



**Fenton  
Downtown  
Development  
Authority**

City of Fenton – Downtown Development Authority  
Board Meeting of Tuesday September 27, 2011  
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 \$76,606.77
  - b) Minutes of the August 16, 2011 DDA Board Meeting
  - c) Minutes of the August 12, 2011 Design Committee 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) Revision to Michigan Brewing Company Lease
- 5) Old Fire Hall Architectural renderings
- 6) Lindhout and Associates as Façade Improvement Program consultants
- 7) Jinglefest Sponsorship
- 8) Personal Property Tax Seminar
- 9) Budget Amendments
- 10) Call to the Audience
- 11) Closed Session to discuss purchase of property
- 12) Recess to closed session
- 13) Reconvene to open session
- 14) Adjournment

Upcoming meeting: October 18, 2011

CITY OF FENTON  
DOWNTOWN DEVELOPMENT AUTHORITY  
BALANCE SHEET  
30-Jun-11

ASSETS:	
CASH IN BANK	\$2,395,093
DUE FROM OTHER FUNDS	<u>\$0</u>
 TOTAL ASSETS	 <u><u>\$2,395,093</u></u>
LIABILITIES:	
ACCOUNTS PAYABLE	\$57,395
ACCRUED WAGES	\$1,071
DUE TO OTHER FUNDS	<u>\$1,339</u>
 TOTAL LIABILITIES	 \$59,805
FUND EQUITY:	
FUND BALANCE	<u>\$2,335,288</u>
 TOTAL LIABILITES AND EQUITY	 <u><u>\$2,395,093</u></u>

CITY OF FENTON  
DOWNTOWN DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
30-Jun-11

	AMENDED BUDGET	YTD ACTUAL	PERCENT OF BUDGET	VARIANCE FRM BUDGET
REVENUES:				
TAX REVENUES	\$1,744,368	\$1,768,758	101.40%	\$24,390
REVENUE SHARING	(\$330,000)	(\$330,000)	100.00%	\$0
MISCELLANEOUS INCOME	\$0	\$1	0.00%	(\$1)
INTEREST INCOME	\$10,000	\$10,687	106.87%	\$687
<b>TOTAL REVENUE</b>	<b>\$1,424,368</b>	<b>\$1,449,446</b>	<b>101.76%</b>	<b>\$25,076</b>
DEBT PAYMENTS:				
PRINCIPAL	\$305,000	\$305,000	100.00%	\$0
INTEREST & FEES	\$187,785	\$187,715	99.96%	\$70
<b>TOTAL PAYMENTS</b>	<b>\$492,785</b>	<b>\$492,715</b>	<b>99.99%</b>	<b>\$70</b>
OPERATING EXPENSES:				
SALARIES	\$68,000	\$69,497	102.20%	(\$1,497)
EMP FRINGES	\$22,000	\$18,772	85.33%	\$3,228
CONFERENCES & DUES	\$3,500	\$3,154	90.11%	\$346
PROF SERVICES	\$30,000	\$18,453	61.51%	\$11,547
MARKETING	\$100,000	\$107,051	107.05%	(\$7,051)
EVENT MARKETING	\$47,000	\$37,203	79.16%	\$9,797
LEGAL FEES	\$40,000	\$31,835	79.59%	\$8,165
INSURANCE	\$14,000	\$14,000	100.00%	\$0
RENTAL PROPERTY	\$5,000	\$3,029	60.58%	\$1,971
STREET LIGHTS	\$2,000		0.00%	\$2,000
OLD FIRE UTILITIES	\$7,000	\$5,775	82.50%	\$1,225
OLD FIRE MAINTENANCE	\$5,000	\$1,217	24.34%	\$3,783
LANDSCAPING MAINTENANCE	\$16,000	\$15,753	98.46%	\$247
LAWN CARE	\$7,200	\$5,125	71.18%	\$2,075
RIVER ST. UTILITIES	\$5,000	\$4,751	95.02%	\$249
WEBSITE	\$3,000	\$4,863	162.10%	(\$1,863)
MISCELLANEOUS	\$7,500	\$8,585	114.47%	(\$1,085)
<b>TOTAL OPERATING</b>	<b>\$382,200</b>	<b>\$349,063</b>	<b>91.33%</b>	<b>\$33,137</b>
PROJECTS:				
MASTER PLAN INPLEMENTATION	\$425,000	\$398,330	93.72%	\$26,670
OLD FIRE HALL	\$0		0.00%	\$0
WAYFINDING	\$50,000	\$20,753	41.51%	\$29,247
STRIPING	\$3,000		0.00%	\$3,000
STREETScape MAINTENANCE	\$20,000	\$14,398	71.99%	\$5,602
FAÇADE IMPROVEMENTS	\$50,000	\$36,583	73.17%	\$13,417
RECREATIONAL	\$2,500	\$2,013	80.52%	\$487
RIVER STREET PARKING IMPROVEMENTS	\$2,500	\$1,698	67.92%	\$802
LEROY RAILROAD CROSSING	\$25,000	\$21,870	87.48%	\$3,130
COMMUNITY CENTER RESTORATION	\$100,000	\$18,586	18.59%	\$81,414
WALNUT ST. IMPROVEMENTS	\$110,000	\$45,811	41.65%	\$64,189
SILVER PARKWAY-ENGINEERING	\$50,000	\$82,946	165.89%	(\$32,946)
SILVER PARKWAY	\$65,000	\$55,659	85.63%	\$9,341
<b>TOTAL PROJECTS</b>	<b>\$903,000</b>	<b>\$698,647</b>	<b>77.37%</b>	<b>\$204,353</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,777,985</b>	<b>\$1,540,425</b>	<b>86.64%</b>	<b>\$237,560</b>
REVENUES OVER EXPENDITURES	(\$353,617)	(\$90,979)		
BEGINNING FUND BALANCE	\$2,426,267	\$2,426,267		
ENDING FUND BALANCE	<u>\$2,072,650</u>	<u>\$2,335,288</u>		

