

**CHARTER TOWNSHIP OF HIGHLAND
DOWNTOWN DEVELOPMENT AUTHORITY
Record of the October 19, 2011 Meeting
APPROVED**

Members Present: Mike Maher, Gail Perrin, Triscia Pilchowski, Dale Feigley, John Hirzel, Roscoe Smith, John Dowson, Doug Bourgeois

Members Absent: Beth Lewis, Matt Barnes,

Staff Present: Melissa Dashevich, Director
Karen Beardsley, Recording Secretary

Visitors Present: (3)
Judy Kiley and Mary Lloyd of the Beautification Committee
Rick Hamill, HDDA Design Committee
Tami Flowers, HBWLA

Mr. Roscoe Smith called the meeting to order at 6:15 PM.

Approve Regular Board Meeting Minutes of September 21, 2011

MR. MAHER MOVED to approve the Regular Board Meeting Minutes of SEPTEMBER 21, 2011 as presented. SUPPORTED BY MS. PERRIN and the motion carried with a roll call vote: Maher-yes; Perrin-yes, Feigley-yes, Hirzel-yes; Smith-yes, Dowson-yes, Bourgeois-yes (7 yes votes)

Director's Report

Ms. Dashevich reviewed her Director's report and the report is attached to these minutes.

OLD BUSINESS

Judy Kiley & Mary Lloyd – Co-Chairs, Beautification Committee

Judy Kiley began the meeting with a brief synopsis of the June Beautification Committee meeting, where there was discussion about some of the projects that both the Beautification Committee and the DDA have done. Ms. Kiley, on behalf of the Beautification Committee, conveyed an expressed interest of working together, perhaps by partnering on future projects. She offered that the Beautification Committee is strictly volunteers, from master gardeners to planters. The projects they handle are: the welcome signs into the township, the Senior Center, Veterans Park, the soccer park entrance, streetscape on M59 that is on the south side of the post office, and the viaduct within the guardrail, as well as the Highland ticket station (on which they did partner with the DDA). Ms. Kiley expressed their interest in becoming part of the sidewalk planning as well.

Mr. Hamill stated that a solution would be to have interested members of the Beautification Committee join the Design Committee. It would be beneficial to have people who have an interest, as well as the knowledge, to join the Design Committee. It doesn't mean that they will actually be designing the project, rather relying on professionals and their recommendations to review; but they would be part of the process and able to input ideas. He cautioned, however, that too much interjection from a committee can slow down a job. Mr. Hamill is willing to make himself available to present this idea at the next Beautification Committee meeting. Ms. Kiley stated that it will be Tuesday, January 17, 2012 at 7:00 PM.

Ms. Kiley also noted, to keep DDA awareness of their projects that the Beautification Committee is in the process of getting MDOT permits for the median of M59 near the viaduct. Ms. Lloyd added that the intention is to plant daylilies, roses, and grasses, so that when you enter, there is a bit of color. The wildflowers of the past were beautiful, but not indigenous to the area. The lilies and grasses are much hardier plantings. Also, thank you to the DDA for the money for the tree project that Marie is working on. They are very grateful and Marie is such a hard worker.

Highland HeyDays Event, Tami Flowers from HWLBA

Ms. Flowers provided the DDA members with a financial report of Highland HeyDays, and opened with positive statements about the event. All in all, they felt it was a successful event. The weather was beautiful, the community turnout was good, the pet theme was well received, as well as the separate Saturday night horse events. The HWLBA wasn't able to cover event expenses and hours of staff; they ended up approximately \$850 short with no staff hours covered. The staff hours consisted of Ms. Flowers and Heather. She stated that she learned a lot in this first year of doing it themselves. There are areas in which they could save more, and some things they will do differently next year.

Mr. Maher asked what the sales commission amounts referred to. Ms. Flowers explained that Heather received 20% commission for each sponsorship secured. Since this was a new event, they were all new sponsors; next year the commissions paid for returning sponsors will be at 10%. This year's sponsors were Szott, Veterinary Care Specialists, Milford Times, Highland Feed, Highland Equestrians, and DMC Hospital.

Ms. Flowers stated that any additional help that the DDA could give to HWLBA in recouping some of their loss would be greatly appreciated. After Ms. Flowers left, Mr. Hirzel asked that the DDA wait until after his proposed budget presentation to make any decisions on additional contributions to the HWLBA for HeyDays.

