

**IMLAY CITY DOWNTOWN DEVELOPMENT AUTHORITY
SPECIAL MEETING
MAY 6, 2013
DRAFT**

A special meeting of the Downtown Development Authority was held on Monday, May 06, 2013 at the Imlay City Hall, 150 N. Main Street, Imlay City, MI 48444

1. CALL TO ORDER

The special meeting was called to order at 6:00 p.m. by Mayor Margaret Guerrero

2. ROLL CALL

Present: Steve Teets, Stu Davis, Amy Brunk, Lynn Farkas, Kelly Villanueva, Joi Kempf, LuAnn Valdez, Margaret Guerrero, Kim Jorgensen, Sarah Norat Phillips

Also present: DDA Director Kim Marrone, City Manager Wayne O'Neal, City Clerk/Treasurer Tim Sadowski, Imlay City municipal attorney Gary Howell, Imlay City Commissioners Greg Dennis, Brian Badder, Mayor Pro Tem Walt Barga, Imlay City Chamber of Commerce Director Dana Dunlop and eight guests in the audience.

3. APPROVAL OF AGENDA

Not applicable

4. PUBLIC PARTICIPATION

Dana Dunlop congratulated the DDA on its accomplishments including the successful Cinco de Mayo festival, Vintech Industries' recent recognition by the state, the DIG grant, the MML SEED Group award, the Blueberry Festival Parade, Winter Playground and the DDA's support of Imlay City and its economic development.

Frank Wu and Jim Schoonover of Vintech Industries complimented the DDA and Imlay City for its support and for its help in earning the state's 'Top 50 Companies to Watch' award, for which they were nominated by Kim Marrone.

Mayor Margaret Guerrero commented that the city commission recognizes the efforts of the DDA, its accomplishments, drive toward economic growth and its support of the city. She noted that the city's loss of revenue and budget constraints prompted the request for a temporary joint collaboration with the city and the DDA with regard to budget issues.

Commissioner Greg Dennis discussed the \$5 to \$10 million in infrastructure improvements needed in the city over the next few years, adding that the city did pass a balanced budget at its meeting last week.

Manager Wayne O'Neal discussed the DIG grant collaboration with the city/DDA, noting that it expanding the project allowed the city to get much needed infrastructure improvements for 20 cents on the dollar. O'Neal acknowledged that the DDA's aim was to spend the money in its budget before the sunset date of December, 2014. O'Neal noted that the DDA was cognizant that their budget had to be sufficient to last through that date. He added that the relationship with the city and DDA was not dictatorial or adversarial, that the intention was to collaborate with the DDA, "not gut it."

5. NEW BUSINESS

A. DDA PLAN

O'Neal detailed the DDA's budget and projects through the sunset date of December, 2014. Notes were attached to the packet as well.

Guerrero noted that the DDA had already given the city an additional \$25,000 toward its portion of the DIG grant match. Discussion was held regarding the DDA's final Streetscape Project payment and other fixed expenses and capital outlay of the DDA. Guerrero asserted that many city residents do not understand the way the DDA capture works and it is perceived that funds are being "taken away" from the city. She said the city would like the DDA to contribute \$40,000 to the city's 2013-2014 budget.

B. DDA BUDGET

Marrone explained that the DDA is willing to collaborate with the city, noting that \$82,000 has been returned to the city this year through non-capture of funds, and providing additional funds for city services and the DIG grant. Notes were attached to the packet.

She explained that the DDA plan caps the funds that the DDA can give to the city for services at \$60,000. Since \$45,000 has already been given to the city, the maximum amount the DDA can give according to its plan is \$15,000.

Marrone noted that it would be important for the DDA and the city to collaborate on re-writing of the DDA plan so projects and goals could be identified.

Commissioner Greg Dennis questioned the DDA's \$304,913 in committed projects. Marrone explained that of that sum, \$55,000 could be delayed.

Marrone noted that should the DDA sunset, the city would inherit some \$100,000 in expenses that it would have to cover.

Attorney Gary Howell noted that funding the long term capital improvements presented a problem for the city, but also a perfect opportunity to collaborate with the DDA in the re-writing of its plan. Howell noted that it was a good opportunity for the city, contingent on renewal of the DDA. Howell added that over a 10 year period, the DDA's existence has brought in \$1.3 million.

Davis said he was troubled that the DDA would have to give up its projects for a year to "argue" over the sum of \$15,000.

O'Neal clarified that he and Marrone met at length to discuss options, but the \$15,000 is the maximum amount allowed according to the DDA plan.

Teets said he felt it was important to keep with the current budget numbers in light of the fact that the future of the DDA is unknown.

Motion by Teets, supported by Davis to offer the city an additional \$15,000 from the DDA budget.

Ayes: Guerrero, Teets, Kempf, Davis, Brunk, Jorgensen, Norat-Phillips, Valdez, Farkas

Nays: Villanueva

Motion carries 9-1

6. MEMBER COMMENT

Commissioner Walt Barga said the DDA was a benefit to the city and its willingness to collaborate is evident by its actions. He said he would foresee a vote in favor of continuing the DDA.

Guerrero said the city commission applauds the DDA as "not just a beautification group," but for branching out into a fully-rounded DDA focused on business development and retention.

Dennis said he'd like the DDA to be "more utilitarian" in the next three to five years, as he believes infrastructure improvements are the top priority.

Davis suggested that the city and the DDA hold a joint meeting every six months to discuss issued and stay up to date.

7. ADJOURNMENT

Teets adjourned the meeting at 6:55 p.m.

Submitted by Catherine Minolli _____
DDA Recording Secretary