



CITY OF WALLED LAKE
DOWNTOWN DEVELOPMENT AUTHORITY
TUESDAY, JULY 11, 2017

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

ROLL CALL: Ackley, Allen, Ambrose, Easter, Fernandes, Lublin, Marshal,
Maurer, Wlodarczyk

ABSENT: Blair, Shuman

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

OTHERS PRESENT: Executive Director Whitt, DDA Managing Director Rodgers,
Finance Director Coogan, Police Chief Shakinas,
Council Member Robertson, Council Member Owsinek,
Council Member Helke

REQUESTS FOR AGENDA CHANGES: None

APPROVAL OF MINUTES:

**DDA 07-01-17 APPROVAL OF THE MINUTES FROM THE JUNE 13, 2017
MEETING**

Motion by Ackley, supported by Fernandes: **CARRIED UNANIMOUSLY:** To approve the minutes from the June 13, 2017 meeting.

AUDIENCE PARTICIPATION:

Dan Lauffer – 1488 Dover Hill N- said he is fairly new and has only lived in the city for five years. Mr. Lauffer asked what is the progress on the rails to trails project, asking is the city going to actually do the trail saying rumor is that the City was trying to get out of the project. Chairman Ambrose said the city is all in and that backing out of the trail project was never the case, but that getting cooperation between the three communities was the issue.

Executive Director Whitt explained that he was surprised that Mr. Lauffer thinks the city is going to back out of the trails project, that was never the case. Mr. Whitt explained to Mr. Lauffer that the issue of concern was that there were provisions in the contract that was negotiated many years ago with little vision. Mr. Whitt explained that under the contract each city is responsible for the facilities inside their jurisdiction and that the costlier and most expensive facility is the old depot station and if the communities vote to improve that depot but then decide to opt out, then Walled Lake, and Mr. Lauffer as a taxpayer, would be responsible for paying the perpetual maintenance on that facility that was turned into something more then what it was intended. Mr.

Whitt explained that in fact, it is impossible to back out of the trail project now and there was never any ability to back out of completing the trail.

Mr. Whitt said there was only the ability for the City of Walled Lake to maintain the trail itself and prohibit any development in the city that cost taxpayers more money. Mr. Whitt said he met with the other board members and the other communities understand Walled Lake's concern completely. Mr. Whitt explained that the public hearing called by concerned council members on that issue, contrary to what is being peddled, was to get taxpayer's input, it was not to abandon the trail project.

Dan Lauffer said what is the chance of better communication between the city council and the city because that is the word on the street that the city was trying to back out. Executive Director Whitt explained to Mr. Lauffer that there is no issue, stating that Mr. Lauffer has made a political statement. Mr. Whitt said he doesn't know of any bad communication, saying that he has been here seven years the Council are doing everything they promised when they brought him to the city. Mr. Whitt opined that he doesn't see communication as an issue at all, he sees political statements being used.

Chairman Ambrose said since Mr. Lauffer is new to the community, he can ask his additional questions to get up to speed on what is happening in the city.

Mr. Lauffer said on the depot issue, is there a chance of selling bonds to fix it up.

Executive Director Whitt said the depot is part of the original grant which was going to be five million, the price went down but is still several million dollars. Mr. Whitt said some other cities put in more money. Mr. Whitt said again the design of the contract didn't account for other cities being independent. Mr. Whitt said the depot is always going to be in the city. Mr. Whitt said it is always going to be as it is, it will be rehabbed and it should be done by grants. Mr. Whitt it is already being developed and that the proposal to do that and has always been on the table. Mr. Whitt said the other communities in the Rails to Trails benefit by Walled Lake being there and they have less at risk than Walled Lake does. Mr. Whitt explained that the city council members are committed to the trail and the city has been working on cleaning it up because the city has only owned it as of recently. Mr. Whitt said what this council did is refuse to say you can build whatever you want and then walk away from it and leave Walled Lake tax payers having to pay for it. Mr. Whitt said council members did what was prudent, what was smart and the council actions were recognized by the leaders of the other communities and it showed that council members know what they are doing.

Mr. Lauffer said he commends the city for getting involved in trying to preserve the Community Education Center building but his biggest concern is the Banks Dolbeer house. Mr. Lauffer asked what are the plans about opening the building, and for that matter making money for the city and educating the people about the underground railroad. Mr. Lauffer opined that it appears to him that the little house is the biggest asset to the city besides the lake and we don't even have access to the lake.