CITY OF FENTON  
 1994 DOWNTOWN DEVELOPMENT AUTHORITY BONDS  
 SCHEDULE OF DEBT SERVICE REQUIREMENTS  
 June-11

2001 DOWNTOWN DEVELOPMENT AUTHORITY BONDS  
 SCHEDULE OF DEBT SERVICE REQUIREMENTS

FISCAL YR ENDED JU	INTEREST 1-Oct	INTEREST 1-Apr	PRINCIPAL 1-Apr	TOTAL REQUIREME	INTEREST RATE	YIELD
2011	\$93,692	\$93,692	\$305,000	\$492,384	4.25%	4.00%
2012	\$87,211	\$87,211	\$320,000	\$494,422	4.25%	4.15%
2013	\$80,411	\$80,411	\$335,000	\$495,822	4.25%	4.25%
2014	\$73,292	\$73,292	\$350,000	\$496,584	4.25%	4.40%
2015	\$65,855	\$65,855	\$365,000	\$496,710	4.40%	4.50%
2016	\$57,825	\$57,825	\$385,000	\$500,650	4.50%	4.60%
2017	\$49,162	\$49,162	\$400,000	\$498,324	4.50%	4.70%
2018	\$40,162	\$40,163	\$420,000	\$500,325	4.50%	4.75%
2019	\$30,712	\$30,713	\$440,000	\$501,425	4.50%	4.80%
2020	\$20,812	\$20,812	\$460,000	\$501,624	4.50%	
2021	\$10,462	\$10,463	\$465,000	\$485,925	4.50%	
<b>TOTAL</b>	<b>\$609,596</b>	<b>\$609,599</b>	<b>\$4,245,000</b>	<b>\$5,464,195</b>		

REDEMPTION DATE 2011

PLAN EXPIRES DECEMBER 2030

CITY OF FENTON  
DOWNTOWN DEVELOPMENT AUTHORITY  
BALANCE SHEET  
31-Aug-11

ASSETS:	
CASH IN BANK	\$2,130,770
BOND ESCROW	\$95,000
DUE FROM OTHER FUNDS	<u>\$0</u>
TOTAL ASSETS	<u><u>\$2,225,770</u></u>
LIABILITIES:	
ACCOUNTS PAYABLE	\$597
ACCRUED WAGES	\$0
DUE TO OTHER FUNDS	<u>\$27,240</u>
TOTAL LIABILITIES	\$27,837
FUND EQUITY:	
FUND BALANCE	<u>\$2,197,933</u>
TOTAL LIABILITES AND EQUITY	<u><u>\$2,225,770</u></u>

CITY OF FENTON  
DOWNTOWN DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
1-Aug-11

