

**CITY OF BRIGHTON
DOWNTOWN DEVELOPMENT AUTHORITY
REGULAR MEETING**

The City of Brighton Downtown Development Authority will hold a meeting on Tuesday, June 15, 2010 at 7:15 A.M. at the City of Brighton Council Chambers located at 200 N. First Street, Brighton, MI

AGENDA

- | | | | |
|--------|-----|---|----------------|
| | 1. | Call to Order | |
| ACTION | 2. | Approval of June 15, 2010 Agenda | |
| ACTION | 3. | Call to the Public | |
| ACTION | 4. | Approval of the May 18, 2010 Meeting Minutes | |
| ACTION | 5. | Approval of Bills | |
| | | A. McCririe & Cameron | \$ 3,363.00 |
| | | B. Landscape Design & Associates | \$17,781.68 |
| | | C. Rescue LLC (Mexican Jones property management) | \$ 2,000.00 |
| | | D. City of Brighton (Water/Sewer Bill 5/8-5/31/10) | <u>\$ 9.61</u> |
| | | TOTAL BILLS | \$23,154.29 |
| ACTION | 6. | Financial Report (Dave Gajda) | |
| | | A. Financial Summary (through 6/7/10) | |
| | 7. | Administrative Report (Matt Modrack) | |
| | | A. Planning & Community Development Report | |
| ACTION | | B. Request for Closed Session to discuss property lease | |
| ACTION | | C. Request for Closed Session to discuss property acquisition | |
| | 8. | Lindhout Update | |
| | | A. Regular report | |
| ACTION | | B. West and North Street Right of Way Survey | |
| | 9. | New Business | |
| | | <u>Sub-Committee Reports</u> | |
| | | A. Budget (No report) | |
| | | B. Mexican Jones | |
| | | C. Development | |
| | | D. Design (No report) | |
| | | E. Business Recruitment/Promotions | |
| | 10. | Old Business | |
| | | A. | |
| | 11. | Other | |
| | | A. Downtown Brighton Merchants Association – Lisa Nelson, Chairperson | |
| | 12. | Adjournment | |

Next meeting is scheduled for Tuesday, July 20, 2010 at 7:15 a.m.

**City of Brighton
Downtown Development Authority Meeting Minutes
June 15, 2010**

The Board for the Downtown Development Authority (DDA) held a meeting on Tuesday, June 15, 2010 at the City of Brighton Council Chambers located at 200 N. First Street, Brighton, MI.

Chairman Herbst called the meeting to order at 7:15 a.m.

Members Present:

Ricci Bandkau, Dave Beauchamp, Mark Binkley, Linda Botka, Tim Corrigan, Scott Griffith, Bob Herbst, Pam McConeghy, Mondie Miller, Lisa Nelson, Shawn Pipoly, Greg Strouse and Al Wirth.

Members Absent:

Also present:

Mr. Bill McCririe, DDA Attorney
Mr. Doug Cameron, McCririe-Cameron Law Office
Mr. Piet Lindhout, Lindhout Associates
Mr. Matt Modrack, DDA Administrator/Community Development & Planning Director, City of Brighton

An audience of one was also present.

Approval of June 15, 2010 Agenda

Motion by Mr. Corrigan, supported by Ms. Bandkau, to approve the June 15, 2010 meeting agenda. Motion carried 13-0.

Call to the Public was made at 7:16 a.m. Hearing no response, call to the public was closed.

Approval of the May 18, 2010 Meeting Minutes

It was noted that Ms. Botka and Ms. Bandkau's names were missing from the "Members Present" section of the May 18, 2010 meeting minutes and need to be added. Motion by Mr. Griffith, supported by Ms. McConeghy, to approve the May 18, 2010 meeting minutes as amended. Motion carried 11-0-2 (Mr. Strouse and Mr. Beauchamp were not at the May 18 meeting).

Approval of Bills

Motion by Mr. Griffith, supported by Ms. Botka, to approve the bills as presented. Motion carried 13-0.