2012 Board Meeting Dates

Ms. Dashevich pointed out that the meeting dates presented this evening are the proposed meeting dates for the DDA for 2012. They can be changed, if needed, but they need to be published. Mr. Maher pointed out that the November 21 date might be too close for those who have travel plans for Thanksgiving. Ms. Perrin felt the same about the December date. It was decided to change the November date to November 28th and publish the December meeting as TBA....possibly to combine with a township board meeting.

MR. MAHER MOTIONED to accept the 2012 Board Meeting dates with above changes. SUPPORTED BY MR. DOWSON and the motion carried with a roll call vote: Maher-yes; Perrin-yes, Feigley-yes, Hirzel-yes; Smith-yes, Pilchowski-yes, Dowson-yes, Bourgeois-yes (8 yes votes)

Budget

Mr. Hirzel's report began with a recap of the task force meeting. A subcommittee was formed to look at how to prepare and present an alternate budget that would show the DDA's intent to move forward with a full streetscape project, and how the DDA plans to pay for it. Beginning with a number of \$72,000 per year that will be needed for principal and interest payment amounts for the bond issue in question, the task force began to look at where that money could be realized. After taking operating expenses down to a minimum, it was decided that the money would have to come from the committees, using a percentage basis, just for fair calculations. Although difficult, many cuts and sacrifices would have to happen in order to move forward with the full streetscape project.

Mr. Hirzel then presented a cash flow projection that showed how distorted items may appear on a short-term basis. This showed that although our current budget would appear able to sustain the initial bond payment, it can't produce the necessary funds to take into account the bond payment and two interest payments that would be due the following year. By projecting into future years, and showing

how the cash would actually flow, it was much clearer that the proposed budget cuts were not only recommended, but necessary in order to present a budget that works for the bond request.

Mr. Hirzel continued with the importance of keeping a year's of payments in the bank at any given time. TIF money could change, the way we receive it could change, but we still have to be able to make payments. This 'sinking' fund could potentially grow, if not used, and that money could be used to pay the bond off early. He also pointed out that any additional money realized by the DDA should be looked at closely as well, and consider taking 20-30% of any additional money and putting it in the fund as well.

Mr. Hirzel also added that his calculations of TIF money were based on projections and historical data, not merely percentages. Because of that, however, none of the amounts are concrete; they are calculations that were used to produce the most accurate depiction of reality. This is another reason why having a sinking fund is so necessary. He stressed the importance of having a budget that actually works for this project; that is his prerequisite for presenting to the board and seeking the bond money.

Mr. Maher asked whether it would make sense to take \$50,000 out of the initial \$600,000 and put that in a fund for a 'cushion', but Mr. Hirzel felt that making the budget cuts now is what is ultimately needed, and needs to continue, to make this work. Mr. Hirzel also stated that there will be other opportunities to 'trim' during the project as well; bids could come in lower, and phasing is also an option.

Mr. Hamill pointed out that the DDA is totally dependent on TIF money, and that the DDA should always be looking for more ways to fund projects and events. He has looked at some possibilities of grant money, but the DDA should also be looking for private money; having businesses sponsor events that generate income, etc.

In conversations about committee cutbacks, Mr. Hamill explained that the dollar amount in the design committee budget for a model could certainly be eliminated for now, but he asked that the line item be left in, as he felt it was an important part of the projects, even from a marketing standpoint.

Ms. Pilchowski suggested a way to approach the concert series would be to select the most crowd producing groups and get one of the businesses to sponsor it and the expenses; it would be exclusively 'their' concert for their business/marketing efforts. The community could hold as many concerts as they have individual sponsors for. It all comes down to choices. The concerts last a couple of hours; the sidewalks and lampposts become the foundation of our community.

Ms. Pilchowski complimented Mr. Hirzel and the subcommittee for all of its hard work and information gathering. She felt that what they had put together is comprehensive and shows the DDA has an efficient financial plan, not only for starting the full streetscape project, but to support it along the way. She also thought that the ideas of compromise, such as stubbing for lampposts, shows that it is workable, and also shows that the DDA has thought the project through completely. However, she did want to caution that every project, no matter how well-planned, will run into situations that cause overages, change orders, etc. It is imperative that you establish core communication with key people, so that when something happens, it can be handled most efficiently.