Executive Director Whitt said it doesn't surprise him that Mr. Lauffer, as a new resident to the community raises those questions. Mr. Whitt said it was a nice idea to save the house and it has been there for twenty years. Mr. Whitt explained to Mr. Lauffer he has been here seven years and the only people who have put any work into that house are the mayor and council members. Mr. Whitt said the Banks Dolbeer House is not operated by the city, it's run by an independent/nonprofit group. Mr. Whitt opined that the City Council is going to have to make a call of whether the city takes the building and put it to work for the city. Mr. Whitt said it is a nonprofit process that was put together long before he got to the city, it has not come to an end and the building should have been up and running already, there has been a lot of money collected. Mr. Whitt explained some people are not happy because he demanded an accounting audit of the nonprofit's books and all the money that has been collected over the years. Mr. Whitt said the city council and the residents deserve an accounting audit of the books.

Chairman Ambrose said it was another project sold to the city as a no cost taxpayer expense and that is how the rails to trails was sold to us. Chairman Ambrose said before you know it involves another level of government and the city is stuck throwing money at it to avoid being liable for it.

Mr. Lauffer asked, "Who has authority to sell bonds for the Banks Dolbeer House and can we sell bonds for that house?"

Executive Director Whitt said he does not want to have the discussion of selling bonds and he does not agree with Mr. Lauffer's assessment of what bonds are for.

Mr. Whitt said if the city were to try and finance or redevelop the building that is another issue that can be done through the DDA and that the DDA exist for those purposes. Mr. Whitt said if it is determined that it's the kind of thing that helps the business community, he explained that downtown development means it should be developed for business purposes. Mr. Whitt explained that the whole thing has been in the hands of a nonprofit group and they have not been very successful in bringing it to an end.

Mr. Lauffer said he just joined that group and they say it is in the hands of the city.

Chairman Ambrose said they would say that and it is all about the money. He explained that the DDA has been matching dollars for whatever they have been able to put into the house or raise. He said the city matches those dollars.

Mr. Lauffer said the Banks Dolbeer could sell bonds.

Executive Director Whitt said they can get theoretically get grants if their work group can get grants but they cannot sell bonds. Mr. Whitt explained that he would not sell bonds. Mr. Whitt opined that such a project would run the project through the operating budget of the city and put it to work quickly, if it were really in the city's hands.

Mr. Whitt opined that the only reason to ever bond is if there is a lot of money needed up front. Mr. Whitt said that building needs a lot of attention from the city government but until that decision is made and that group says they can't do it then it doesn't get done, however they have been doing little things here and there. Mr. Whitt said thousands of dollars have gone through the nonprofit but that the city has never seen.

Mr. Lauffer said he knows because the word from the volunteers is \$65,000 had been given to an architect instead of accepting the free bid by another architect. Executive Director Whitt said he does not know anything about the \$65,000, he explained that pre-dates his arrival to the city. He said he knows by everybodys word there has been a lot of money spent with nothing in return. He said he sits here as the city manager and he is unable to find any plans whatsoever for a building that sits on city property. He said if they spent \$65,000 that is a surprise and who it went to is another story because the city did not do that.

Council Member Helke read her statement into the record: At the May 4, 2017 School Board meeting I said: Hello, first I would like to state I am Walled Lake city council member but I would like to emphasize that I am not here as a representative of the Walled Lake city council. I am here to state my own opinion as a 30-year resident and taxpayer of Walled Lake and Wolverine Lake. I didn't grow up here so I really have no emotional attachment to the Community Ed building. I do however have an emotional attachment to the City of Walled Lake. The Community Ed building occupies a large chunk of property right on the most major thoroughfare in the city, if that building is torn down and the property put up for sale the residents will have no control over what is built there. It could be a nice-looking condominium complex or it could be a really ugly apartment building, or a strip mall built to take advantage of tax laws regarding capital losses, or it could be another oil change facility or another marijuana dispensary. What could imagine that it would be a really adventitious project or it could be something that we regret for generations to come. I also have an attachment to the tax dollars I pay and how they are spent. According to your own publication it would require an estimated \$750,000 dollars to demolish the building and another million dollars to relocate most of the existing programs to other facilities. And some of the existing programs will be gone such as the dove evening leagues and the women and children program will be gone. You are spending one million and seven hundred fifty thousand dollars to demolish the building and relocate the majority of the programs, you hope to sell the property for \$750,000. How is this logical? You also stated that you already have the green to use up to \$2 million dollars out of the recently approved safety security and technology bond money to make necessary renovations and alterations in existing schools to house the CEC programs. I am sorry but it doesn't seem to me that using funds for reallocation of existing programs so you can tear down a building has anything to do with safety, security or technology. Finally, there is the emotional attachment that many people have to the building. As you know, cause you have heard it often enough, many resident have already spoken out the disappearance of yet another historically significant building in our town. I am a member the commerce township area historical society and we have mourned the loss of every historical building that this town has lost and there have been several very recently and this is going to be another one. I know the decision has already been made all of you with the exception of one board member I don't know which one you are but I thank you

have decided the Community Ed building has to got to go. I am asking you to reconsider and give concerned citizens time to explore other solutions to the question. There are other solutions which have already been successfully applied for in other communities. The residents of Walled Lake and the taxpayers of the Walled Lake Consolidated Schools District deserve that much. If you don't feel you can reconsider I would just like to point there will be other elections and other millage request in the future and they won't be forgotten.

