

**ADA TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY (DDA)
BOARD OF DIRECTORS
MINUTES OF THE AUGUST 14, 2017 MEETING
ADA, MICHIGAN**

I. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 8:00 a.m. by Board Chair Kullgren.

BOARD MEMBERS PRESENT: Terry Bowersox, George Haga, Bryan Harrison, Bob Kullgren, Devin Norman, Walt VanderWulp, Ted Wright

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Jim Ferro, Planning Director, Brian Hilbrands, DDA Coordinator

PUBLIC PRESENT: Pete Lazdins and Mike Oezer (Progressive AE), Gwen Cieslak (Seyferth PR), Kristen Wildes (Ada Historical Society), Lance Werner, Michelle Boisvenue-Fox (Kent District Library)

II. WELCOME TO NEW STAFF MEMBER – BRIAN HILBRANDS, DDA COORDINATOR

Kullgren welcomed and introduced Brian Hilbrands to the Board as the new DDA Coordinator.

III. APPROVAL OF AGENDA

The agenda was approved by consent.

IV. APPROVAL OF MINUTES OF JULY 10 AND JULY 24 MEETINGS

It was moved by Bowersox, seconded by VanderWulp, to approve the minutes of the July 10 and July 24 meetings as presented. Motion passed unanimously.

V. RECOMMENDATION TO TOWNSHIP BOARD TO AWARD CONTRACT FOR RIVERFONT PARK CONSTRUCTION

Kullgren highlighted some of the details of the line-by-line cost analysis of the project that was requested at the last meeting. He stated in comparing the previous engineer's cost estimate to the bid prices, he has concluded that the estimate was in line with the bids. He noted that Mike Oezer put in time and effort to calculate those numbers, and that he was satisfied with what he saw.

Oezer stated that Progressive is very pleased with the low bid that was received. He said that the tight market could explain the surprisingly wide-range of bids, but all three bidders were very interested in the project. He stated Katerberg Verhage is ready to begin work on the project at the end of September, and Progressive AE has no hesitation in recommending the contract be awarded to them. Oezer added that in the next few weeks they would sit down with everyone involved on the various projects to mesh schedules and coordinate activities.

Oezer noted there is a correction needed in the letter sent from Progressive, to indicate that the concrete subcontractor for the project will be Van Laan Concrete instead of Burgess Concrete.

Norman asked if there have been any issues that carried over from the work Katerberg Verhage had done on Headley Street. It was said that there have not been.

Following discussion, it was moved by Bowersox, seconded by Harrison to recommend award of the contract for Phase I and II of the riverfront park project to Katerberg Verhage in the amount of \$1,360,860, and to retain Progressive AE to provide construction administration and inspections, field staking and related services, for a fee of \$67,694.

Motion passed unanimously.

Ferro noted that in the park specifications we have included the planting of around 25 Bur Oak trees which were the dominant trees in that area, and those are being donated at no cost by Rooks Landscaping. He noted the Township will be responsible for cost of transplanting the trees.

VI. APPROVAL OF PAYABLES

Ferro noted that the Board has already approved the Seyferth invoice from 5/31 so that invoice does not need action. Ferro stated that both invoices from Progressive AE are for design services for the riverfront park and the second one dated 8/4 brings the total amount to 100% on preparation of construction documents for the riverfront park.

It was moved by Harrison, seconded by Bowersox to approve payment of the Seyferth invoice for services through June 30 totaling \$2,500, Progressive AE invoices dated July 12 and August 4 totaling \$60,166.34, and the Hopkins Fundraising Consulting invoice for services through July 15 totaling \$5,800.

Motion passed unanimously.

