

CITY OF ROCHESTER HILLS
LOCAL DEVELOPMENT FINANCE AUTHORITY
REGULAR MEETING
Thursday, October 2, 2008
Rochester Hills Municipal Office, Conference Room #221

The regular meeting was called to order at 7:40 a.m. by Chairperson Slavik.

ROLL CALL:

Present: Clarence Brantley, Michael Damone, William Mull, Theresa Mungoli (*exit 8:40 a.m.*), Kris Pawlowski, Romaneir Polley, Stephan Slavik
Quorum Present

Absent: Michael Ellis, Lois Golden, Tammy Muczynski, Cassie Patterson, Marty Siebert, Owen Winnie

Also Present: Clarinda Barnett-Harrison, Economic Development Assistant
Dan Casey, Manager, Economic Development
Paul Davis, City Engineer
Kurt Dawson, Director, Treasury & Assessing

COMMUNICATIONS: None

APPROVAL OF JULY 31, 2008 Special Meeting Minutes:

MOTION by Brantley, supported by Pawlowski, ***Resolved***, that the Minutes of the Local Development Finance Authority Special Meeting of July 31, 2008 be approved as presented.

Ayes: All Nays: None

MOTION CARRIED.

APPROVAL OF 2009 BUDGET: Mr. Casey explained the 2009 budget has already been reviewed and approved by City Council, and is being presented to this Board for approval. In the 3rd quarter budget amendment, the City put the entire cost for the Austin Avenue extension project into the 2008 budget and whatever has not been spent at the end of 2008 will be carried over to the 2009 budget. This is not yet reflected in the LDFA 2009 expenses. Mr. Casey then summarized next year's project expenses, including the M-59 Corridor Study.

MOTION by Damone, supported by Mungoli, ***Resolved***, to approve the 2009 LDFA Budget.

Ayes: All Nays: None

MOTION CARRIED.

APPROVAL OF THE HAMLIN ROAD CONCRETE SLAB REPLACEMENT: Mr. Casey indicated that the Board amended the Plan last year to include the concrete slab project. Conditions were placed on how that program would work – the City would present the LDFA a request for reimbursement of the projects that were completed during the year. As this is the last meeting of the year, the City is requesting reimbursement for their 1/3 share in a tri-party agreement for the concrete slab replacement and repair on Hamlin Road. The total amount will be slightly less than the \$83,340 original estimate. It is suggested that the resolution be amended to refer to the transfer of funds “not to exceed” \$83,340 instead of “totaling” \$83,340.

MOTION by Mungoli, supported by Polley,

Whereas, the Rochester Hills Local Development Finance Authority (LDFA) approved an amended Development and Financing Plan (“the Plan”) that identifies its projects and the funding mechanism to construct those projects, and the Plan was approved by the Rochester Hills City Council on February 25, 2008, and

Whereas, one of the projects identified in the Plan is “10: Annual Road Maintenance”, which is an ongoing project to fund concrete slab replacement and repairs to roads within the LDFA District, and

Whereas, Administration is requesting that the LDFA reimburse the Major Road Fund \$83,340 for concrete slab replacement and repair on Hamlin Road, just east of Adams Road for the City’s share in a tri-party agreement with the Oakland County Road Commission and Michigan Department of Transportation.

Be It Resolved to approve the transfer of funds not to exceed \$83,340 from the LDFA 2008 Budget to the Major Road Fund Budget.

Ayes: Brantley, Damone, Mull, Mungiola, Pawlowski, Polley, Slavik

Nays: None

Absent: Ellis, Golden, Muczynski, Patterson, Siebert, Winnie

MOTION CARRIED.

APPROVAL OF FUNDING FOR DEVONDALE RD. MAINTENANCE: Mr. Casey stated this is related to the Austin Avenue project. The proposal is to use the road maintenance/concrete slab replacement fund to fund up to \$50,000 to maintain Devondale Road during the construction of the Austin Avenue extension. The site plan was approved with the condition that the City and the developer make every effort to put a construction road in where the existing Austin Avenue is. Failing that, the back-up plan is to use Devondale Road for construction traffic during construction. The reality is that the City is in the midst of an Austin Avenue ROW acquisition dispute with one of the property owners, and it is unlikely that a construction road could be installed this year. Devondale Road will be used for construction traffic. The developer has estimated maintenance costs for Devondale Road during construction between \$25,000 and \$50,000. This on-going maintenance will allow the residents to use the road without having to suffer through a construction season.

MOTION by Damone, supported by Brantley,

Whereas, the Rochester Hills Local Development Finance Authority (LDFA) approved an amended Development and Financing Plan (“the Plan”) that identifies its projects and the funding mechanism to construct those projects, and the Plan was approved by the Rochester Hills City Council on February 25, 2008, and

Whereas, one of the projects identified in the Plan is “10: Annual Road Maintenance”, which is an ongoing project to fund concrete slab replacement and repairs to roads within the LDFA District, and

Whereas, Project 8, Austin Avenue extension, is an approved project in the LDFA Plan and construction of the road is expected to begin in 2008 and be completed in 2009, and

Whereas, during construction of the Austin Avenue extension, Devondale Road will be used for construction traffic and will require ongoing maintenance from October 2, 2008 to approximately June 1, 2009.

Be It Resolved, to approve the funding for the maintenance of Devondale Road during the construction of the Austin Avenue extension in an amount not to exceed \$50,000.

Ayes: Brantley, Damone, Mull, Mungiola, Pawlowski, Polley, Slavik

Nays: None

Absent: Ellis, Golden, Muczynski, Patterson, Siebert, Winnie

MOTION CARRIED.

SMARTZONE UPDATE: Mr. Casey indicated there is a letter from the Department of Treasury in the packet approving a reimbursement of \$103,581 in revenues lost due to the Michigan Business Tax. City staff and David Spencer of Oakland University will be providing a SmartZone report to the City Council on October 13th, and the LDFA Board is encouraged to attend and participate in the discussion. City staff and OU have begun conducting research and financial analysis relative to Phase II of the incubator's development. In the SmartZone Plan, Phase II envisioned construction of a new building. At this time, all options are being considered, from expanding the existing facility, to purchasing/leasing a vacant building to constructing a new facility. Presently, the existing incubator is fully leased. OU INC is preparing its annual budget for presentation to OU, and it is expected that this budget will be provided to the LDFA at the January meeting.

AUSTIN AVENUE UPDATE: Key accomplishments include completion of road construction plans for Phase I of Austin Avenue's construction; appraisals on two pieces of right-of-way have been completed and offers submitted; agreement has been reached with one property owner, and we anticipate filing a condemnation proceeding for the other piece.

ENTRANCE WAY GRANT PROGRAM UPDATE: Ms. Barnett-Harrison reported she is conducting research in preparation for development of this program, but has not found other communities that have done an entranceway grant program. There is a lot of information available on façade improvement programs. A proposal will be submitted for the Board's consideration at the January meeting.

NEXT MEETING DATE: January 8, 2009

ADJOURNMENT:

MOTION by Damone, supported by Polley, to adjourn the LDFA Regular Meeting of October 2, 2008 at 8:45 a.m.

Respectfully submitted,

STEPHAN SLAVIK, Chairperson
Local Development Finance Authority