Council Member Helke said she does not see a threat anywhere and is mystified why Mayor Ackley felt it necessary to apologize for my words. She said as she stated in her opening paragraph she was speaking as a private citizen of Walled Lake. "I said so to make it clear I was not representing the Walled Lake City Council or the City of Walled Lake. I believe that when Mayor Ackley apologized for me she demonstrated some unexplainable sense of responsibility for my words. I would like to suggest if Mayor Ackley felt the need to apologize she should of apologized for the lawsuit which the city council, including myself, has instigated against the Walled Lake Consolidated School District. I would think a lawsuit would have a much stronger and more negative impact on the school district than my statement that I will not be voting in favor of any future school mileage requests." Council Member Helke suggested that Mayor Ackley stop apologizing for her, she stands by her statement to the school board.

Mayor Ackley explained she stands by her apology to the School Board Members.

Council Member Helke said whatever. Mayor Ackley said as a council person of the City of Walled Lake Council Member Helke does represent the City of Walled Lake.

Mayor Ackley said once Council Member Helke was elected as a council person her words were said as a City Council member.

1. UNFINISHED BUSINESS:

1. Sign Grant – 103 E. Walled Lake. Dr. Applicant: Gerald Millen

Board Member Easter said if the DDA is filing this application that it fall into place with the State of Michigan guidelines. He said state law says a dispensary must be 1,000 feet from a city park, beach, church and school. He suggested the DDA look into it further before the DDA disburses any money.

Executive Director Whitt said to table the sign grant and look into.

DDA 07-02-17 MOTION TO TABLE THE SIGN GRANT FOR GREEN HOUSE IN THE AMOUNT OF \$500.00

Motion by Lublin, supported by Allen: CARRIED UNANIMOUSLY: To table the sign grant for Green House in the amount of \$500.00.

2. NEW BUSINESS:

1. Update: Community Education Center Building

Executive Director Whitt said there is an article which shows the City Council voted first to negotiate or speak with the school administration to try and get first right of refusal or to purchase the building for a project to try and rehabilitate the building. Mr. Whitt said many folks in the community attended the school and a lot of people are emotionally attached to the building. Mr. Whitt explained the resolution that was passed first was sent to the city clerk for her signature and she shipped it to the School Board. Mr. Whitt said they set up a meeting they canceled and then they reset it but that the meeting with the school board involved the Chairman, the Deputy, Superintendent, and a staff members were in attendance. Mr. Whitt explained to them the city was wanting to slow the process down and asked them to give the city time to try and repurpose the building. Mr. Whitt explained to those in attendance, were not disrespectful but they made it clear they were not going to slow down and that they did not need city approval. Mr. Whitt said they thought they didn't need city approval to demolish the building. Mr. Whitt explained the School Board's reason to demolish the building was to keep charter schools from coming into town. Mr. Whitt further explained if they lose pupils in the Walled Lake School District below a certain number then what the state allows then the state will take over. Mr. Whitt said to the school board they can do all the things they want to do but will still need the city approval to maximize the zoning. Mr. Whitt said no developer will buy the property after its abandoned when it is zoned for only school. Mr. Whitt said the school board does not like charter schools because they are competition. Mr. Whitt said he asked them what law they were citing and no one could cite the new law that they said was to take effect. He said the school board heard there was going to be a new law and that they couldn't cut the deal because of the new law. He explained to the School Board it is not personal it is about rehabilitating the school. He said to the School Board his city council will fight to save the building.

Mr. Whitt explained that there were people offended by Council Member Helke's comment and he apologized for her. Executive Director Whitt said the issue will be about spending money to have a vacant piece of land that the School Board will sell for less than that. Mr. Whitt said some people were offended that Council Member Helke would say to the School Board members that they would lose the election, that's what the apology was about and he was letting the School Board know it was not personal.

Mr. Whitt explained the City is moving forward and together with the DDA, will repurpose the school and it will actually save money for the school board, and make money for the City and the School Board. Mr. Whitt explained Ken Gutman's job is the same as his and that Mr. Gutman administers the schools and said that he has nine jurisdictions to worry about. Mr. Whitt explained that the school building is in the Walled Lake jurisdiction and the tax payer's jurisdiction. Mr. Whitt said Mr. Gutman makes \$221,000 a year and if he makes that much money Mr. Gutman should have sat down with the local government and ask what they would like to see and can the building be repurposed. Mr. Whitt opined that had the School Board done that ahead of time the City may not be where they are at now, but the School Board did not do

that, the administration had their version of a transparency meetings to tell us they are tearing the building down.

