

CITY OF WALLED LAKE
DOWNTOWN DEVELOPMENT AUTHORITY
TUESDAY, AUGUST 13, 2019

The meeting was called to order at 4:00 p.m.

ROLL CALL: Ackley, Allen, Ambrose, Blair, Fernandes, Lublin

ABSENT: Atwell, Easter, Marshal, Shuman, Wlodarczyk

There being a quorum present, the meeting was declared in session.

OTHERS PRESENT: Finance Director Barlass, Fire Chief Coomer, Deputy City Clerk Gross, Confidential Assistant to the City Manager Jaquays, Council Member Owsinek, Police Chief Shakinas, Planning Commissioner Wolfson, and City Manager Whitt.

DDA 08-01-19 MOTION TO EXCUSE DDA BOARD MEMBERS ATWELL, EASTER, MARSHALL, SHUMAN, AND WLODARCZYK.

Motion by Ambrose, supported by Lublin: CARRIED UNANIMOUSLY: To excuse DDA board members Atwell, Easter, Marshal, Shuman, and Wlodarczyk.

REQUESTS FOR AGENDA CHANGES: DDA board member Fernandes requested to add USDA under new business.

APPROVAL OF MINUTES:

DDA 08-02-19 APPROVAL OF THE MINUTES FROM THE JULY 9, 2019 MEETING

Motion by Lublin, supported by Blair: CARRIED UNANIMOUSLY: To approve the minutes from the July 9, 2019 meeting.

AUDIENCE PARTICIPATION:

Planning Commissioner Wolfson said he is glad that the public safety millage passed because there was a lot of miscommunication and people telling others to vote no. Mr. Wolfson commended the City Manager, Finance Director, and City Administration on what they do. Mr. Wolfson said he sees how hard they work and how much they have to put up with.

UNFINISHED BUSINESS: None

NEW BUSINESS:

1. Update on DDA Website Design & Content

City Manager Whitt explained the individual that was assigned as the DDA content coordinator resigned as of today. Mr. Whitt said she had another opportunity and has moved on. Mr. Whitt said that Hana Jaquays will be taking over until further notice. Mr. Whitt said because she just resigned today, Ms. Jaquays was not prepared to give a presentation. Mr. Whitt said however, she will have something to present at the next meeting.

2. USDA

DDA board member Fernandes said at her other job before this, she worked for economic development with Kathy Crawford and they had met with USDA. Ms. Fernandes explained USDA stands for United States Department of Agriculture. Ms. Fernandes said they worked up in Saint Clair County and brought in all of the townships to see how they could utilize USDA funds. Ms. Fernandes said the USDA is a typical federal organization that if you don't use it, you lose it. Ms. Fernandes said the current trump appointee in Michigan is a guy named Jason Allen. Ms. Fernandes said Jason and her have history, they use to be teenage republicans together. Ms. Fernandes said he is the administrator and over the USDA here in Michigan and is desperate to get rid of this money. Ms. Fernandes said in Saint Clair County we ended up taking a bucket of money and doing a revolving fund with the local townships so that they could get a loan from us at 1-2% to rebuild their bridges and culverts. Ms. Fernandes said that most of these townships are very small and only have a population of about 1000 people, but they can't afford to fix these things in which they are responsible for. Ms. Fernandes said so we developed this process and put the paperwork together where the township comes to the county and does a presentation, gets the money and pay it back over 20 years. Ms. Fernandes said she went to their website, typed in the zip code, and there are programs that the city is eligible for. Ms. Fernandes said even though we aren't considered rural there are programs that the city does qualify for. Ms. Fernandes said some of the programs have to do with infrastructure. Ms. Fernandes said some also have to do with farmers markets, which the director desperately wants to do before she leaves and retires in a few years. Ms. Fernandes said she believes these are some good options for the city.

EXECUTIVE DIRECTOR REPORT:

1. Public Safety Millage & DDA Capture

City Manager Whitt said that the public safety millage passed by about 72%. Mr. Whitt said there was an overwhelming vote of support for our administration, city council, fire and police department. Mr. Whitt said there were people actively working against it while saying one thing and doing another. Mr. Whitt said they obviously don't have the power they thought they did. Mr. Whitt said the reason this is on the agenda is because the DDA has been under attack, not only individual members but the board as a whole. Mr. Whitt said the board has taken a beaten and been accused of misappropriations. Mr. Whitt said I'm going to have the finance director further explain on the DDA capture for the board and for the record.

