

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

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

Mayor Sue Osborn called the meeting to order at 6:10 PM.

Council Present: Draves, Grossmeyer, Jacob (arrived 6:32 PM), Lockwood, McDermott, Osborn, Smith.

DDA Present: Bertschy, Canever, Green, Henderson, James, Kasper, Osborn, Saule, Schmidt, Strayer, Sweetman.

Council Absent: None.

DDA Absent: Bayer.

Others Present: Lynn Markland, City Manager; Stephen Schultz, Legal Counsel and Cindy Shane, City Treasurer.

CITIZEN'S COMMENTS: None.

DIRECTOR'S REPORT (DOWNTOWN DEVELOPMENT AUTHORITY ONLY)

City Manager Markland reported on the following:

- He is working on hiring someone to fill the position of Assistant City Manager/DDA Director.
- The Fenton Village Players recently held the Ghost Walk event downtown; the event sold out and went very well.
- Nightmare on Mill Street is scheduled for October 22nd.
- The downtown merchants have been working on a Ladies Night Out, which is scheduled for November 11th; posters were printed and paid for by the DDA.
- A façade grant for Crust was approved at the last DDA meeting and work is continuing on the land swap for the addition to Crust.
- City Council approved the sale of property to the Fenton Hotel which will provide space for outdoor dining.
- Some art in the downtown area will have to be moved during the winter to allow for the sidewalks to be cleared.
- Summer flowers have been removed from the light poles and replaced with mums, which were paid for by the Beautification Commission.
- The Horizon Building located at the corner of Leroy Street and Silver Lake Road has received site plan approval from the Planning Commission.
- The Design Committee has been working on the 111 Leroy Place project and it is before the City Council and DDA tonight for a presentation.

FINANCIAL REPORT (DOWNTOWN DEVELOPMENT AUTHORITY ONLY)

City Treasurer Shane reviewed the financial report for DDA related funds that was included in the meeting packet.

Strayer asked if money can be moved between banks. Markland responded City Council has to give Administration authority to put money in different banks and another banking opportunity is being looked at.

CONSENT AGENDA (DOWNTOWN DEVELOPMENT AUTHORITY ONLY)

Chairman Schmidt reviewed all items on the consent agenda.

- Accounts Payable in the amount of \$41,377.76.
- Meeting Minutes of September 20, 2016.

Schmidt noted an error on the agenda regarding the amount of Accounts Payable. The agenda lists the amount as \$41,337.76; the correct amount is \$41,377.76.

A motion was made by Kasper and seconded by Canever to approve the consent agenda.

AYES: Bertschy, Canever, Green, Henderson, James, Kasper, Osborn, Saule,
Schmidt, Strayer, Sweetman.
NAYS: None.
ABSENT: Bayer. Motion carried by a roll call vote.

111 LEROY PLACE DEVELOPMENT

Ghassan Saab representing the Corlin Group, along with an architect from CHMP, Inc. gave a brief overview of the project and highlighted items changed from the original plan which makes the project financially feasible. Mr. Saab reviewed modifications made since the project was originally presented:

- The limestone like surface is maintained on the ground level.
- EFIS will be used at the top of the building which can be finished to look like limestone, which is much more cost efficient.
- Value engineering was applied to the building. A steel structure will be used for the lower portion of the building and wood will be used on the upper stories. This change does not demean the integrity of the building, but saves money on construction costs, which in turn, lowered the architectural engineering fees.
- The awning was removed from the first floor.

CHMP, Inc. gave a presentation that reviewed conceptual renderings and building floor plans for the site. The first three floors will be 10,780 each and the fourth floor will be 9,640 square feet. There will be 14 dedicated residential covered parking spaces, 21 public and 2 A.D.A. accessible spaces for a total of 37 parking spaces. There will be an outdoor plaza area adjacent to the Methodist Church and the estimated completion date for the project is May 2018.

Mr. Saab reviewed the projected development costs and stated the plan is to sell the retail and office space for \$180/square foot and the residential space for an average price of \$175/square foot. The modifications made to the plan still exceed the cost of development but the gap can be bridged by an MEDC grant. He clarified even though a development agreement is being sought

tonight, the project is contingent on MEDC grant approval. He stated various conversations with the MEDC indicate this project meets all the criteria and more than qualifies for a grant.

Smith asked what the distance is of the south facing wall from the Church and if the project could be done as a three story building instead of four. Markland responded it is twenty six feet to the property line. Mr. Saab commented a three story building is far less feasible.

Smith asked where bids for developers were originally solicited from and commented she thinks Fenton is the hottest spot in Genesee County and asked if other developers had been approached.

Markland commented the RFP process began eighteen months ago and two proposals were received. Only one proposal was complete, which is the one presented tonight.

Mayor Osborn stated the building will be a beautiful addition to the downtown and thinks the building evokes a historical feel.

Schmidt commented he likes that what is presented is not a “cookie cutter” building. The proposed building is unique, which is what the DDA has asked for throughout the years.

Council and DDA discussed parking issues. Osborn commented a parking lot will be installed near the library and parking will have to continue to be discussed as buildings continue to be built in the downtown area.

Green questioned the 14 parking spaces if 9 would be residential and 5 retail. Green also commented that the parking structure for the Cornerstone building was lost during the project and questioned what cuts will be made during the construction process with this building.

Markland commented these issues should be covered in the development agreement. He thinks the City can expect the building shown tonight will be the building that is built.

Green expressed concerns when major construction takes place downtown; the vibrations cause damage to the old buildings in the area and his building was damaged when the Cornerstone Building was constructed.

Grossmeyer commented the proposed building is beautiful. He liked the awning in the original drawings but does not have a problem with it being taken out.

Strayer clarified the parking lot being constructed would be paid for by the City and asked what the estimate cost will be.

Mr. Saab responded that is correct and the lot would be public parking. Markland commented when the RFP was prepared, Administration contemplated the DDA would pay for the public parking lot behind the building and the rough estimate is \$300,000. Schmidt added the DDA would also pay for demolition of the existing structure. Strayer questioned if that includes the canopy. Mr. Saab responded that they would construct canopy and footings.

Saule questioned whether the credit from State is still effective.

Markland commented regarding piers used in construction. During the Community Center construction, helical piers were used and caused less vibrations and suggested they be considered for this project.

A motion was made by Schmidt and seconded by Canever to accept the development proposal and authorize the City Attorney and Developer to work out a development agreement.

AYES: Bertschy, Canever, Green, Henderson, James, Kasper, Osborn, Saule, Schmidt, Strayer, Sweetman.

NAYS: None.

ABSENT: Bayer. Motion carried by a roll call vote.

A motion was made by Grossmeyer and seconded by Lockwood to accept the development proposal and authorize the City Attorney and the Developer to work out a development agreement, which will be brought before City Council.

YEAS: Draves, Grossmeyer, Jacob, Lockwood, McDermott, Osborn, Smith.

NAYS: None.

ABSENT: None. Motion carried by a roll call vote.

Osborn thanked the Corlin Group for their work and thinks this project will be a great addition to the downtown.

CALL TO THE AUDIENCE:

Stuart Fletcher asked if there are plans for the DDA to allocate money towards the construction of a parking lot between his building and El Topo. Markland responded that is something the DDA will look at but he cannot answer that question tonight.

Meeting was adjourned at 7:06 PM.

Mayor Sue Osborn

City Clerk, Renee Wilson

Craig Schmidt, Chairperson

Jennifer Kienast, Recording Secretary

Approved:

Downtown Development Authority: November 22, 2016

City Council: November 28, 2016