

**CITY OF WAYLAND  
DOWNTOWN DEVELOPMENT AUTHORITY  
MINUTES**

**Thursday, February 18, 2010  
City Hall – City Council Chambers**

Chair Mike Salisbury called the meeting to order at 12:05 PM.

**ROLL CALL**

Members Present: Chair Mike Salisbury, Mayor Tim Bala, Karen Gregersen, Ron House, Stuart Isenhoff & Clare Vilenski

Members Absent: Joe Hamilton & Monte Listopad (both contacted staff of absence)

Others Present: City Manager Chris Yonker & City Finance Director Bhama Cairns

**PUBLIC HEARINGS**

None scheduled

**APPROVAL OF DDA MEETING MINUTES**

Moved by Karen Gregersen, seconded by Tim Bala to approve the Minutes of the November 19, 2009 meeting as submitted with the meeting packet. **All Yes; motion carried.**

**OTHER MINUTES FOR REVIEW**

By consensus, the Board accepted the minutes of the following meetings into the record:

- City Council Meetings
  - December 7 & 21, 2009
  - January 4 & 18, 2010
  - February 1, 2010
- Planning Commission Meetings
  - December 8, 2009
  - January 12, 2010

**COMMENTS FROM THE PUBLIC**

None

**CITY STAFF COMMUNICATIONS**

City Manager Yonker informed the Board that the application for grant funding under the MI Energy Efficiency & Conservation Block Grant (EECBG) program for replacement of the publicly-owned streetlights with LED light fixtures in downtown was not successful. He described several other options the Board might wish to consider re: obtaining funds for the project. These included just replacing the high-pressure sodium (HPS) bulbs with retrofit LED bulbs, the possibility of approaching the LED light suppliers to help finance all or a portion of the light pole/fixture replacements, and the availability of certain new incentives through Consumers Energy for the conversion of exterior lights to LED technology.

Chair Salisbury suggested that the Board consider working with Progressive AE to briefly explore several of the above suggested options; the Board concurred. The Chair stated he would contact Progressive to request its assistance.

### **MI MAIN STREET (MMS) PROGRAM UPDATE**

Chair Salisbury noted that several of the DDA members and City staff attended the MMS program training session in Howell, MI on February 11. They felt that the all-day session was very helpful because it was primarily an overview of the nuts & bolts of the operation of Howell's MMS program; more Main Street in practice than in theory.

The Wayland community was now at the point in the MMS program that it needs to decide whether to continue on for another year at the Associate Level or to make application to move up to the more intense Selected Level. MMS staff has stated that of the 19 Associate Level communities, the State would only be accepting four into the Selected Level. They also believed that only approximately 7-8 of the communities would be ready to apply for the next level. Thus, Wayland would have roughly a 50/50 chance of being selected should it apply.

The Chair stated that the next joint DDA Board/City Council meeting was scheduled for Monday, March 1<sup>st</sup> @ 6 PM in the City Council Chambers @ City Hall. At this meeting, the MMS staff will be making an overview presentation of the benefits of the Selected Level of the program as well as the application process for the Selected Level. Letters of interest from communities are due March 5, with the full application due May 7. Both the DDA Board and the City Council will need to decide that evening whether to apply for the Selected Level program or to remain in the Associate Level for another year.

Chair Salisbury noted that the Selected Level program offers more intense MMS staff assistance on a monthly basis. It is essentially a five-year commitment on behalf of the community to implementing the Main Street approach for its downtown revitalization. The MMS program describes the Selected Level benefits as follows:

The Selected Level provides communities with specialized training within their own community. Once a community successfully completes the Associate Level, they are eligible to apply for the Selected Level. The intent of the Selected Level is to assist communities in implementing the Main Street Four-Point Approach to revitalization by creating a fully-functioning and sustainable local Main Street program. The Main Street program has an active Board of Directors, providing oversight and direction, four volunteer-driven committees completing projects and a Main Street Manager assisting with day-to-day needs.

Michigan Main Street staff, along with other professionals, work closely with Selected Level communities to train their boards and committees, hire a full-time Main Street Manager, recruit volunteers and get the program up and running. In addition, at the Selected Level, communities receive a market analysis and other specialized trainings designed to help revitalize their downtown or traditional neighborhood commercial district.

### **REVIEW OF PRELIMINARY BUDGET PREPARATION INFORMATION**

The City Finance Director reviewed four documents that had been included in the Board's packets: 1) Revenue & Expense report as of 1/31/2010 for the DDA Fund; 2) summary list of descriptions of DDA expenses for the previous fiscal year; 3) Balance Sheet for the DDA Fund from the recently completed FY 08/09 City Audit; and 4) Statement of Revenues, Expenditures & Changes in Fund Balance for the DDA Fund, also from the FY 08/09 City Audit.

Ms. Cairns stated that a preliminary analysis of the amount of tax capture for the coming fiscal year in the DDA's tax increment finance (TIF) district would be approximately \$10,000 less than the current fiscal year. She emphasized, however, that this number did not yet include all of the values for personal property within the district, because those statements were still coming into the City Assessor's office. A more accurate estimate would be available for the Board @ its next meeting.

Ron House left the meeting at approximately 1:10 PM.

The City Manager related for the Board the financial challenges that the City overall would be facing for the coming fiscal year. Based on the decrease in home values throughout the community, the County was placing an equalization factor on all residential properties that will reduce their assessed values down to 50% of true cash value. This EQ adjustment could result in an estimated reduction of over \$100,000 in the City's property tax receipts to the General Fund.

On the commercial property side, the County would be applying an EQ factor that would increase assessed values up to 50% of true cash value. This would help offset some, but not all losses within the TIF district.

Mr. Yonker also related that the amount of State Shared Revenues to the City for the coming fiscal year is still a big unknown. While the Governor's proposed budget stated it would not seek any further cuts in statutory revenue sharing, it still was not proposing full funding of the statutory portion. The City has not received full funding since 2001; revenue sharing receipts are down over \$174,000 per year, a drop of 35% since 2001.

It was noted that the A&R debt that was paid out of the TIF capture funds would be expiring in April 2014 based on the original development agreement with the developer. This would free up the DDA fund of approximately \$50-60,000 per year in debt service expenses.

The Board also discussed the need to establish a fund balance policy for the retention or use of the DDA's fund balance. The recently completed audit showed the net assets of the DDA at approximately \$156,162.

#### **COMMENTS FROM DDA MEMBERS**

The Chair noted that he had recently established a "Downtown Wayland" page on Facebook & encouraged the Board to visit the page and offer comments & suggestions. He is currently acting as the page administrator. Approximately 250 people have already signed on as "Fans" of the site.

#### **ADJOURNMENT**

Being no further business, the Chair declared the meeting adjourned at 1:25 PM.

Respectfully submitted,

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Chris A. Yonker  
City Manager