Finance Director Barlass said there were many questions leading up to the elections because of the language on the ballot. Mrs. Barlass said it stated that the DDA may capture a portion of the

public safety millage. Mrs. Barlass said we received phone calls and people at the counter asking why this was occurring. Mrs. Barlass said there was a lot of misinformation out there mainly being spread through social media, so she just wants to explain how it actually works. Mrs. Barlass said the DDA captures the growth within the DDA boundaries. Mrs. Barlass said the parcels within the boundaries make up the DDA. Mrs. Barlass said the year that it begins is what is referred to as the base taxable value. Mrs. Barlass said that base, from that point going forward, all of those taxes are levied against those parcels go to all the taxing authorities who levy against it. Mrs. Barlass said the growth over the year from the base up to wherever the growth is, that difference is captured by the DDA. Mrs. Barlass said of our parcels, we have a total of about thirty-one-hundred-real property, there is only 334 parcels that are being captured by DDA. Mrs. Barlass said that is under 11% and a majority of those parcels are businesses. Mrs. Barlass said those parcels aren't individual homeowners, but there are some condominiums and live/work units within the DDA boundaries. Mrs. Barlass said the base amount for the DDA is \$9.5 million of the real parcels; the reason she said real is because there is personal property as well. Mrs. Barlass said the current taxable value of the DDA district is \$40 million. Mrs. Barlass said the difference between the two is over \$30 million and is what the millage rates are captured to the DDA. Mrs. Barlass said there are a number of different taxing authorities that are included in the capturing and it is state mandated that they are part of it. Mrs. Barlass said that there are other taxing authorities like the library for instance or the Walled Lake Consolidated Schools that are exempt which is written in the law. The public safety for the city and the operating, if we were to pass any other millage it would also have to be included. Oakland County Operating, the OCC, the SMART bus, Oakland County Parks & Recreation and the Huron Clinton Metro Authority are all part of the agreement of the DDA, and again it is mandatory. Mrs. Barlass said people were upset because they thought the money wouldn't be going towards what they were voting on. Mrs. Barlass said people were being told its going towards DDA instead of the police and fire. Mrs. Barlass said it cannot be separated; it is part of the law and must be included in the language. Mrs. Barlass said she made it clear to the people she spoke to that the general fund supports the public safety with both our operating and public safety millage charges the DDA directly for their services and that is actually greater than the amount the DDA Captures. Mrs. Barlass said over the past five years of this current millage the DDA has captured about 509 thousand dollars of the public safety millage portion and the city has transferred or charged for their services of police and fire for about \$1.2 million. Mrs. Barlass said clearly, the city is receiving back what goes directly to police and fire for their services.

2. \$10K Boss Civil Engineering & Surveying for Decker Road

City Manager Whitt explained at the last council meeting Council Member Costanzo questioned a \$10k check listed on the warrant. Mr. Whitt said it was a check written to Boss Engineering charged to our major road fund. Mr. Whitt said if Council Member Costanzo looked close enough, he would have recognized the charge came from the city's major road fund. Mr. Whitt said it was civil engineering for Decker Road that was approved by Council including Council Member Costanzo. Mr. Whitt said it was engineering done as an early step towards getting a grant. Mr. Whitt said it is being spread that there is \$10k unaccounted for and that is not true. Mr. Whitt said all the money is accounted for. Mr. Whitt said in the packet you have in front of you there are 4 invoices from Boss Engineering that make up check # 115450, a copy of the

check, and the warrant from the July council packet. Mr. Whitt stated that the packet is self-explanatory.

3. Update on LED Lights

Finance Director Barlass said all 231 LED light fixtures have been replaced in the Downtown District. Mrs. Barlass said two people did the labor and they did it within 160-man hours. Mrs. Barlass said DTE gives us a rebate if the lights are replaced in a certain amount of time and follow other required criteria. Mrs. Barlass said we haven't received the check yet but it is in the mail in the amount of \$5,775.00.

3. CORRESPONDENCE: None

4. WARRANT REPORT:

**DDA 08-03-19 APPROVAL TO RECEIVE AND FILE THE WARRANT FOR
JULY 2019**

Motion by Lublin, supported by Fernandes: CARRIED UNANIMOUSLY: To receive and file the warrant for July 2019.

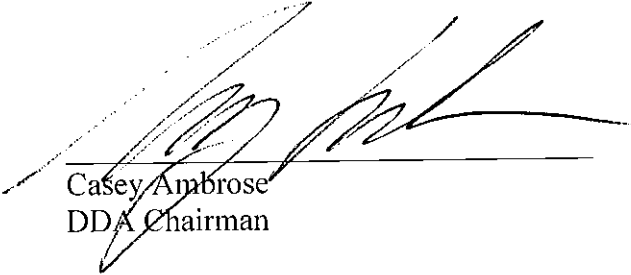
5. ADJOURNMENT:

DDA 08-04-19 ADJOURNMENT

Motion by Ambrose, seconded by Blair; CARRIED UNANIMOUSLY: To adjourn the meeting at 5:02 p.m.



Miranda Gross
Deputy Clerk



Casey Ambrose
DDA Chairman