VII. APPROVAL OF TAX AND TAX INCREMENT REVENUE SHARING AGREEMENT WITH ADA TOWNSHIP

Ferro presented an overview of the financial analysis and the proposed allocation of planned debt service for financing of Envision Ada-related projects. Ferro stated that the proposed agreement takes into account the first series bond from last year totaling \$2.28 million, and that we anticipate a second bond issue of \$4.72 million this year that will bring us to the total of \$7 million in debt. Ferro noted that a couple factors have changed from previous versions of this analysis. These include the assumption that the DDA will need \$100,000 for yearly operating expenses instead of the previous assumption which was \$50,000. This was increased to account for the DDA's new responsibility of Village sidewalk snow removal and the creation of a full-time staff position. The second change is that the Parks, Recreation and Land Preservation Board approved taking on \$550,000 of total bond debt that will be paid back over nine years from the Parks, Recreation and Land Preservation Fund, and this will replace a previously planned \$350,000 cash on hand contribution from the Parks and Land Preservation fund.

Ferro stated that the agreement commits the DDA to a percentage of the total and second series debt repayment. The agreement commits the DDA to paying back TIF revenue in an amount not to exceed 21.19% of the second series debt, and paying back Millage revenue in an amount not to exceed 60.17% of the second series debt. Harrison asked why the commitment is a percentage and not a dollar amount. Ferro responded this is because the final dollar amount will not be established until the bonds are sold and the interest rate is determined. He noted it is likely to be a little lower because of the conservative interest rate assumption used in the analysis.

Ferro also stated that the agreement has provisions that say the Township will advance funds if the DDA experiences a shortfall, and the DDA will then repay those shortfalls at a future time when their revenue exceeds their debt service obligations.

Following discussion, it was moved by Norman, seconded by Harrison to approve the Tax Sharing Agreement with Ada Township as presented.

Motion approved by 7-0 roll call vote.

VIII. DISCUSSION AND APPROVAL OF GENERAL SCOPE OF COMMUNITY BUILDING/LIBRARY PROJECT

Kullgren stated that the Board has never been asked to document the direction they want to go regarding a community building/library building. Kullgren stated that he visited the Terra Square community building/farmers market facility in Hudsonville recently, and stated it is an interesting project with good ideas. Kullgren described the three main attributes of the building which includes a shared work space for small businesses, event rental space, and an indoor/outdoor space for a farmer's market. Kullgren stated that input from the DDA Board is needed as we define how we want a community building to be used.

Wright expressed concern that our preliminary plan for a community building/library branch may dedicate too little space for community use. VanderWulp questioned why so far there has only been one architect designing the building. Norman questioned whether the 3-season area of the design would have full HVAC service and said that it seems like an expensive part of the project not to be used year-round.

Kullgren suggested that a group of DDA Board members visit other community facilities to assist in defining our facility needs.

Ferro noted that the architectural work that was completed previously was primarily for purposes of preparing the capital campaign case for support, and that architectural services for detailed design of the facility would be solicited through an RFP process.

Lance Werner, KDL Executive Director, described some of the benefits and amenities that a library branch can bring. He stated that there is no doubt a library is community space, and it can be utilized by a wide variety of people. He estimates a branch in Ada could attract yearly visitation around 80,000 – 100,000, with 200-300 people at the branch at one time. Werner stated he estimated the branch would need 60-80 parking spaces. He stated another important aspect that a branch would bring is its programming which can be for all ages.

Michelle Boisvenue-Fox, KDL Director of Innovation and User Experience, gave examples of the programming that KDL provides in the local communities they serve.

Lindsay Dorfman, KDL Director of Branch Services and Operations distributed copies of KDL's "Kaleidoscope" publication for Summer 2017, which describes KDL programs and activities.

(VanderWulp left the meeting at 9:02am)

Following discussion, it was moved by Haga, seconded by Bowersox to recommend to the Township Board that the Township pursue development of a community building containing a KDL branch, and that a process be organized to seek community input on the attributes and design of the facility.

Motion passed unanimously.

