at the new Fire Hall.

FINANCIAL REPORT:

Shane presented the financial report for both June 30 and July 31st.

Shane reported that the auditors are not scheduled until September 10, 2012.

CONSENT AGENDA:

- a) Accounts Payable – Authorize payment of bills in the amount of \$98,666.27.
- b) Request by St. John's Church to use the Lincoln St property for parking at Applefest between September 13th and 16th
- c) Minutes of the June 11th Fenton Design Committee Proceedings
- d) Minutes of the July 17th DDA Board Meeting

Motion made by Kasper, supported by Saule to approve the Consent Agenda as presented.

MOTION CARRIED, Roll Call Vote: Bertschy-aye, Canever-aye, Green-aye, James-aye, Kasper-aye, Osborn-aye, Saule-aye, Schmidt-aye, Strayer-aye, Sweetman-aye, Wesch-aye.

CITIZEN COMMENTS:

Cherie Smith 200 Union St. Fenton, Mi – Streetscape Presentation

STREETSCAPE PRESENTATION:

Burns advised that they have been meeting with the business owners and churches to make sure everyone has input on the project.

Sharman from New Moon said that they will be working with the businesses to help promote during the construction. They will be issuing "Tool Kits" to each merchant.

A presentation was made by OHM and LAS providing update on the plans.

106 W SHIAWASSEE & CORNERSTONE PARKING LOT PROPOSAL:

The Administration would like to consider expanding the Museum parking lot behind 106 Shiawassee and propose installing a parking lot in the Fenton Square walkway near the Cornerstone Development. The City Administration would like to have these parking lots constructed this fall prior to next year's Downtown Street Project.

OHM & LAS have provided estimated costs for their services.

Funding these projects can be absorbed by the \$300,000 in excess budgeted revenue that we have due to our agreement with Union Joints. Our estimated total cost for this project is \$193,823.

Discussion ensued among board members.

Motion by Osborn, supported by Wesch that the Downtown Development Authority approve the costs for OHM and LAS to begin their preparation to construct the parking lot in Fenton Square and to extend the Museum parking lot to 106 Shiawassee at a cost not to exceed \$9000.

MOTION CARRIES, ALL AYES

CALL TO THE AUDIENCE:

John Strayer advised that the free Film Series at the Community Center will start September 12th and run through May. The first one is "BRAND NEW DAY" starts at 7pm.

Craig Schmidt thanks everyone that sent condolences when his mother passed away.

ADJOURNMENT:

The meeting adjourned at 7:30pm.

Respectfully submitted by,

Craig Schmidt
Craig Schmidt, Chairman
Downtown Development Authority

Elaine McGreevy
Elaine McGreevy
Recording Secretary

FENTON DOWNTOWN DEVELOPMENT AUTHORITY MEMORANDUM



DATE: September 13, 2012
TO: Downtown Development Authority Board of Directors
FROM: Michael T. Burns, Executive Director *MRB*
RE: 111 South LeRoy

A discussion needs to be had regarding 111 S. LeRoy. Last fall, we purchased the building for the intent of demolishing it for the future development adjacent to the Cornerstone Building. As you are aware, the vision for the area of the Southeast corner of Silver Lake Road and LeRoy is to have three mixed-use, zero set-back buildings on LeRoy with parking behind them. Along with that, it is the vision for Caroline Street to continue east on LeRoy to Walnut Street.

The DDA is currently working on the first phase of this vision with the Cornerstone Building. There has been some discussion of demolishing 111 S. LeRoy at the time the Republic Bank is demolished (at this time date is unknown for this) for the Cornerstone Building. While this is a cost efficient method in demolishing the building and does give us the option to add additional parking that will be necessary for the first Cornerstone Building, this brings up another issue that the board needs to decide upon.