	AMENDED BUDGET	YTD ACTUAL	PERCENT OF BUDGET	VARIANCE FRM BUDGET
<b>REVENUES:</b>				
TAX REVENUES	\$2,026,835	\$0	0.00%	(\$2,026,835)
REVENUE SHARING	(\$400,000)	\$0	0.00%	\$0
MISCELLANEOUS INCOME	\$0	\$0	0.00%	\$0
INTEREST INCOME	\$10,000	\$732	7.32%	(\$9,268)
<b>TOTAL REVENUE</b>	<b>\$1,636,835</b>	<b>\$732</b>	<b>0.04%</b>	<b>(\$2,036,103)</b>
<b>DEBT PAYMENTS:</b>				
PRINCIPAL	\$320,000	\$0	0.00%	\$0
INTEREST & FEES	\$174,822	\$0	0.00%	\$174,822
<b>TOTAL PAYMENTS</b>	<b>\$494,822</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$174,822</b>
<b>OPERATING EXPENSES:</b>				
SALARIES	\$53,000	\$9,121	17.21%	\$43,879
EMP FRINGES	\$18,000	\$1,538	8.54%	\$16,462
CONFERENCES & DUES	\$3,500	\$780	22.29%	\$2,720
PROF SERVICES	\$30,000	\$16,446	54.82%	\$13,554
MARKETING	\$136,000	\$18,339	13.48%	\$117,661
EVENT MARKETING	\$66,000	\$15,296	23.18%	\$50,704
BOND COSTS	\$0	\$31,500		(\$31,500)
LEGAL FEES	\$30,000	\$1,959	6.53%	\$28,041
INSURANCE	\$15,000	\$15,000	100.00%	\$0
OLD FIRE HALL UTILITIES	\$0	\$509		(\$509)
RENTAL PROPERTY	\$5,000	\$34	0.68%	\$4,966
STREET LIGHTS	\$8,000	\$107	1.34%	\$7,893
LANDSCAPING MAINTENANCE	\$16,000	\$4,308	26.93%	\$11,692
LAWN CARE	\$7,200	\$660	9.17%	\$6,540
RIVER ST. UTILITIES	\$5,000	\$310	6.20%	\$4,690
WEBSITE	\$3,000	\$767	25.57%	\$2,233
MISCELLANEOUS	\$7,500	\$872	11.63%	\$6,628
<b>TOTAL OPERATING</b>	<b>\$403,200</b>	<b>\$117,546</b>	<b>29.15%</b>	<b>\$285,654</b>
<b>PROJECTS:</b>				
MASTER PLAN IMPLEMENTATION	\$500,000	\$4,304	0.86%	\$495,696
OLD FIRE HALL	\$400,000		0.00%	\$400,000
WAYFINDING	\$75,000		0.00%	\$75,000
STRIPING	\$3,000		0.00%	\$3,000
STREETSCAPE	\$75,000	\$225	0.30%	\$74,775
STREETSCAPE MAINTENANCE	\$20,000	\$3,058	15.29%	\$16,942
FAÇADE IMPROVEMENTS	\$200,000		0.00%	\$200,000
HANDICAPP RAMP-GAZEBO	\$80,000		0.00%	\$80,000
COMMUNITY CENTER RESTORATION	\$200,000		0.00%	\$200,000
DISPATCH EQUIPMENT	\$40,000		0.00%	\$40,000
WALNUT ST IMPROV	\$0	\$6,562		(\$6,562)
SILVER PARKWAY DESIGN	\$0	\$718		(\$718)
SILVER PARKWAY IMPROV	\$535,000	\$5,674	1.06%	\$529,326
<b>TOTAL PROJECTS</b>	<b>\$2,128,000</b>	<b>\$20,541</b>	<b>0.97%</b>	<b>\$2,107,459</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,026,022</b>	<b>\$138,087</b>	<b>4.56%</b>	<b>\$2,567,935</b>
REVENUES OVER EXPENDITURES	(\$1,389,187)	(\$137,355)		
BEGINNING FUND BALANCE	\$2,335,288	\$2,335,288		
ENDING FUND BALANCE	\$946,101	\$2,197,933		

EXP CHECK RUN DATES 08/17/2011 - 09/28/2011  
 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	OHM ENGINEERING ADVISORS	REPUBLIC BANK REDEVELOPMENT	950.00	
401-851-810.000	PROF SERV - ENGINEERING	OHM ENGINEERING ADVISORS	REPUBLIC BANK	1,285.00	
401-851-818.400	MARKETING	FENTON PRINTING, INC.	CITY OF FENTON	1,149.53	
401-851-825.000	PARKING PLAN	OHM ENGINEERING ADVISORS	DOWNTOWN ROAD AND STREETScape	9,962.50	
401-851-825.300	STREETScape	OHM ENGINEERING ADVISORS	DOWNTOWN ROAD AND STREETScape	21,736.50	
401-851-826.000	LEGAL FEES	FAHEY SHULTZ BURZYCH RHO	REAL ESTATE MATTERS AUGUST 2011	1,220.00	
401-851-826.000	LEGAL FEES	FAHEY SHULTZ BURZYCH RHO	DIRECTOR MATTERS	1,055.00	
401-851-826.000	LEGAL FEES	FAHEY SHULTZ BURZYCH RHO	DDA DIRECTOR	870.00	
401-851-971.400	MASTER PLAN IMPLEMENT	MANSOUR DEVELOPMENTS INC	SEPTEMBER CONSULTING FEE	3,000.00	
401-851-971.400	MASTER PLAN IMPLEMENT	OHM ENGINEERING ADVISORS	REPUBLIC BANK REDEVELOPMENT	7,197.75	
401-851-971.410	WAYFINDING	GRISSIM METZ ANDREISE AS	FENTON WAYFINDING SIGNS	787.80	
401-851-971.410	WAYFINDING	GRISSIM METZ ANDREISE AS	FENTON WAYFINDING SIGNS	1,028.04	
401-851-971.413	LANDSCAPING MAINT	CJ CALLAGHAN & SONS	DDA LANDSCAPING	1,064.14	
401-851-971.413	LANDSCAPING MAINT	CJ CALLAGHAN & SONS	LANDSCAPE MAINTAINANCE	875.02	
401-851-971.414	LAWN CARE	CJ CALLAGHAN & SONS	DDA LAWN MAINTENANCE	1,275.00	
401-851-971.414	LAWN CARE	QUALITY LANDSCAPE	FIFTH APPLICATION OF FERTILIZER	153.00	
401-851-975.720	STREETScape MAINTENANCE	E & R INDUSTRIAL SALES,	SUPPLIES	127.36	
401-851-975.750	WEBSITE	3SIXTY INTERACTIVE	WEBSITE HOSTING	383.33	
401-851-975.807	COMMUNITY CENTER RESTORATION	LINDHOUT ASSOCIATES ARCH	AUGUST 2011 SERVICES	7,804.80	
401-851-994.100	BOND COSTS	STAUDER, BARCH & ASSOC.	BOND REFUNDING	14,682.00	
Total For Dept 851 DOWNTOWN DEVELOPMENT				76,606.77	
Total For Fund 401 DDA CONSTRUCTION FUND				76,606.77	
Fund Totals:					
Fund 401 DDA CONSTRUCT				76,606.77	
Total For All Funds:				76,606.77	