IX. RECOMMENDATION TO TOWNSHIP BOARD REGARDING ISSUANCE OF \$4.72 IN CAPITAL IMPROVEMENTS BONDS FOR PARK, COMMUNITY BUILDING/LIBRARY AND PARKING PROJECTS

It was moved by Bowersox, seconded by Harrison, to recommend to the Township Board to proceed with issuing \$4.72 in capital improvement bonds to finance planned Village park and civic projects.

Motion passed unanimously.

X. REQUEST FOR FUNDING FROM ADA HISTORICAL SOCIETY FOR INTERPRETIVE SIGN

Hilbrands stated that the Ada Historical Society is requesting \$500 from the DDA to help fund the installation of a new interpretive panel that would go on the Ada Museum property. Kristen Wildes described the content that would go on the panel which would cover the early history of Ada.

Harrison asked who reviews the narrative content. Wildes replied that she can provide a draft to the DDA.

It was moved by Norman, seconded by Wright, to approve \$500 funding for the AHS sign.

Motion passed unanimously.

Norman noted that the AHS is asking for \$500 but the total cost is \$1000 and the AHS is funding the other half of the cost.

XI. STAFF/BOARD MEMBER COMMENT

a. Status of DDA Board Appointments to Fill Vacant Positions

Haga commented on the process of interviewing and selecting potential Board candidates. He stated that any of the candidates he interviewed could fill the position, but he is recommending to the Township Board to appoint Margaret Idema and Justin Knapp to the DDA Board. He said he is also recommending the reappointments of Norman, Harrison, and Kullgren to the DDA Board.

Kullgren recommended having a briefing with the candidates to bring them up to speed.

b. Status of Ada Drive Project/River Street Project

Jim updated the Board on the progress of the Ada Drive and River Street projects. He stated that the Ada Drive project is on schedule to be completed by the end of the month, and the River Street project is starting today. He stated that the Headley street access to the shopping center is being closed today and the new driveway access to the shopping center will be off Ada Drive.

Norman expressed concern that even though Ada Drive was open to business traffic it did not look open. He noted that there was still a Road Closed sign up and there were construction trucks parked on either side of the road.

Kullgren stated that we need to do what we can to show businesses that the road is open.

c. Communications Update

Gwen Cieslak provided an update on Seyferth's communication efforts. She stated that we need to do what we can to make sure we are communicating to Boards, businesses and residents. Cieslak provided a handout on the social media posts and recent media coverage of the projects. She said that what's important to know about Facebook is that after an update is posted it is also shared repeatedly which expands the viewership of that information exponentially. She stated that they are working to produce maps identifying access routes to businesses during construction, and are also working to make business specific maps that can be shared with customers.

d. Private Development Update

Ferro provided an update of three Envision Ada related projects that are on the Planning Commission agenda. One is the redevelopment of the Schoolhouse on the plaza that will be adjacent to the riverfront park along River Street. He stated that the second is a new two-story commercial building at the corner of Ada Drive and Settlers Street. It is being proposed by a private property group that is purchasing the

property from Geld. Ferro stated that the third item is the plan for the lot layout and shared parking layout for the western portion of the shopping center property.

e. DDA Financial Report, 7/31/17

Ferro highlighted some of the major expenditure items. He reported that the Farmer's Market seems to be doing well, and their revenues for registration fees have already exceeded the budgeted \$9,000 amount. Ferro noted that we have also not yet received the Spectrum Health sponsorship fee of \$1,000, which will further increase revenues.

Harrison asked if we have heard from any of the vendors if sales have been impacted at all by construction. Ferro said that he has not heard any feedback regarding any disappointment in sales at the market.

Wright commented that there is no room for public parking near the Township's trail on McCabe Ave. Ferro said that is probably a Trails Commission question. He noted there is parking not far away at both parking lots at Seidman Park.

Norman commented that there is still one catch basin on Headley with mesh still around it.

XII. PUBLIC COMMENT

No public comment.

XIII. ADJOURNMENT

Chair Kullgren adjourned the meeting at 9:54am.

Respectfully submitted:

Devin Norman, Secretary/Treasurer