Financial Report – Mr. Modrack noted that Mr. Gajda would not be attending future DDA meetings unless requested to by the DDA Board in advance. Motion by Ms. McConeghy, supported by Mr. Corrigan, to approve the financial summary dated 6/7/10 as presented. Motion carried 13-0.

Administrative Report

Mr. Modrack noted that most of his administrative report topics would be covered in the subcommittee reports later in the meeting. He requested the Board consider two closed sessions this morning to review a proposed property lease and a proposed property acquisition.

Chairperson Herbst asked for a motion to go into a closed session to review a proposed property lease. Motion by Mr. Pipoly, supported by Mr. Strouse, to close the regular session of the DDA meeting to go into a closed session to review and discuss a proposed property lease.

Roll Call Vote: Mr. Binkley – Yes Mr. Pipoly - Yes
 Mr. Corrigan – Yes Mr. Wirth - Yes
 Mr. Griffith – Yes Ms. Botka - Yes
 Mr. Herbst – Yes Ms. Bandkau - Yes
 Ms. McConeghy – Yes Mr. Beauchamp - Yes
 Ms. Miller – Yes Mr. Strouse - Yes
 Ms. Nelson - Yes

The DDA Board convened into Closed Session at 7:20 a.m.

The DDA Board reconvened the Regular Session at 8:15 a.m.

Chairperson Herbst asked for a motion to go into a closed session to review a proposed property acquisition. Motion by Ms. McConeghy, supported by Ms. Nelson, to close the regular session of the DDA meeting to go into a closed session to review and discuss a proposed property acquisition. Ms. McConeghy excused herself from the closed session.

Roll Call Vote: Mr. Binkley – Yes Mr. Pipoly - Yes
 Mr. Corrigan – Yes Mr. Wirth - Yes
 Mr. Griffith – Yes Ms. Botka - Yes
 Mr. Herbst – Yes Ms. Bandkau - Yes
 Ms. McConeghy – Yes Mr. Beauchamp - Yes
 Ms. Miller – Yes Mr. Strouse - Yes
 Ms. Nelson - Yes

The DDA Board convened into Closed Session at 8:15 a.m.

The DDA Board reconvened the Regular Session at 8:30 a.m.

Mr. Modrack requested that the Board authorize Chairperson Herbst to sign a “hold harmless” agreement for the job creation component of the 205 West project grant. The grant agreement indicates that 34 jobs will be created with the project or the MEDC can require repayment of the grant, and each of the grant signatories guarantee this to the MEDC. This is a state requirement and is required even though Mr. Barnas will not receive any grant money for his building project. For past grant agreements (i.e., Sagano), we have executed side agreements with the parties to hold them harmless; specifically, the City would repay any grant monies due if the project failed to create the number of jobs specified in the grant agreement. The past grants have exceeded their job creation and investment targets and Mr. Modrack believes there is very little risk for the DDA for this project.

Motion by Mr. Pipoly, supported by Ms. Bandkau, for approval to have Chairperson Herbst sign the “hold harmless” agreement as drafted by DDA Attorney McCririe for the 205 West grant project (MEDC Grant No. MSC 209119-CDI). Motion carried 13-0.

Lindhout Update

St. Paul Cemetery Walkway Update - Mr. Lindhout reported that the new walkway received a lot of foot traffic over the Memorial Day weekend.

The flower baskets were in place prior to the Memorial Day weekend and the feedback has been positive.

Mr. Lindhout noted that the West and North streetscape project will require a survey and he solicited proposals from five companies (see June 9, 2010 memo in packet). The low bidder was Kem-Tec, who also did the survey for Bagger Dave's. Mr. Lindhout requires approval from the DDA Board to finalize an agreement for the survey work. Motion by Mr. Beauchamp, seconded by Mr. Pipoly, to authorize Mr. Lindhout to finalize an agreement with Kem-Tec to conduct a survey for the West and North Street streetscape project to include the Right of Way and adjacent areas and not to exceed their \$4,200 bid and 14 day estimated completion timing. Motion approved 13-0.