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INVOICE GL DISTRIBUTION REPORT FOR CITY OF FENTON

EXP CHECK RUN DATES 08/18/2011 - 08/18/2011  
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	360.38	3654
401-851-818.410	EVENT MARKETING	SESAC	PERFORMANCE LICENSE FOR CONCERTS	296.00	3655
Total For Dept 851 DOWNTOWN DEVELOPMENT				656.38	
Total For Fund 401 DDA CONSTRUCTION FUND				656.38	
Fund Totals:					
Fund 401 DDA CONSTRUCT				656.38	
Total For All Funds:				656.38	



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INVOICE GL DISTRIBUTION REPORT FOR CITY OF FENTON

EXP CHECK RUN DATES 09/01/2011 - 09/01/2011  
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	AFLAC INSURANCE	SEPTEMBER PREMIUMS	72.62	3666
401-851-719.000	EMPLOYEE FRINGES	METLIFE	SEPTEMBER PREMIUMS	29.11	3668
401-851-719.000	EMPLOYEE FRINGES	THE STANDARD INSURANCE C	SEPTEMBER PREMIUMS	22.33	3669
401-851-719.000	EMPLOYEE FRINGES	VISION SERVICE PLAN	SEPTEMBER PREMIUMS	9.58	3670
401-851-956.100	MISCELLANEOUS	CONSUMERS ENERGY	120 E SILVER LAKE RD	85.47	3667
401-851-956.100	MISCELLANEOUS	CONSUMERS ENERGY	TRAIN DEPOT - 207 E SILVER LK RD	56.36	3667
401-851-975.010	OLD FIRE HALL UTILITIES	CONSUMERS ENERGY	FIRE HALL - 201 S LEROY	164.70	3667
401-851-975.721	RIVER STREET UTILITIES	CONSUMERS ENERGY	STREET LIGHTS - 125 S RIVER RD	157.18	3667
Total For Dept 851 DOWNTOWN DEVELOPMENT				<u>597.35</u>	
Total For Fund 401 DDA CONSTRUCTION FUND				<u>597.35</u>	
Fund Totals:					
Fund 401 DDA CONSTRUCT				<u>597.35</u>	
Total For All Funds:				<u>597.35</u>	

EXP CHECK RUN DATES 09/08/2011 - 09/08/2011

JOURNALIZED PAID

BANK CODE: 05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 401 DDA CONSTRUCTION FUND					
Dept 851 DOWNTOWN DEVELOPMENT					
401-851-956.100	MISCELLANEOUS	VERIZON WIRELESS	AUGUST 2011 CELL SERVICE	52.73	3672
401-851-975.010	OLD FIRE HALL UTILITIES	CONSUMERS ENERGY	FIRE HALL - 201 S LEROY	19.90	3671
		Total For Dept 851 DOWNTOWN DEVELOPMENT		<u>72.63</u>	
		Total For Fund 401 DDA CONSTRUCTION FUND		<u>72.63</u>	
		Fund Totals:			
			Fund 401 DDA CONSTRUCT	72.63	
			Total For All Funds:	<u>72.63</u>	

09/15/2011 04:00 PM  
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INVOICE GL DISTRIBUTION REPORT FOR CITY OF FENTON

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EXP CHECK RUN DATES 09/15/2011 - 09/15/2011  
JOURNALIZED OPEN  
BANK CODE: 05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 401 DDA CONSTRUCTION FUND					
Dept 851 DOWNTOWN DEVELOPMENT					
401-851-864.000	CONFERENCES & DUES	COURTYARD MILWAUKEE DOWN	MIKE & LYNN'S HOTEL FOR ICMA CONFERNC	405.16	
401-851-956.100	MISCELLANEOUS	VISA	AUGUST 2011- MICHAEL BURNS	153.74	
Total For Dept 851 DOWNTOWN DEVELOPMENT				558.90	
Total For Fund 401 DDA CONSTRUCTION FUND				558.90	
Fund Totals:					
Fund 401 DDA CONSTRUCT				558.90	
Total For All Funds:				558.90	



**Fenton  
Downtown  
Development  
Authority**

**FENTON DOWNTOWN DEVELOPMENT AUTHORITY PROCEEDINGS**

6:00 p.m.

Tuesday

August 16, 2011

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

**ROLL CALL:**

**PRESENT:** Kasper, Osborn, Saule, Schmidt, Strayer, Sweetman, Wesch

**ABSENT:** Bayer, Canever, Henderson, James, Piacentini

**OTHERS:** Michael Burns, DDA Director/Assistant City Manager; Lynn Markland, City Manager; Cynthia Shane, City Treasurer

**EXECUTIVE DIRECTOR'S REPORT:**

Burns reported that the Michigan Brewing Company has a façade plan that will be reviewed administratively before it is submitted for a site plan review. The first phase of way finding signs will be installed on September 6, 2011. September will be the first issue of the Fenton Focus online news magazine, which is being created by New Moons Visions. This month's DDA workshop is August 30<sup>th</sup> and will focus on creative customer service. The September DDA meeting date has been changed to Tuesday, September 27<sup>th</sup>.

