

**ADA TOWNSHIP  
DOWNTOWN DEVELOPMENT AUTHORITY BOARD OF DIRECTORS  
MINUTES OF THE FEBRUARY 18, 2014 MEETING**

The meeting was called to order at 8:00 A.M. by Chairperson Bob Kullgren, at the Ada Township office, 7330 Thornapple River Dr., Ada, MI.

**BOARD MEMBERS PRESENT:** Terry Bowersox, George Haga, Bryan Harrison, Jim Ippel, Tom Korth, Bob Kullgren, Walt VanderWulp, Ted Wright

**BOARD MEMBERS ABSENT:** Devin Norman

**STAFF PRESENT:** Jim Ferro, Planning Director

**PUBLIC PRESENT:** Steve Dertz, Amway Corp., Betty Jo Crosby

**APPROVAL OF AGENDA**

The agenda was approved by consent.

**APPROVAL OF MINUTES OF JANUARY 13, 2014 MEETING**

It was moved by Harrison, seconded by Bowersox, to approve the minutes of the January 13 meeting as presented. Motion passed unanimously.

**DDA FINANCIAL REPORT, 1/31/13**

Ferro presented a revenue and expense report for the DDA overall and for the Farmers' Market for the period through January 31, 2014. Ferro noted that the report does not yet reflect tax increment revenue, since the tax collection season was ongoing through February 14.

**APPROVAL OF PAYMENT OF PROGRESSIVE AE INVOICE DATED February 7, 2014**

Ferro presented an invoice dated February 7 from Progressive AE in the amount of \$2,194.99. Ferro stated that the January invoice that was presented last month was described by him at that time as being the final invoice, and it was Progressive AE's understanding that it was the final one as well. Ferro stated that upon reviewing the invoice history, it was determined that there was still a portion of the "not-to-exceed" professional fee that was unbilled, as well as some unreimbursed expenses. Ferro stated that the billing office at Progressive had been under the impression that the reimbursed expenses were not to exceed \$8,000, when in reality the contract describes this amount as an estimate, and provides that expenses will be billed at actual cost. Ferro stated there was also an error in a previous invoice discovered, in which a subconsultant expense had been included in the reimbursable expense category rather than as part of the "not-to-exceed" professional fee.

Ferro stated that after adjusting for these issues, the February invoice amount of \$2,194.99 is in conformance with the contract, and he recommended approval. Payment of this invoice will bring total payments to \$155,414.99, which includes the "not-to-exceed" contract fee of \$145,220, plus \$10,194.99 in reimbursable expenses.

Kullgren stated he is in agreement with Ferro's analysis.

It was moved by Harrison, seconded by Bowersox, to approve payment of the February invoice in the amount of \$2,194.99. Motion passed unanimously.

**STATUS OF VILLAGE DESIGN PLAN IMPLEMENTATION**

Kullgren reported to the Board regarding the January 22 meeting that was held with property owners along the south side of Headley St., regarding the proposed re-location and re-construction of Headley, and the preliminary engineering plans prepared for the new street by Progressive AE.

Kullgren stated that there was a generally-positive response from property owners regarding the

relocation plan and to the concept of a shared parking arrangement among the property owners from The Community Church to the east.

Ferro stated that there was also interest in the potential for new development on the south side of the street that is created by the shifting of a portion of the street to the north. Ferro stated that it still needs to be determined how best to implement a shared parking arrangement, either by private agreements between property owners, or with Township involvement of some type.

Kullgren also updated the Board on the status of financing arrangements for implementing the public infrastructure improvements called for in the Plan. He stated that the analysis of the Township's financing capacity prepared earlier by the Township's bond counsel has been used in preparing an outline of the terms of a development agreement between Amway and the Township and DDA. Kullgren stated the Township's proposed terms state that the Township can commit a maximum of about \$3.8 million dollars toward the \$19-\$20 million total infrastructure cost in the plan.

Kullgren stated it is important that the Township and DDA will moved ahead diligently with the steps needed to advance implementing the plan. He added that at the March DDA Board meeting, he expects we will have a draft development agreement for the Board to consider, as well as a proposed amendment to the DDA Development and Tax Increment Financing Plan for the Board to review.

Kullgren stated he hopes that the Planning Commission and Township Board see things similarly.

Haga stated that he looks forward to working with both the Planning Commission and Township Board in working together toward our goals for the Village.

Walt VanderWulp suggested the possibility of joint meetings between the DDA Board and Township Board to move the process along faster.

Kullgren and Haga stated this was a good idea and would be considered.

Kullgren also noted that he, George and Steve Dertz would be meeting this Friday with a regional Vice-President for 5/3 Bank regarding the overall plan and the bank's potential involvement.

Kullgren mentioned that Phase I of the Village Plan includes a proposed civic building and Farmers' Market pavilion, and that there needs to be a stakeholder input and design process established and moved forward for the facility, to develop a clear understanding of the uses and functions the building should serve, and move the design process forward.

Korth asked whether anything has happened with respect to acquiring the Speedway property.

Steve Dertz, Amway Corp., responded that nothing has happened yet, but that there are alternate plans developed to complete the Headley St. extension without the need to acquire the Speedway site, and Amway is moving forward with the design of the Headley St. extension.

Harrison suggested looking into the concept of a shared university/college facility as a potential use for the civic building.

#### **REVIEW OF PROPOSED DDA BUDGET FOR FY 2014-15.**

Ferro and Haga presented the proposed DDA budget for the next fiscal year beginning April 1. Ferro noted that the tax assessment data shows a slight decline in the DDA's tax base this year, Haga stated this was due to several factors, including the new law exempting owners of personal property with taxable value of \$40,000 or less from payment of personal property tax, as well as the transition of the former Amway warehouse to manufacturing use.

Ferro also noted that the budget does not yet include any Village Plan-related expenditure.

Haga stated that this can be addressed prior to adoption of the budget or in a budget amendment at a later date.

Ippel brought up the need to consider budgeting for Village-wide snow removal in the future.

#### **PUBLIC COMMENT**

There was no public comment.

#### **ADJOURNMENT**

It was moved by Bowersox, seconded by Harrison, to adjourn the meeting at 9:25 a.m. Motion approved unanimously.

Respectfully submitted:

---

Tom Korth, Secretary