New Business

Sub-Committee Reports

A. **Budget** – No report.

B. **Mexican Jones** – Mr. Corrigan reported that the subcommittee met on 6/2/10 and the following actions have been taken:

- The building has been secured, the liquor license is in escrow (in process of being transferred according to Mr. McCririe), we are waiting for the appraisal and still in the process of talking to interested parties.
- We still need to finalize the loan with Michigan Commerce Bank (MCB). Mr. Herbst noted that the City engaged Miller Canfield and in their opinion, the DDA cannot sign the installment loan paperwork. Instead, the City will have to sign the agreement with MCB and the DDA will sign an agreement with the City stipulating the DDA will be responsible for the loan.

Mr. Corrigan read a memo from Mr. Modrack to the Mexican Jones Subcommittee prior to submitting motions to the DDA Board for approval. Two motions will be submitted; one to request City Council approve entering into an agreement with MCB and the other to approve the DDA entering an agreement with the City that stipulates the DDA will assume liability for the loan payments and balance of the loan at the appropriate time. This agreement will also stipulate the appropriation of \$249,206 from the DDA Fund to the City of Brighton General Fund as requested by City Council.

Mr. Pipoly questioned whether the appropriation stipulation was necessary in the agreement between the DDA and the City since the DDA had already approved it at a prior meeting. Mr. Corrigan responded that the subcommittee determined it was necessary because if the DDA had to pay off the loan, there would not be enough money in their budget to appropriate the requested \$249,206 to the City.

Mr. Strouse questioned how confident the subcommittee is that we can sell the building. Mr. Griffith responded that the interest is high but people can't get financing as easily. Banks are requiring 30% down, then interested parties would have to come up with start-up capital. Mr. Griffith also noted that we should finalize splitting off additional space at the rear of the property for a walkway now since we own the property, not wait until it's ready to be sold.

Motion by Mr. Corrigan, supported by Ms. McConeghy, based on the Memorandum from Miller-Canfield dated June 1, 2010 and addressed to City Council, the City of Brighton Downtown Development Authority requests that the Brighton City Council consider entering into an Installment Purchase Agreement with Michigan Commerce Bank for the purchase of 675 W. Grand River Avenue (Mexican-Jones Restaurant) on behalf of the DDA and at the terms previously considered by the bank. Motion approved 13-0.

Motion by Mr. Griffith, supported by Mr. Binkley, to amend the above motion to change "Purchase Agreement" to "Finance Agreement". Motion approved 13-0.

Motion by Mr. Corrigan, supported by Ms. Botka, that provided the Brighton City Council agrees to enter into an installment agreement with the Michigan Commerce Bank for the finance of 675 W. Grand River Avenue, that the DDA Attorney is directed to draft an agreement between the City and the DDA stipulating that the DDA will assume responsibility for the loan payments and balance of the installment loan at the appropriate time. Additionally, said agreement will also stipulate the appropriation of \$249,206 from the DDA Fund to the City of Brighton General Fund use as requested by the City Council on April 20, 2010. Motion approved 13-0.

C. Development – Mr. Binkley reported that the Development Subcommittee items have already been covered in closed session.

D. Design – No report.

E. Business Recruitment/Promotions – Ms. McConeghy reported that the subcommittee meeting was held yesterday with three of the newer downtown business owners. They were asked a series of questions regarding their decisions to open businesses downtown for the purpose of using this information to assist in recruitment efforts by the subcommittee. Ms. Bandkau agreed that the information generated a lot of good ideas to be used for recruitment.

Old Business

Other

A. Downtown Brighton Merchants Association – Lisa Nelson, Chairperson

Ms. Nelson reported that plans for Summerfest are moving along. Stonefire and Downtown Main will have stages and bands, they are working with some people associated with the Renaissance Festival, and there will also be local entertainment like stilt-walkers. Summerfest will be held on July 23 and 24 from 9 a.m. – 10 p.m.. She also noted that the first “Signs 101” meeting was not well attended and the DBMA will schedule a second meeting.

Adjournment

Motion by Mr. Griffith, supported by Mr. Beauchamp, to adjourn at 9:00 a.m. Motion carried 13-0.

Respectfully submitted,

Lauri French, Community Development & Planning Department
June 15, 2010
Amended July 20, 2010