**FINANCIAL REPORT:**

Shane provided the board with a review of the financial reports that included the end of fiscal year 2011. Saule inquired as to why the fiscal year 2011 Silver Lake Engineering line item is over budget. Burns stated that the DDA is still receiving invoices from MDOT for the project. Markland stated that these are most likely incidentals from the contractor who bills MDOT and then MDOT bills the City for their portion. Saule requested that Shane create a line item for the bond refinancing fees instead of those fees recorded under the legal fees line item.

**CONSENT AGENDA:**

- a. Accounts Payable – Authorize payment of bills in the amount of \$30,693.43
- b. Minutes of the July 19, 2011 DDA Board Meeting  
Minutes of the July 12, 2011 Design Committee Meeting

Motion by Kasper, support by Sweetman to approve the consent agenda as submitted.

MOTION CARRIED (7-0) ROLL CALL VOTE: Kasper-aye, Osborn-aye, Saule-aye, Schmidt-aye, Strayer-aye, Sweetman-aye, Wesch-aye

### **APPRAISALS FOR MICHIGAN TAX TRIBUNALS**

Burns reported that there are currently a large number of tax appeals for properties within the DDA District and that to defend these tax values the City Assessor would need to obtain appraisals, which will require a greater expense in the Assessors budget than anticipated. Burns stated that the Assessor is requesting \$40,000 to be budgeted for this and that funding the defense of tax appeals is much less than what the DDA could lose in revenue. The City Assessor, Tonya Molloseau, answered questions from the board members and stated that one appraisal on a commercial or industrial property can range from \$2,000 to \$8,000.

Motion by Saule, support by Kasper to allocate a not to exceed amount of \$40,000 to assist in defending tax appeals for properties within the DDA District, subject to approval of amending the DDA budget by City Council.

MOTION CARRIED, ALL AYES

### **REQUEST FOR MUSEUM BOARD TO USE REPUBLIC BANK SHELVING**

Burns reported that Museum Board is requesting the shelving from the Republic Bank to assist them with storing archived documents.

Motion by Schmidt, support by Osborn to allow the Museum Board to have the shelves that were left at the Republic Bank Building.

MOTION CARRIED, ALL AYES

### **APPLICATION FOR FENTON FILM SERIES**

Burns is recommending that the DDA continue sponsorship of the Fenton Film Series. Burns stated that this event has been successful and the increase in cost is due to an increase in rental rates by the Fenton Community Center. Patrick Perfitt, event coordinator, answered questions from the board. Perfitt stated that the event also receives sponsorship from other businesses and that all the food and drinks are donated. Councilman Ben Smith stated that this is a great event and continuing it would be good for the City.

Motion by Sweetman, support by Schmidt for the DDA to continue sponsorship of the Fenton Film Series at a cost not to exceed \$2,658.

MOTION CARRIED, ALL AYES (Strayer abstained his vote)

**DISCUSSION OF EXTENDING 75% FAÇADE IMPROVEMENT PROGRAM  
SUBSIDY DEADLINE**

Burns reported that because of the delays in completing all of the building assessment many of the eligible participants have been unable to begin the necessary improvements to their buildings. Burns stated that the Design Committee has recommended that the DDA board extend the deadline from December 31, 2011 to June 30, 2012 for a 75% façade improvement reimbursement. Burns added that if this is approved any projects approved after June 30, 2012 would only be eligible for a 50% reimbursement.

Motion by Saule, support by Kasper to approve extending the deadline for a 75% façade improvement reimbursement from December 31, 2011 to June 30, 2012.  
MOTION CARRIED, ALL AYES

**CALL TO THE AUDIENCE**

No answer from audience.

**OTHER**

Osborn stated that she is proud of the City Council and the DDA and appreciates all of their hard work and sacrifices. Schmidt stated that the new crosswalk signs are installed and working well at slowing down traffic, the Back to the Bricks tune up was a success and brought a record number of people to the Farmers Market and Concert in the Park.

**ADJOURNMENT:**

The meeting adjourned at 6:45 p.m.

Respectfully submitted by,

*Craig Schmidt*  
Craig Schmidt, Chairman  
Downtown Development Authority

*Charles Decator*  
Charles Decator  
Recording Secretary



## FENTON COMMUNITY CENTER RESTORATION COMMITTEE

3:00 p.m.

Thursday

July 7, 2011

The meeting was called to order at 3:11 p.m. by Chairman Kasper.

### ROLL CALL:

**PRESENT:** Chairman Doran Kasper, President of the Fenton Community and Cultural Center, Councilman John Rauch, Fenton Community Center Representative Patric Parker, Mayor Osborn, DDA Chairman Craig Schmidt

**ABSENT:** DDA Representative Jim Saule

**OTHERS:** Lynn Markland, City Manager, Michael Burns, Assistant City Manager, Vince Paris, Executive Director of Southern Lakes Parks and Recreation, Piet Lindhout and Brad Alvord, Lindhout & Associates, Councilman Tim Faricy

### **Minutes**

Motion by Rauch, seconded by Parker to approve the minutes of May 12, 2011 and May 24, 2011.

**MOTION PASSED ALL AYES**

### **Discussion with Lindhout and Associates regarding Community Center upgrades**

Piet Lindhout and Brad Alvord began discussing the proposed layout of the building and the review of the needs for the building. They project the costs for the building to be near \$200 per sq ft. The proposed total cost would be approximately \$583,000 for the proposed expansion of the service core and expansion.

Parker stated that it was suspected that approximately \$300,000 would be needed for the Community Center expansion and is not shocked by the amount.