Ms. Dashevich stated that she had spoken to Mr. Dave Czarnowski, OCRC, who had referred her to Mr. Simkowski. We are sending them all of the preliminary drawings digitally. If they are unable to read the digital drawings, then we will meet with them and review the boards.

Mr. Hirzel stated that he and Mr. Hamill have taken drawings to, and worked with, Scott and Tad from OCRC so far. They have made decisions based on their recommendations. But both he and Mr. Hamill will be sure they are dealing with the right people. Mr. Hamill added that they need to speak to people, also, who might be authorized to make decisions when deciding how much money to spend to save a tree, when in fact, it creates safety issues, etc. Mr. Hirzel added that if costly issues do arise, we do have

the options, such as leaving off the boardwalk, or omitting lampposts. We will know our options. Mr. Hirzel added that projects such as this are why, in his opinion, the DDA exists; to improve the infrastructure of the community. Ms. Pilchowski agreed and stated that it was important to communicate that way of thinking to the township board.

Mr. Hirzel reminded that he and Mr. Maher will be hand-delivering the letter of intent to all involved. He does not want to proceed until that is done. The letter states that they have seen the drawings and intend to give easements. Ms. Pilchowski stated that she would recommend something a little more binding; she would recommend that the risk management people at the township look at it and give advice about the wording.

Mr. Dowson voiced a concern over the money that would be marked as a 'sinking fund'. He would like to see something done to protect that investment and assure that's what it would be used for in later administrations.

MR. DOWSON MOTIONED to accept the October 5, 2012 Proposed Budget, with reduced spending in preparation for full streetscape project, as is. SUPPORTED BY MR. MAHER and the motion carried with a roll call vote: Maher-yes; Perrin-yes, Feigley-yes, Hirzel-yes; Smith-yes, Pilchowski-yes, Dowson-yes, Bourgeois-yes (8 yes votes)

Additional discussions took place regarding the preparations for presentation and the best way to present. Ms. Pilchowski gave her opinions and advise about presenting to the Township Board.

NEW BUSINESS

Mainstreet Oakland County

Ms. Dashevich reminded all DDA members that in order to be part of Mainstreet Oakland County, we must have four committees with an operating budget; and they can be sponsored.

Ms. Dashevich also mentioned that Mainstreet Oakland County has an evaluation visit coming up. They would like to come in December; perhaps during our December board meeting? We are also due for a tech visit, which needs to be done by the end of the year. The topic will be: Optimal funding ideas and a work plan update. Ms. Pilchowski asked if that could take place during our November 16th board meeting.

Skating Ring in Veteran's Park

Mr. Smith brought the board a request by Parks & Recreation committee member Mary McDonnell. The Ice Skating Rink at Duck Lake Pines does not hold water despite extensive efforts and dollars from Szott. The Parks and Recreation Committee proposed that the DDA purchase a portable rink and set it up at Veterans Park, where it could be more easily maintained by the fire department. It was decided that while it may be a good idea, the Parks and Recreation Department should pursue getting a sponsor for it.

Highland heydays (revisit)

MS. PILCHOWSKI MOTIONED that in keeping with the DDA's intent and commitment to move forward with the full streetscape project, the DDA will not be contributing more funds to HWLBA for Highland HeyDays 2011. It is our intent to support them in 2012 by contributing \$5,500.00 (five thousand five hundred dollars). SUPPORTED BY MR. DOWSON and the motion carried with a roll call vote: Perrin-yes, Feigley-yes, Hirzel-yes; Smith-yes, Pilchowski-yes, Dowson-yes, Bourgeois-yes (7 yes votes)

Committee Work Plans

The Promotion Committee is in the process of planning the Tree Lighting.

DEVELOPMENT DISTRICT REVIEW:

Community Reports

Ms. Dashevich welcomed new businesses to Highland Township.

Mr. Smith reported, and shared pictures of, the clean-up of Four Corners.

The Colasanti water issue not totally resolved; the underwater springs proved to be quite an issue; the railroad track had to be cut.

The bowling alley was sold through an Oakland County auction. Ms. Pilchowski stated that the township had sent a letter regarding their liquor license. They feel that if a business has not been able to pay their taxes, they should not be allowed to keep their license; it should revert back to the community.

At 8:25 p.m., Mr. Smith adjourned the meeting.

Respectfully submitted,

A. Roscoe Smith

ARS/kb

APPROVED