Mr. Whitt said the building will be saved and the DDA will be the leader in that endeavor. Mr. Whitt opined it is disingenuous to spend \$2 million dollars out of the bond that was issued to tear down the building and then go sell it for \$750,000 so the City Council members did the right thing.

2. Presentation of TV-ing Result of Waste, Sewer and Water: Boss Engineering

Bradd Maki, from Boss Engineering, gave a presentation showing the results of TV-ing of the storm water lines. Mr. Maki said the city infrastructure is getting old and 32 hundred feet in the downtown area are going on fifty years old. He went through the several issues that were discovered with the lines, some are corroded, some go nowhere, and other lines stop in the middle of the road. Mr. Maki explained these issues are the cause of the several sink holes that have been occurring over the last two years. He presented several solutions to repairing the downtown water infrastructure.

Director of Finance and Budget Coogan explained as the DDA moves forward to repair the stormwater issues they should also look at the streetscape and review the possibility of taking down the DTE poles that are in the middle of the street and parking spaces. Mrs. Coogan said City Intern Ms. Gross took pictures to show where all the DTE poles are located. Mrs. Coogan said the DDA could take the poles out and go underground.

DDA Board Member Fenandes asked would the DDA have to replace the light poles to light the downtown.

Director of Finance and Budget Coogan said there are many DDA lights all downtown. Mrs. Coogan explained there are alternatives to light without having the DTE poles in the middle of the sidewalk. She said another option is to switch to LED lights which would be brighter and a big cost saving for the DDA.

Executive Director Whitt asked does DDA want to work on fixing the downtown and spend the money to make the adjustment to the downtown. He explained this is the perfect type of DDA project and this is what the DDA does; rehab the downtown for the business owners. He said not to get caught up on how it happened, focus on is this important enough to spend DDA money? This is a tough decision, and it is about a list of priorities to support our local business owners.

Director of Finance and Budget Coogan said the DDA needs to replace one light that was hit. She said it takes a long time to get the lights in and is requesting permission to order two additional DDA lights to have on hand. Mrs. Coogan said that these are more expensive than the lights on the public safety campus. She suggests the DDA review updating the light poles.

**DDA 07-03-17 MOTION TO APPROVE THE PURCHASE OF THREE DDA
LIGHTS NOT TO EXCEED \$14,500**

Motion by Lublin, supported by Easter: CARRIED UNANIMOUSLY: To approve the purchase of three DDA lights not to exceed \$14,500.

OTHER BUSINESS:

A. Planning and Development Report

Executive Director Whitt said the Pepino's property is not developed yet. He said there was some construction needed on the City's own site. Mr. Whitt said it wasn't any fault on Mr. McDonald side. Mr. Whitt said the material to do that construction is on Pepino's site but the City found some issues and there was a delay in construction.

Mr. Maki said Mr. McDonald has been notified and was asked to hold off on his project for the City to finish their research of the stormwater issues. Mr. Maki said the main line pipe that goes through that area, is in adequate condition so it won't have to be dug up. Mr. Maki said however there is a portion where the catch basin by Pepino's old entrance there is a structure that collects that stormwater, that structure needs to be replaced. Mr. Maki explained the reason Mr. McDonald was asked to hold off was so his project won't have to be torn up to repair the stormwater.

B. Executive Director Report

C. Promotion Committee

3. CORRESPONDENCE: None

4. CONSIDERATION OF WARRANT:

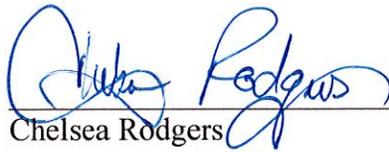
DDA 07-04-17 APPROVAL OF THE WARRANT FOR JUNE 2017

Motion by Lublin, supported by Ambrose: CARRIED UNANIMOUSLY: To approve the warrant for June 2017.

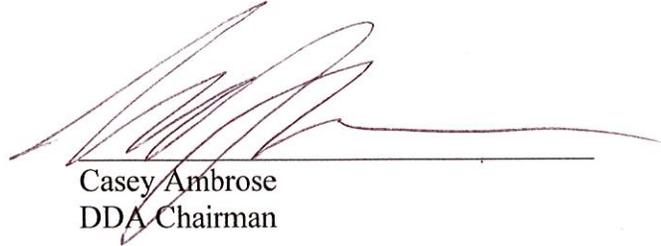
5. ADJOURNMENT:

DDA 07-05-17 ADJOURNMENT

Motion by Ambrose, seconded by Easter; CARRIED UNANIMOUSLY: To adjourn the meeting at 5:24 p.m.



Chelsea Rodgers
Deputy Managing Director



Casey Ambrose
DDA Chairman