Schmidt doesn't think that nickel and diming this project and the previous building lasted for over 70 years. Schmidt thinks there should be a comprehensive plan to take care of the needs for the building.

Discussion continued regarding the restrooms and concerns of its location. Lindhout believed it was much more feasible to have the restrooms at the lower level of the building.

Discussion continued regarding the north service entry. There was an idea of placing it in the northern area of the building. Lindhout stated that by doing that would create two separate projects to expand the building.

Rauch believes that fire suppression should be addressed in the current building.

Schmidt stated that he would like to have drawings to address the lower level brides room.

Rauch stated that he wants to know what is being done to market the Community Center. Vince Paris explained their website, their marketing program and how it is in conjunction with SLPR's program. Rauch continued by saying that he would like to see the Community Center's financial statements.

Lindhout then discussed the studio commons. He believed that it is too small for activities. He stated that we needed approximately 1200 to 1400 more square feet for that area. Lindhout stated that by doing this we are adding an additional 700 sf. Lindhout did not move forward because he was concerned about an additional \$140,000 for the project.

Schmidt asked for drawings regarding the expansion. He also asked for Brian Schaltz to provide us an estimate for the Topographical work.

Rauch brought up his concerns of more responsibility of the City Council. Mayor Osborn stated this will be discussed on Monday.

**Call to the Audience**

Councilman Faricy stated that entry at the north is something to consider. The community is aging and more walking is an issue to many people.

**ADJOURNMENT:**

The meeting adjourned at 4:35 p.m.

Respectfully submitted by,  
*Michael T. Burns*  
Michael T. Burns  
Assistant City Manager



**FENTON DOWNTOWN DEVELOPMENT AUTHORITY**  
**MEMORANDUM**



**DATE:** September 23, 2011

**TO:** Downtown Development Authority Board of Directors

**FROM:** Michael T. Burns, Executive Director *MB*

**RE:** Addendum to MBC Lease

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The Michigan Brewing Company is currently in the process of obtaining their liquor licenses. The Michigan Liquor Control Commission (LCC) is requesting some items to be added to the lease and current resolution by City Council that waived certain provisions of the restrictive covenants.

The LCC is requesting that the lease specify that a small wine making and small distillery are to be allowed on the premises. This revision needs to occur in Section 2.2 of the lease. They are also requesting that Resolution 11-04 approved by City Council which waived certain provisions of the restrictive covenants regarding the retail sale of beer, wine and spirits also include the allowance of a small wine and small distillery operation to occur on the site.

Attorneys Steve Schultz and Mark Burzych have informed me that the current resolution and agreement do not address these items and these revisions need to occur for the license to be issued. Attorney Burzych has made revisions to the lease and Attorney Schultz has made revisions to the City Council resolution that addresses these items.

The DDA only needs to revise the lease by allowing for the small wine making and small distillery operations to occur at the Fire Hall. The City Council is responsible for revising the resolution and this matter is being presented to them at their September 26, 2011 meeting.

**I am recommending that the Downtown Development Authority revise section 2.2 of their agreement with the Michigan Brewing Company to allow for small wine making and small distillery operations to occur on the premises.**

## FENTON FIRE HALL

### First Amendment to Lease

THIS FIRST AMENDMENT TO LEASE has been made and entered into as of \_\_\_\_\_, 2011, and amends the Lease entered into on \_\_\_\_\_, 2011 by and between City of Fenton Downtown Development Authority ("Landlord"), located at City of Fenton City Hall, 301 South Leroy Street, Fenton, Michigan 48430-2196 and Michigan Brewing Company, a Michigan corporation, located at 1093 Highview Drive, Webberville, Michigan 48892 ("Tenant").

Landlord and Tenant entered into a Lease on \_\_\_\_\_, 2011. Tenant has applied for approval of certain license applications with the Michigan Liquor Control Commission. The MLCC has reviewed the Lease and has requested that the parties amend the Lease to provide that the premises may be used as a "Small Distiller and Small Wine Maker." The parties agree that these uses are permitted under the terms of the Lease and amend the Lease only in the manner as follows:

1. Section 2.2 is hereby deleted in its entirety and replaced with the following language:

#### *2.2 Use of Premises.*

(a) Tenant shall use and occupy the Premises for the purposes of a Michigan Brewing Company Micro-brewery with full service restaurant, a Small Distiller and a Small Wine Maker, as defined by the Michigan Liquor Control Code, MCL 436.1101 *et. seq.*, and for no other purpose without Landlord's prior written consent (which shall not be unreasonably withheld by Landlord), in accordance with the Restrictive Covenants.

(b) Tenant shall not use the Premises, or permit the Premises to be used, in a manner that constitutes a violation of the Restrictive Covenants, any applicable law, order, ordinance, or regulation nor shall Tenant commit any waste in the Premises, or permit anything to be done on the Premises that creates a nuisance. Tenant shall not permit morally offensive, promiscuous or pornographic activities on the Premises.

