



**CITY OF WALLED LAKE**  
**DOWNTOWN DEVELOPMENT AUTHORITY**  
**TUESDAY, DECEMBER 13, 2016**

The Meeting was called to order at 4:15 p.m.

**ROLL CALL:** Ackley, Allen, Ambrose, Lublin, Shuman, Wlodarczyk

**ABSENT:** Easter, Marshall. Maurer, Shuman

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

**OTHERS PRESENT:** Executive Director Whitt, DDA Deputy Managing Director Rodgers, Finance Director Coogan, Council Member Robertson, Council Member Owsinek, Council Member Helke

**REQUESTS FOR AGENDA CHANGES:**

**APPROVAL OF MINUTES:**

**DDA 12-01-16 APPROVAL OF THE MINUTES FROM THE NOVEMBER 1, 2016 MEETING WITH CORRECTIONS**

Motion by Lublin, supported by Ambrose: CARRIED UNANIMOUSLY: To approve the minutes from the November 1, 2016 meeting

**AUDIENCE PARTICIPATION:**

Council Member Helke remarked that she was showing that there only ten (10) people on the DDA board. Council Member Helke then questioned when was the last time the DDA member representing the school board came to a meeting.

Chairman Ambrose explained that he and Mayor Ackley were reviewing the 11<sup>th</sup> position, which was traditionally reserved for a representative from the school board. He explained that the DDA board should consider whether it wants to continue to reserved that appointment for the school board or adjust the makeup of the DDA board.

Executive Director Whitt explained that the DDA board is comprised of eleven members.

Council Member Helke questioned Finance Director Coogan about the DDA's budget. Council Member Helke said money that DDA has was talked about a couple meetings ago. Helke said it was 1.4 million dollars.

Finance Director Coogan corrected Council Member Helke stating that the DDA closed its books in June of 2016 with 1.2 million in fund balance. Coogan explained that this was the audited

amount. Coogan explained that she expects that at the end of this fiscal year the DDA will be at 1.6 million in fund balance. Council Member Helke said because she could not find that amount anywhere. Council Member Helke explained that she has trouble understanding and she has difficulty reading reports.

DDA Board Member and Council Member Lublin explained to Council Member Helke that the DDA monies are identified in audit reports and in the audit report under the DDA.

Council Member Helke said it is confusing to her. Helke said she knows there has been a lot of discussion with the city lacking funds and the DDA lacking funds. Helke said it doesn't sound like the DDA is lacking fund. Council Member Helke said she recently spoke with a DDA member and that member was surprised to hear the DDA had that much money.

Finance Director Coogan explained that the DDA's finances are not a secret. Coogan explained that this has been discussed at the DDA for a long time.

Executive Director Whitt explained that the DDA finances have not been a secret. Whitt said the budget was approved and financial discussions were had during the budget process. Mr. Whitt explained to Council Member Helke that the city's independent audits are published every year and filed with the State of Michigan. Mr. Whitt said those annual audits show the absolute numbers as of that day. Mr. Whitt explained that if one can read the audits the city administration is consistently reporting the finances of the DDA. Mr. Whitt said each annual audit report has been open and transparent. Mr. Whitt explained that every annual audit report is an independent audit and identifies how much money is left in every fund at the end of the fiscal year and that is the absolute amount from an independent audit, Mr. Whitt explained that DDA finances are not a secret nor is there any lack of transparency. Mr. Whitt explained that each year there has been discussions about how to spend the available DDA money appropriately.

DDA Board Member Lublin opined that the financial position of the city is not poor however there is a huge number in pension debt that makes everything harder to accomplish. Lublin explained that it has been a long road to get the DDA to its current financial position.

Council Member Helke questioned statements she said that Chairman Ambrose made at the last DDA meeting. Council Member Helke said that Chairman Ambrose had stated there is some talk about having the beach party and that he said before anything is decided on, the DDA must first see if there is enough money since the City is still hurting financially.

Executive Director Whitt explained that Chairman Ambrose's remarks are not inconsistent. Mr. Whitt explained that the DDA decides how to spend the available money by board vote.

Council Member Helke questioned whether the City was hurting financially or not hurting financially. Helke opined that it sounds like the City is doing pretty well.

Finance Director Coogan explained that operationally the City of Walled Lake is functioning well but there are major infrastructure needs and capital needs as well as a lot of debt. Coogan explained that is where the City has been focusing.