Currently, the Administration is working with the Michigan Economic Development Corporation in possibly having the Cornerstone Building be considered in the State of Michigan's new Economic Development Funding through the Community Revitalization Program. The Community Revitalization Program has designated a \$100 million fund for economic development projects in Michigan. This replaces tax credit programs such as the Film Credit, Michigan Economic Growth Authority (MEGA) tax credit program, and Brownfield Tax Credit programs for historical, brownfield and obsolete properties. This funding provides financial gap assistance for economic development projects. Mixed-use Downtown projects on Brownfield sites are major projects of interest for the State of Michigan and are eligible for funding under this program. Projects support is for up to 25 percent of eligible investment, and not to exceed \$10,000,000 in loan agreements or \$1,000,000 in grant agreements.

While the property is not a contaminated property that you would think qualifies as a brownfield project, the Republic Bank can be considered an obsolete building. Obsolete buildings, if determined so by a Level 3 or Level 4 Assessor, are eligible for funding under this program. In addition, adjacent or contiguous properties to the affected property are eligible if the development of the adjacent or contiguous property is estimated to increase the taxable value of the affected property.

Currently, Cornerstone falls under the parameters of the CRP program as the contiguous property to Republic Bank will be where the majority of the proposed building is constructed on.

However the future building in front of 111 S. LeRoy may also qualify for the CRP program. That building may qualify as an obsolete building and may be eligible for the same assistance under the CRP program. I have provided detailed program information.

At this point, it is not sure as to when that building will be developed. In addition, there is a possibility that the guidelines and funding for that program may change as they are subject to by the State Legislature at any time. However, if the building is demolished now and construction for a new building does not occur for a few years; that project would not be eligible for the program.

The DDA needs to determine what they would like to do with 111 S. LeRoy. Would you like to have the building demolished when the Republic Bank is? Or, would you like to wait to demolish the building and seek assistance through the Community Revitalization Program when the second phase of the project occurs?



Michigan Community Revitalization Program Projects

As of July 2, 2012, the following projects have been approved by the Michigan Strategic Fund.

ENMAR, LLC – Performance Based Grant

Approval Date: 06/25/2012
Location: Kalamazoo
Project Investment: Up to \$2.93 million
Projected Jobs: 0
Projected Incentive Amount: Up to \$425,000

ARCADIA BREWING COMPANY – Performance Based Grant

Approval Date: 06/25/2012
Location: Kalamazoo
Project Investment: Up to \$2.3 million
Projected Jobs: 42
Projected Incentive Amount: Up to \$575,000

BLUE STAR 2, LLC – Performance Based Grant

Approval Date: 06/22/2012
Location: Benton Harbor
Project Investment: Up to \$2.77 million
Projected Jobs: 20
Projected Incentive Amount: Up to \$595,000

IONIA VENTURES, LLC – Performance Based Grant

Approval Date: 06/11/2012
Location: Grand Rapids
Project Investment: Up to \$6.5 million
Projected Jobs: 70 new jobs including 35 fulltime
Projected Incentive Amount: Up to \$361,500

WHOLE FOODS MARKET (ELLINGTON WF, LLC) – Performance Based Grant

Approval Date: 06/04/2012
Location: Detroit
Project Investment: Up to \$6 million
Projected Jobs: 80
Projected Incentive Amount: Up to \$1 million

WOODWARD THEATER, LLC – Loan Participation Proposal

Approval Date: 04/17/2012
Location: Detroit
Project Investment: \$12.3 million
Projected Jobs: Up to 84 full time jobs
Projected Incentive Amount: Up to \$750,000

SUPPORTING PROGRAM DOCUMENTS

- [Click here to read the Michigan Community Revitalization Program fact sheet.](#)
- [Click here to see the Community Revitalization Program Application Document.](#)
- [Click here to read the Michigan Business Development Program and Community Revitalization Program Process Documentation.](#)
- [Click here to read the Michigan Community Revitalization Program Guidelines Document.](#)
- [2012 MSF Board Brownfield Work Plan and CRP Application Due Dates Schedule \(Issue Date August 2012\)](#)

MICHIGAN COMMUNITY REVITALIZATION PROGRAM

The Michigan Community Revitalization Program (MCRP) is a new incentive program available from the Michigan Strategic Fund (MSF), in cooperation with the Michigan Economic Development Corporation (MEDC), designed to promote community revitalization that will accelerate private investment in areas of historical declining values, contribute to Michigan's reinvention as a vital, job generating state, foster redevelopment of functionally obsolete or historic properties, reduce blight, and protect natural resources of this state. The program is designed to provide grants, loans, or other economic assistance for eligible investment projects in Michigan. Generally, no funds will be disbursed until the project is verified as complete.