- (c) Landlord agrees to the following Tenant requirements:

- (i) Landlord shall provide Tenant with a staging area for one (1) eight (8) yard dumpsters for the exclusive use of Tenant in the municipal parking lot adjacent to the Property. Tenant shall be responsible for constructing the required screening to enclose the dumpster and maintaining such dumpsters and surrounding area in a clean, neat and acceptable manner, in accordance with industry standards and City ordinances.
- (ii) Landlord shall permit Tenant to construct and use an outdoor patio area or deck exclusively for a seating area and bar area (as



## EXHIBIT C

### RESTRICTIVE COVENANTS

1. Permitted Uses. No part of the Property, or any building, structure, or improvement on the Property, shall be used for other than the following:
  - A. A full service restaurant, including a microbrewery, Small Distiller and Small Wine Maker, as defined by the Michigan Liquor Control Code, MLC 436.1101 *et. seq.*
  - B. An art gallery
  - C. A theater performing stage plays
  - D. Any other use approved in writing by the City of Fenton, and not prohibited by paragraph 2 below.
  
2. Prohibited Uses. No part of the Property, or any building, structure, or improvement on the Property, shall be used for the following:
  - A. An adult arcade wherein coin operated, slug operated, or for any form of consideration, electronically, electrically, or mechanically controlled still or motion picture machines, projectors, video or laser disc players or other image producing devices are maintained to show images distinguished or characterized by the depicting or describing of specified sexual activities as defined below.
  - B. Adult bookstore, adult novelty store, or adult video store wherein the retail or wholesale distribution, display, or storage of books, magazines or other periodicals and/or photographs, drawings, slides, films, videotapes, recording tapes, DVD's, or other similar means of communication and/or other novelty items which are distinguished or characterized by their emphasis on matter depicting, describing, or relating to specified sexual activities or specified anatomical areas as defined below.
  - C. Adult cabaret wherein topless dancers and/or bottomless dancers, go-go dancers, strippers, male and/or female impersonators, or similar entertainers, or topless and or bottomless waitpersons or employees are featured.
  - D. Adult motion picture theaters or adult live stage performing theater presenting material distinguished or characterized by an emphasis on matter depicting, describing, or relating to specified sexual activities or specified anatomical areas for observations by the patrons therein.
  - E. Escort agency wherein business furnishes or offers to furnish or advertises to furnish escorts as one of its primary business purposes for a fee, tip, or other consideration.
  - F. Model studio wherein a person appears semi-nude, or in a state of nudity, or displays specified anatomical areas and is provided to be observed, sketched, drawn, painted, sculptured, photographed, or similarly depicted by other persons who pay money or any form of consideration.
  - G. Pawn shop.
  - H. Massage parlor.
  - I. Retail sales of liquor.
  - J. Retail sales of beer or wine.

As used in this paragraph, specified sexual activities means the explicit display of one or more of the following:

- A. Human genitals in the state of sexual stimulation or arousal.
- B. Acts of human masturbation, sexual intercourse, or sodomy.
- C. Fondling or other erotic touching of human genitals, pubic region, buttocks, or female breasts.

As used in this paragraph, specified anatomical areas means portions of the human body defined as follows:

- A. Less than completely or opaquely covered human genitals, pubic region, buttocks, or female breasts below a point immediately above the top of the areola; and human male genitals in a discernable turgid state even if completely or opaquely covered.

- 3. Permitted Materials. No building or other structure or addition to the existing structure, and no new facade on any existing building or other structure, shall hereafter be erected, permitted, or placed on any part of the Property unless the exterior is constructed of materials compatible in color and style to the existing structure. All changes to the existing structure must be architecturally compatible with the style of the existing structure on the Property.
- 4. Excavation. No excavations or excavating work shall be permitted on any part of the Property, except excavations for the purpose of constructing buildings and improvements on such real estate immediately prior to and during the construction of such buildings and improvements. No soil, sand, gravel, minerals, aggregate or earth materials shall be removed from such real estate except as a part of such excavations made for the purpose of constructing buildings and improvements on such real estate.
- 5. Approval of Plans. No construction, erection, relocation, or exterior alteration of any buildings, structures, signs, parking areas, loading areas, landscaping, or other facilities may be commenced or completed on any part of the Property hereafter without securing, in advance, the written consent and approval of the DDA Projects Committee. The following information, as appropriate, shall be submitted to the DDA Projects Committee for its consideration of any plans:
  - A. Preliminary architectural plans for any proposed building, structure, or improvement, including building elevations;
  - B. A site plan showing location and design of buildings, structures, signs, drainage, driveways, driveway intersections with streets, exterior materials, storage areas, parking areas, loading areas, loading docks and sidewalks, provided that no loading area or loading dock shall be located on the front of a building;
  - C. A grading plan and a landscaping plan, including screen walls and fences, if any, for analysis of adequacy of visual screening, erosion control, and landscaping;
  - D. A detailed description of proposed operations on such real estate, including but not limited to business type, products to be sold, activities to be conducted, hours of operation, an estimate of the maximum number of employees contemplated

with job descriptions, and a plan showing location of utilities and utility easements, if any; and

