

**ADA TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY BOARD OF DIRECTORS
MINUTES OF THE MAY 12, 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, Devin Norman, Walt VanderWulp, Ted Wright

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Jim Ferro, Planning Director

PUBLIC PRESENT: Steve Dertz, Amway Corp

APPROVAL OF AGENDA

The agenda was approved by consent.

APPROVAL OF MINUTES OF APRIL 14, 2014 MEETING

It was moved by Bowersox, seconded by Korth, to approve the minutes of the April 14 meeting as presented. Motion passed unanimously.

ELECTION OF OFFICERS

Kullgren stated that the DDA Bylaws call for election of officers at the first meeting of the fiscal year; therefore, this item is already overdue by a month.

Following discussion, it was moved by Haga, seconded by Harrison, to re-elect the current officers to new terms for the current fiscal year, those being Kullgren, Chair, Bowersox, Vice-Chair, and Korth, Secretary/Treasurer.

Motion passed unanimously.

DDA FINANCIAL REPORT, 4/30/14

Ferro presented a revenue and expense report for the DDA overall and for the Farmers' Market for the period through April 30, 2014. Ferro also presented a balance sheet report showing a DDA Fund balance of \$269,503, as of April 30. Ferro noted the only activity in the DDA Fund in April was revenue from Farmers' Market vendor registration fees, and a small amount of labor expense for the portion of his time that is charged to the DDA Fund.

TAX BASE SHARING AGREEMENT WITH KENT COUNTY

Ferro prepared a proposed tax base sharing agreement with Kent County. Ferro pointed out that the agreement now includes the correct base year DDA taxable value amount of \$157,070,028.

Kullgren asked when the agreement would begin to generate any shared revenues. Ferro stated he wasn't sure, as he wasn't sure if County millage revenue is collected in the July tax bill, December tax bill or both. Ferro quoted language in Sec. 3.4a. of the proposed agreement that states "annually, on or before June 30 and after the annual determination by the state board of equalization of the equalization of all real or personal property within the state and among the counties, local unit's assessor and the County's equalization department shall determine ... the captured assessed value for the properties within the business district for that year." Ferro stated he would provide information in the future regarding when the first sharing of revenue would take effect.

Following discussion, it was moved by Bowersox, seconded by Korth, to recommend approval of the tax sharing agreement with Kent County.

Motion passed unanimously.

FARMERS MARKET UPDATE

Ferro distributed a summary table from the Market Manager showing the status of vendor registrations for the upcoming season. Ferro stated that based on registration fees paid to the Township to date, there are 21 vendors who have registered for a total of 30 booths during the regular season that runs through September, and 9 vendors who have signed up for 16 booths during the extended season which runs through October. It was noted that the data kept by the Market Manager includes vendors that she anticipates will register.

APPROVAL OF AMENDMENT TO MARKET MANAGER COMPENSATION SCHEDULE

Ferro presented a proposed revised compensation schedule for the Market Manager, reflecting an increase in hours to be compensated from what was approved earlier by the Board. Ferro stated at the time the budget was prepared and the Market Manager Memorandum of Understanding was approved, the length of the 2014 season had not yet been determined. Afterwards, the decision was made to extend the season through 4 additional Tuesdays in ~~March~~ October. Ferro stated that the extension of the season, along with a proposed increase in the number of compensated hours during market weeks from 17 hours/week to 18 hours/week results in an increase in the total season compensation from \$6,075 to \$7,635, and increase of \$1,560.

A question was asked whether the vendor registration fees for the extended October season would offset the higher compensation costs. Ferro stated that based on the vendors who have signed up so far for the added 4 market weeks, there was a net deficit of \$140.

Kullgren commented that there needs to be a strategy developed to replace the revenue source from sale of market baskets that will soon be lost. Ferro stated he has discussed the need to develop an alternative revenue source with the Market Manager.

Following discussion, it was moved by Norman, seconded by Haga, to approve the revised compensation schedule for the Market Manager.

Motion passed unanimously.

Ferro was requested to provide an updated status report on vendor registrations and the Market budget at the June meeting, which will be right before the Market opens.

STATUS OF VILLAGE DESIGN PLAN IMPLEMENTATION

Kullgren updated the Board on the status of discussions with Amway regarding financing of public improvements associated with implementation of the Village Design Plan. He noted that a revised financing proposal was being prepared to be sent to Amway this week, identifying potential financing sources totaling \$8.2 million, with identification of the various approvals required in order for these financing sources to become a reality.

Kullgren made note of the fact that there has of yet not been any written response from Amway to the Township's previous financing proposal.

Ippel requested that in the future the DDA Board be provided with written summary reports in advance of the DDA Board meeting regarding meetings held.

Ippel also suggested that consideration be given to rolling sidewalk snow removal costs into the overall financing plan.

Kullgren stated that the communication being sent to Amway this week would be shared with the DDA Board.

With regard to the Phase I Headley St. reconstruction project, Ferro stated that there were still a number of design details concerning the road layout that are in the process of being discussed with the Road Commission. Ferro stated that Jeff Speck, a member of the Village Design Plan consultant team, was being retained by Amway to provide additional input into the road design details. He stated that Speck is scheduled to be in Grand Rapids this coming Wednesday, to meet with the joint DDA/Planning Commission subcommittee regarding his comments on the road design. Ferro stated that so long as there is not a quorum of the DDA Board present, interested members of the Board could attend. It was noted that at present, Haga is the only Board member planning to participate.

Harrison and VanderWulp indicated they may be able to attend.

PUBLIC COMMENT

Steve Dertz, Amway Corp. commented that a meeting of the Amway stakeholders was held recently, on May 5, and that the Township unfortunately was not able to have a revised proposal submitted in time for that meeting. Dertz also commented that he feels the portion of our proposed financing package that is contingent on grant funds being awarded or commitments from the private utility companies is somewhat speculative.

ADJOURNMENT

The meeting was adjourned at approximately 9:30 a.m.

Respectfully submitted:

Tom Korth, Secretary