WHO IS ELIGIBLE?

A person may apply to the MSF for approval of MCRP incentives associated with a project.

ELIGIBLE PROPERTY

The applicant shall include documentation establishing that the project is located on eligible property, meaning property meeting one or more of the following conditions (MCL 125.2090a(e)):

- Facility;
- Historic resource;
- Blighted;
- Functionally obsolete; or
- Adjacent or contiguous to a property described above, if the development of the adjacent or contiguous property is estimated to increase the taxable value of the property described above.

ELIGIBLE INVESTMENT

Eligible investment to an eligible property means one or more of the following (MCL 125.2090a(d)):

- Any alteration, construction, improvement, demolition or rehabilitation of buildings;
- Site improvement;
- The addition of machinery, equipment or fixtures; and
- Architectural, engineering, surveying and similar professional fees for a project but not certain soft costs of the eligible investment as determined by the MSF.

PROGRAM PROVISIONS AND GUIDELINES

The MSF's support will not exceed 25% of the total eligible investment for a single project, and in no event exceed a total of \$10,000,000 for loan agreements or \$1,000,000 for grant agreements, or \$10,000,000 for a combination of support. Any grant or loan under the program will be performance based. Grants and loans will include flexible terms and conditions and may be assignable upon approval of the MSF. Loan terms and conditions may include below market interest rates, extended grace and repayment provisions, forgivable terms and no security or some security (which may be subordinated). As required by the Act, all written agreements will include a repayment provision for failure to comply with the provisions outlined in the written agreement.

The MSF shall consider the following factors when considering a project for MSF Support:

- Projects which include revitalization of regional urban areas shall be given preference for MSF support;
- MSF support shall not include support for economic based projects that are not located in a downtown or traditional commercial center and that do not primarily promote the desired revitalization of urban areas;
- The importance of the project to the community in which it is located;
- Whether the project will act as a catalyst for additional revitalization of the community in which it is located;
- The amount of local community and financial support for the project;
- The applicant's financial need for the incentive;
- The extent of reuse of vacant buildings and reuse of historical buildings and redevelopment of blighted property;
- The level and extent of environmental contamination;
- Creation of jobs;
- The level of private sector and other contributions, including federal resources;
- Whether the project is financially and economically sound;
- Whether the project increases the density of the area;
- Whether the project promotes mixed-use development and walkable communities;

MICHIGAN COMMUNITY REVITALIZATION PROGRAM *continued*

- Whether the project converts abandoned public buildings to private use;
- Whether the project promotes sustainable development;
- Whether the project involves the rehabilitation of a historic resource meeting the Federal Secretary of the Interior's Standards for rehabilitation and guidelines for rehabilitating historic buildings, 36 CFR 67;
- Whether the project addresses area wide redevelopment;
- Whether the project addresses underserved markets of commerce; and
- Whether the project will compete with or affect existing Michigan businesses within the same industry.

MSF support will be memorialized by final written grant, loan or other economic assistance agreements with terms and conditions in accordance with the MCRP guidelines and otherwise satisfactory to the MSF including, without limitation, requiring performance based milestones which will govern disbursements; periodic reporting of data during project revitalization efforts and after completion of the project, financial information and any other information required to facilitate reporting to the MSF Board and the Michigan Legislature.

FEES

For projects requesting a Community Revitalization Loan, a non-refundable \$5,000 application fee shall be submitted along with the completed application. The check should be made payable to the **Michigan Strategic Fund**.

In addition, a closing fee based on the value of the Community Revitalization Loan will be charged to the applicant. The closing fee is due when the written loan agreement is fully executed. The closing fee will be calculated at 1%. The \$5,000 application fee will be applied to the amount of the closing fee.