Executive Director Whitt explained the nature of the discussion was about where the DDA should spend DDA money. Mr. Whitt explained that it becomes a question of whether the DDA should throw a party or fix infrastructure, or whether the city has to pay from the general fund.

Finance Director Coogan explained that this message has been consistent since she has been delivering it. Coogan reminded her that the city has been in a crisis and that this council and administration has taken the City out of the crisis. Coogan explained that operationally the City is doing well but has had to defer a lot of needed infrastructure repairs and needed capital expenditures so now the City needs to spend money on those items. Coogan explained that this council majority and this administration were determined not to incur more debt.

Coogan explained to Helke that the City also has a debt that the City inherited, 10 million dollars, in the pension and OPEB. She said the City administration has significantly reduced the OPEB pension debt. Coogan said the OPEB debt, which is the retiree healthcare and has stopped the hemorrhaging in the pension. Coogan said the 1.2 million dollars that Council Member Helke was referring to, was an enormous effort to get to that point. Coogan said now the DDA can make a decision there on some big-ticket items that need to be addressed. Coogan expressed that to spend 1.2 million dollars on events, ignores all these other big items. Coogan said the message has been consistent since she has been delivering it. Coogan said since the City Manager told her to lay everything out on the table, again the message has been the same. Coogan said she is perplexed on why anyone is confused.

Coogan said there have been budget discussions and she has distributed information to the DDA Board and stated repeatedly that at the end of this fiscal year there will be 1.6 million dollars in the DDA fund balance. Coogan questioned why anyone could question this. Coogan said the message has been consistent. Coogan said the City has unfilled positions, operationally the City is operating on a skeleton crew with employees doing multiple jobs so the City can put you, as part of the governing board, in a position to spend the money where it needs to be spent. Coogan said she resents that Council Member Helke said that someone does not know what is going on.

Council Member Helke said she did not say that. Finance Director Coogan said to Council Member Helke she did in fact say that someone does not know how much is in the DDA fund. Coogan said a crisis is when there are big ticket items that need to be addressed. Coogan said there is not enough money to get all the big-ticket items addressed so they must be parceled out. Coogan said again that the message has not changed.

Executive Director Whitt said the recreation issues are still on the table and if city council approves what the DDA wants to do. Mr. Whitt explained that if an event is approved by the DDA board and City Council approves it, then DDA will sponsor a recreational event, if DDA wants to fix the infrastructure needs on the lake, the City will fix the infrastructure on the lake. Mr. Whitt explained that as of the last audit the DDA has 1.2 million dollars spend. Mr. Whitt

said there is no ethical issue here, it is about what one thinks is a priority and the DDA board gets to make that call. Mr. Whitt said the administration would like the DDA to consider fixing the infrastructure and that is what the administration is asking of the DDA leadership. Mr. Whitt said the city administration is not asking the DDA board to spend money on operational stuff or hire more employees. Mr. Whitt explained that the available DDA funds will go quickly when the DDA starts spending. Mr. Whitt opined that past administrations had spent hundreds of thousands of dollars that did not bring the DDA economic development. Mr. Whitt explained that the City has saved the money for DDA salaries and that savings is part of the 1.2 million.

Mayor Ackley explained that the City was reminded the other night in 2010 the City was supposed to be bankrupt. Mayor Ackley said the city did not go bankrupt but mistakes were made in the past but the City is now moving in the right direction. Mayor Ackley said that is what the DDA needs to discuss. Mayor Ackley questioned, does the DDA spend money on parties or fix the infrastructure and that is what Chairman Ambrose was talking about last meeting.

Executive Director Whitt explained that the DDA could sponsor an event or two now and then but the DDA is not about having parties, it is about prioritizing where the money is spent first. Mr. Whitt said the DDA should not give up on that kind of thing either just like the City can't give up on municipal services. Mr. Whitt said the DDA should listen to the people who want to do some of things that the DDA has done in the past but the priority ought to be infrastructure repair with the money the DDA has now.

Mayor Ackley explained that if any board member or anybody that doesn't understand the budget or does not know how to read a budget or how to look at the figures, the finance director is one of the most available people. Mayor Ackley said anyone who looks at the audit reports or when they come to the budget workshops and then this person couldn't figure out that the city had a fund balance then they needed to ask some questions.