- E. Any other pertinent information requested by the DDA Projects Committee and any information needed to show compliance with these Restrictive Covenants. Any approval given by the DDA Projects Committee that was based on incomplete, misleading, or inaccurate statements shall be void.
6. Clock Tower. The clock tower incorporated into the structure on the Property shall be kept intact and no alteration made thereto, including painting, maintenance, repair, or replacement without the express written consent of the City of Fenton. The City of Fenton and its officers, employees, agents, and consultants shall be permitted to have access to the clock tower at reasonable times upon reasonable advance written notice for the purpose of maintaining, repairing, or replacing the clock mechanism and/or the supporting structure and equipment associated therewith. Any conveyance of the Property, by lease, deed, or otherwise, shall be subject to an easement reserved to the City of Fenton for access to the clock tower for the purposes stated in this paragraph, unless said easement is explicitly terminated in writing by the City of Fenton in the conveyancing or leasing documents.
7. Landscaping. The Property shall be landscaped, and any portion of the Property not used for buildings, structures, parking areas, loading areas, driveways, streets, and other active uses shall be planted pursuant to a landscaping plan to be submitted to the DDA Projects Committee for approval, in writing, prior to the commencement of construction. Such landscaping shall be installed and completed within three (3) months from the day of occupancy of each respective site within the Property, or as soon thereafter as planting season permits.
8. Signs. No sign shall be erected or placed on any part of the real estate without the prior approval of the DDA Projects Committee, in writing. The type, dimensions and location of all signs shall be governed by any applicable City of Fenton ordinance. The DDA Projects Committee, in granting or denying approval, shall maintain, so much as is possible, a uniformity of the comparable signs throughout the Property. No temporary signs of any kind shall be permitted.
9. Parking. Adequate parking, loading, and unloading facilities shall be available or provided and maintained by the owners of real estate in the Property for all employees, customers, agents, invitees, and all other persons transacting business with either the owners or occupants of any part or all of such real estate. Screen plantings shall be installed and maintained between off-street parking and adjacent streets. All off-street parking, loading, and unloading areas shall be paved or concrete, curbed and guttered and maintained in good condition.
10. Nuisances. No part of the Property, or any building or structure placed on such real estate, shall be used for any purpose or in such a manner which shall be a nuisance to the occupants or owners of any other adjoining real estate by reason of emission from or the creation within such real estate, buildings and structures, of odors, gases, dust, smoke,

noise, fumes, cinders, soot, vibrations, glare, radiation, radioactivity, waste materials, or any other similar substances, but excluding odors, smoke, or noise consistent with the operation of a restaurant or other use specifically permitted by paragraph 1 above.

11. Storage. No materials, inventory, goods in process, semi-manufactured items, finished products, equipment, parts, rubbish, waste materials, or other personal property shall be kept, stored, maintained, or accumulated on any part of any real estate outside of buildings on the Property, except where prior written approval of the DDA Projects Committee is secured after adequate screen planting, fencing, setbacks, and compliance with any other conditions required by the DDA Projects Committee.
12. Maintenance. All of the real estate and all buildings, structures, improvements, appurtenances, signs, lawns, landscaping, sidewalks, driveways, parking areas, and entrances on the Property must be maintained, at all times, in a safe, clean, and good condition. The City of Fenton, or its designee, is granted the privilege, but not the obligation (which privilege it may exercise or not at any time and for such periods of time as it deems advisable in its exclusive discretion), of maintaining any part or all of such real estate, or any buildings, structures, improvements, appurtenances, signs, lawns, landscaping, sidewalks, driveways, parking areas, and entrances where not properly maintained, in the opinion of the DDA Projects Committee, and all owners, occupants, and lessees of such real estate shall pay to the City of Fenton, or its designee, upon request, the aggregate cost of such maintenance work and expense applicable to that portion of the real estate owned, occupied, or leased by such owners, occupants, or lessees.

**FENTON DOWNTOWN DEVELOPMENT AUTHORITY  
MEMORANDUM**



THE CITY OF  
FENTON

**DATE:** September 15, 2011  
**TO:** Downtown Development Authority Board of Directors  
**FROM:** Michael T. Burns, Executive Director MB  
**RE:** Fire Hall Presentation

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The Michigan Brewing Company has received their site plan approval for all work to the building and inside of it. They still need approval for some issues to the exterior that pertain to outdoor seating. Bill Tadrick from Michigan Brewing Company will be making a presentation to the Board about plans for the interior and exterior of the Fire Hall.



# FENTON DOWNTOWN DEVELOPMENT AUTHORITY MEMORANDUM



**DATE:** September 15, 2011  
**TO:** Downtown Development Authority Design Committee  
**FROM:** Michael T. Burns, Executive Director *MS*  
**RE:** Lindhout's assistance for the Façade Project.

As we have ended the agreement with John Dziurman and Associates, we need to seek out a new architectural consultant for our Façade Improvement Program.

Twenty-one properties were eligible for façade improvements and currently sixteen have participated. If the DDA receives interest from those five property owners, they would still need an architectural assessment for their buildings.

The City Planning Consultant and Building Official also need assistance from an architect as the issues that involve the improvements for historic preservation are beyond their scope. Furthermore, issues will evolve during the construction process that will require an architect to ensure that what was approved by the DDA is actually being followed.

I currently have a proposal from Lindhout and Associates regarding their fees for site plan review and construction inspection. These fees will be tied into the escrow that the participants will pay during their site plan review process. Under the provisions of the Façade Program, these fees are reimbursable to the participant.

I am awaiting a proposal from Lindhout regarding their costs to assist the five eligible properties to complete the necessary building assessments to participate in the program.

At the September 13, 2011 DDA Design Committee Meeting, they made a recommendation to the DDA Board that they retain Lindhout and Associates as our architectural consultant for the Façade Improvement Program.

**I recommend that the DDA accept the recommendation from the Design Committee regarding this matter.**