PROCESS

All projects are subject to an application and due diligence process conducted by the MEDC. Projects that receive MEDC support will require the MSF's approval and an agreement between the MSF and the qualified business. The following steps are offered as general guidelines only to provide some guidance on typical steps, timelines and responsibilities.

Step 1: Contact your local community for review and evaluation. If support is confirmed at local level, contact [Community Assistance Team \(CATEam\) Specialist](#) for review and evaluation of the project.

Step 2: If the project evaluation is determined to meet the criteria of the MCRP, the community will submit a Pre-Application.

Step 3: Following submission of the Pre-Application, the CATEam Specialist will present the project to the CATEam staff for support to move the project forward. If supported, the project will undergo a needs analysis in conjunction with a MEDC Regional Project Manager.

Step 4: The project will be considered by the MSF. Approvals and timelines will depend on the size of the incentive request. If approved, an agreement will be executed that establishes milestones to be met in order for incentive proceeds to be disbursed.

CONTACT INFORMATION

For more information on the MCRP incentives, please [contact the CATEam Specialist](#) assigned to your territory. Also, you can contact the MEDC Customer Assistance Center at 517.373.9808.

SUPPORTING STATUTE

[Public Act 252 of 2011](#)

**FENTON DOWNTOWN DEVELOPMENT AUTHORITY
MEMORANDUM**



DATE: September 13, 2012
TO: Downtown Development Authority Board of Directors
FROM: Michael T. Burns, Executive Director *MTB*
RE: Cornerstone Soil Borings

As I mentioned previously, I spoke with Steve Auger about the status of the design development for Cornerstone. He told me that they have determined a load capacity for the building. He informed me two weeks ago, that he was working with OHM and Schleede, Hampton and Associates (SHA) on determining whether or not the soil can handle the load capacity. The preliminary soil analysis that was gathered earlier this year was at 35 feet below the ground. To determine whether the soil can hold the proposed capacity, our engineers stated that an additional 25 feet (totaling 60 ft. underground) would need to be analyzed.

SHA submitted a proposal to complete this work for \$4,780. This was not approved in the proposals by OHM and SAA in July for the Cornerstone. However, it was known that this would have to be addressed at some point during the design development. Failure to complete this step in an expedient manner would delay the design development process and will provide for much higher cost estimates by the engineers and architects in constructing this building. Through the City Manager's approval, expenditures less than \$2,500 don't need DDA Board or City Council approval. So to expedite this task and after discussing this matter thoroughly with the DDA Chairman, Vice-Chairman and DDA Attorney, I ordered the work to begin. This was under the premise that we approve a payment of \$2,500 up to the day of our next DDA Board meeting, with the difference being approved by the DDA Board.

SHA has begun the work for this project. However, the proposal does need formal approval by the DDA Board. The proposal is attached.

I am recommending that the City of Fenton Downtown Development Authority approve a cost not to exceed amount of \$4,780 to Schleede, Hampton and Associates for additional soil borings to determine whether the soil conditions can sustain the projected load capacity for the Cornerstone Building.

SCHLEEDE HAMPTON ASSOCIATES INC

CONSULTING ENGINEERS

September 4, 2012

Mr. Mike Burns
Assistant City Manager/Director of Economic Development
Fenton City Hall
301 S. Leroy St.
Fenton, MI 48430

Regarding: Geotechnical Engineering Services Proposal
Proposed Fenton Cornerstone Building Development Project
Fenton, Michigan
SHA Proposal No. 012161

Dear Mr. Burns:

Schleede-Hampton Associates, Inc. (SHA) appreciates the opportunity to offer to provide geotechnical engineering services for the design phase of the proposed Fenton Cornerstone Building Development Project in downtown Fenton. This proposal contains a description of the proposed work plan for the geotechnical engineering project and a NTE budget for the work.

Scope of Services

Project History

SHA was retained by the Fenton DDA to perform a preliminary geotechnical exploration for the general project area in 2011. That project report, including the results of 5 soil test borings, was issued under SHA file number 661078.