Dennis Burks - 206 Spring Park – said that under state law he had the right as a citizen of the state of Michigan, County of Oakland and City of Walled Lake to request that all members be here before there are any votes done. Burks said you can have your meeting but there will be no voting. Burks said if the DDA decides to have a party Chairman Ambrose is to be excluded from any executive rights to any of it, with him being on the DDA board. You know what I am talking about you idiot.

Chairman Ambrose asked Burks, "I can't go to a party?"

Dennis Burks said, "Yeah you can go but you can't cater it or make any money off of it. "You are self-serving and you know it." Burks said there is a man by the name of Brett at the Oakland County executive office who has been trying to reach the DDA and he has not gotten a call or email back. Burks said he is on the executive board of DDA for Oakland County. Burks said he has been out there three times and had meetings with this man and he has told me if one penny of DDA money has been spent on other than the DDA area you are going to pay the consequences.

DDA Board Member Lublin said on the record that Casey Ambrose has never received anything personally ever. He said he has been on the DDA for fifteen years and no functions or events have gone to Mr. Ambrose.

Chairman Ambrose said Brett has his phone number and email and he has worked with Brett for over twenty-five year, Brett knows where to get a hold of him. Dennis Burks said he does want to get a hold of you and her.

Chairman Ambrose said you can't say he has been trying to get a hold of the DDA when I have worked for the guy for numerous years. Ambrose said he is questioning what he is saying now. Burks asked if Ambrose was calling him a liar. Burks stated to Chairman Ambrose, "You are an overbearing pompous ass and that's all you are." Chairman Ambrose said I don't know how much we need to listen to. We can always ask you to leave if you don't like what is going on. Burks said I don't and I am not leaving either. Chairman Ambrose said alright then be quiet you are all done.

**I. UNFINISHED BUSINESS:**

- A. 126 W. Walled Lake Dr. – Parking improvement Design**  
Applicant: McDonald Financial

Finance Director Coogan explained said Matt McDonald is a business owner that is cleaning up some of the parking there and that is an improved project. She explained in the middle of it is a collapsed catch basin. She said he is going to repair the City catch basin and is asking the DDA to approve the budget so the City and Matt McDonald can cost share the project. She said the City's portion would be \$8,585.75.

Executive Director Whitt this project is a classic DDA function. He said this is to improve downtown development.

**DDA 12-02-16            MOTION TO APPROVE REIMBURSEMENT UP TO \$8,600 FOR  
THE CONTRIBUTION AFTER THE REPAIRS HAVE BEEN  
DONE AND INSPECTED FOR MCDONALD FINANCIAL  
PARKING IMPROVEMENT PROJECT**

Motion by Lublin, supported by Blair: CARRIED UNANIMOUSLY: To approve reimbursement up to \$8,600 for the contribution after the repairs have been done and inspected for McDonald Financial parking improvement project.

**II. NEW BUSINESS: None**

**OTHER BUSINESS:**

- A. Planning and Development Report**

Executive Director Whitt explained that the city's consulting engineer will be coming the DDA in the new year to make some presentations about infrastructure needs that could be funded by the DDA. He explained the DDA can start thinking about how to use some of the DDA funds. He explained if not funded by DDA, administration will try to get council to fix it, if council can't do it then it won't get done.

**B. Executive Director Report**

**III. CORRESPONDENCE: None**

**IV. CONSIDERATION OF WARRANT:**

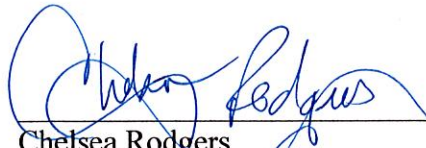
**DDA 12-03-16 APPROVAL OF THE WARRANT FOR November 2016**

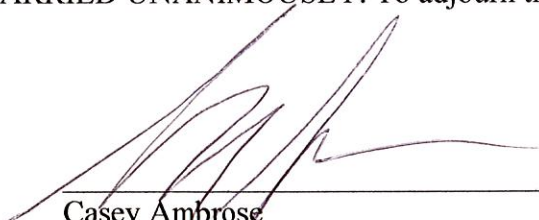
Motion by Lublin, supported by Ackley: CARRIED UNANIMOUSLY: To approve the warrant for August 2016

**V. ADJOURNMENT:**

**DDA 12-04-16 ADJOURNMENT**

Motion by Lublin, seconded by Blair; CARRIED UNANIMOUSLY: To adjourn the meeting at 4:43 p.m.

  
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Chelsea Rodgers  
Deputy Managing Director

  
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Casey Ambrose  
DDA Board Member