The results of the study indicated that medium strength native granular soils with interbedded clay layers were present over the area with granular fill soils of variable consistency in the former building sites along S. Leroy St. The results suggested that multi-story buildings without basement structures would require improvement of the upper fill soils in the former building sites in order to support a conventional shallow foundation system. Alternately, deep foundations such as driven piles would be required.

Considering that a basement is not planned for the new building, options for improvement of the upper soils at the site are probably limited to removal and replacement of the upper soils to depths of approximately 10 Ft. or the use of a system

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of rammed aggregate piers at the column points to support the building on conventional shallow foundations. It is anticipated that the first floor can be constructed as a slab-on-grade in either case.

Use of deep foundations to support the building is considerably less desirable due to cost. Based upon the results of the preliminary study, it is anticipated that pile lengths on the order of 50 Ft. will be required to develop pile service load capacities on the order of 50 tons per pile.

Current Project Plan

Currently the proposed building footprint occupies the vacant lot that east of S. Leroy St. and immediately south of Silver Lake Road with a wing of the building extending north of the vacant bank building near the corner of Silver Lake Rd. and Maple St.

A proposed soil boring layout for the project was provided by the structural engineer (Penhale & Yates, Inc.) that included 4 soil borings drilled to depths of 35 Ft. below the ground surface. Considering the results of the preliminary study, we suggest altering the plan somewhat. We would propose to move one of the borings to the west building line, in the area of the basements of the former buildings at the site, and to add an additional boring along the east building line. In addition, we propose to drill 4 of the borings to depths of 20 Ft. below site grade rather than 35 Ft. below site grade and one of the borings to 60 Ft. below site grade in order to develop recommendations for pile foundations if necessary.

SHA will mark the boring locations in the field and will obtain utility clearance for the site using the MISS DIG system.

All of the borings will be drilled using a truck mounted drill rig. Split barrel samples will be obtained at 2-1/2 Ft. intervals to depths of 10 Ft. and at 5 Ft. intervals at greater depths at each location. Borings will be backfilled with soil cuttings at completion, and each site will be cleaned as warranted.

A field engineer from our office will be responsible for logging the borings, collecting the soil samples, and will supervise all of the field work.

Soil samples will be shipped to our laboratory when the field work is completed. Samples will be tested to determine basic engineering characteristics including moisture content and compressive strength. Unit weights will be estimated based upon soil classification.

Results of the field and laboratory work will be compiled in an engineering report. The report will include a description of the soil profile and groundwater conditions across the site, and will include a discussion of possible shallow and deep foundation alternatives for building support with a recommended foundation option. The report will address subsurface structure design and construction, groundwater conditions, site utility construction, and site pavement design all in accordance with guidelines developed by Penhale & Yates, Inc.

Budget Estimate

Fees for our services will be based upon the unit rates in the following schedule.

<u>Item</u>	<u>Quantity</u>	<u>Unit Rate</u>	<u>Extension</u>
<i>Field Services</i>			
Utility Clearance and Layout, Field Engineer, per hour	4	\$75.00	\$300.00
Rig Mobilization, personnel and equipment., Lump Sum	1	\$400.00	\$400.00
Soil Drilling and Sampling, per foot (0 feet to 30 feet range)	140	\$16.00	\$2,240.00
Field Engineer for logging and field supervision, per hour	8	\$ 75.00	\$600.00
<i>Laboratory Services</i>			
Basic Tests on split barrel samples (Mc, Qp), per sample	40	\$9.00	\$360.00
<i>Engineering Services</i>			
Engineering Services for Analysis, Report Preparation, Meetings, Conferences,			
Senior Managing Eng., per hour	6	\$130.00	\$780.00
Not-To-Exceed Budget Estimate			\$4,680.00

We are available to begin work on the project immediately after receiving an authorization to proceed. It is anticipated that the project will require three weeks to complete.

If you have any questions regarding this proposal, please contact us at your convenience.

Very Truly Yours,
Schleede-Hampton Associates, Inc.



James Berry, P.E.
Senior Managing Engineer