

Local Development Finance Authority
121 N. Church Street, Hudson, Michigan 49247
Special Meeting
March 14, 2013 6:30 p.m.

The LDFA Special Meeting was called to order by Chairperson Kim Murphy at 6:30 p.m. in the Council Chambers at City Hall.

Roll Call: Present: Kim Murphy, Jack Donaldson, Jim Driskill, John Enerson, Ed Engle, Jr., Ali Moreno, Rex Murphy, Jr., and Tim Stanley

Absent: Watson Clark

Others Present: Jim Van Doren, Executive Director and Tim Robinson, Director of Operations of the Lenawee Economic Development Corporation, and City Manager Steve Hartsel.

=====

ORDERS OF THE DAY:

Excuse absent members:

Motion by Rex Murphy, seconded by Jack Donaldson to **excuse Watson Clark from the meeting**, CARRIED: Unanimously by voice vote.

Setting the Agenda:

Approval of the Minutes:

Motion by John Enerson, seconded by Ed Engle to **approve the minutes from October 25, 2012, and place them on file**, CARRIED: Unanimously by voice vote.

NEW BUSINESS:

Reappointment: Tim Stanley

Tim Stanley has submitted his request to be reappointed to the Local Development Finance Authority. This is a four-year appointment that will expire in December 2016. Tim meets all the minimum requirements to be reappointed to the Local Development Finance Authority

Motion by Rex Murphy, seconded by Ali Moreno to **recommend the reappointment of Tim Stanley to the Local Development Finance Authority with a term expiring in December 2016**, CARRIED: Unanimously by voice vote.

Jim Van Doren – Lenawee Economic Development Corporation:

Jim Van Doren, Executive Director and Tim Robinson, Director of Operations for the Lenawee Economic Development Corporation (LEDC) introduced themselves to the LDFA. They provided a PowerPoint presentation explaining the LEDC's updated goals and objectives, and what its role is in economic development throughout Lenawee County since their downsizing and reorganization in 2012. Both Mr. Robinson and Mr. Van Doren advised the board of the new projects such as new and retained jobs, manufacturing, and retail businesses that is going on in Hudson and Lenawee County as a whole.

Mr. Robinson advised the board that the LEDC has hired a new person as a Marketing Consultant. Mr. Robinson and Mr. Van Doren held an interactive and very informational question and answer session with the board regarding website and marketing opportunities for the Industrial Park.

Discussion: Final Industrial Park Development:

City Manager Steve Hartsel advised that this was a topic from January to follow up on what might be chosen to finish the physical infrastructure in the Industrial Park. Mr. Hartsel stated that he had received numerous options and then put some numbers on those options. He advised the board of those options, and his estimated costs for things like fifteen streetlights around the completed Steger Drive at \$45,000.00, which would include the electrical hookups; thirty 2 ½ inch Caliper trees at \$4,500.00; a 4’ wide sidewalk the full length of Steger at \$48,000.00 for approximately 4,000 linear feet; and the signage. Mr. Hartsel advised that they had already budgeted \$18,000.00 for signage, but there would possibly be a savings by reusing the center metal structure, so the bulk of the cost would go into the foundation and lighting. He stated that there were some other minor items such as possibly putting in an aeration capability in the retention pond, possibly a fountain or a pump to circulate the pond; and a small walk out over the pond. Assuming that all these options are selected the maximum cost would be approximately \$125,500.00, which does not including the signage.

The board questioned where the money would come from, and if there is an opportunity to connect the sidewalk to the walking path. Mr. Hartsel advised that the funding would come from the existing tax capture (TIF), and we are looking at about an identical capture as last year, roughly \$280 to \$300,000.00. Mr. Hartsel stated that it is possible to connect the walks, and we are looking at bisecting Steger with that sort of wide pathway sidewalk. It would take a bit of contouring in some tough areas, but we could link up with a crosswalk at the Findlay Trail.

Mr. Hartsel advised that this did not include completing the paving for Phase 5, the last stretch of Steger, and recommended that they finish it in this current fiscal budget year. After much discussion the board was advised that they would formalize the budget options at their next meeting.

- **John Enerson left at 7:21 p.m.
- **Ali Moreno left at 7:53 p.m.

Financial Report:

The LDFA was provided with a financial statement for the period ending February 28, 2013 submitted by the City Treasurer. The report shows an estimated Fund Balance of \$67,387.03 for June 2013.

Current Bank Balance: \$231,150.99

Anticipated Revenues

2012 Winter Tax Capture	\$756.16	
Delinquent Winter IFT Tax Capture	1,259.65	
Delinquent Winter A/V Tax Capture	6,566.17	
Interest Earnings (Mar-Jun’13)	\$100.00	
		+\$8,681.98

Anticipated Expenses

Marketing Expense	\$5,000.00
Administrative Fees	\$3,333.40
Electrical Expense (approximately)	\$2,349.93
Street Maintenance	\$85.62
Committed Transfers (HFD, ALS, HPD)	\$3,164.00
Equipment Rental (from DPW)	\$2,579.79
Retention Pond Sidewalk (LCRC)	\$11,416.70
Lenawee Economic Development	\$5,000.00
Steger Extension Construction (BSA&G)	\$90,021.73
Steger Extension Phase 4 Design (J&H)	\$1,581.32
Steger Drive Phase 5 Const. Engineering (J&H)	\$16,452.36
Steger Drive Phase 5 Paving (LCRC)	\$31,461.09

-\$172,445.94

Estimated Fund Balance for June 2013

\$67,387.03

(Fund balance decreased by ~ \$4,657.00 due to MTT decision to lower Kegy Products taxable value)

Motion by Tim Stanley, seconded by Rex Murphy to **accept the Financial Report, and place on file,**
CARRIED: Unanimously by voice vote.

FY 13-14 Initial Budget Discussion:

The LDFA was provided with a draft budget for the FY 2013/14 for review and discussion. The board was asked if they would like to see any or all of the items that were suggested during the Final Industrial Park Development discussion put into their budget and be available at their next meeting. The board discussed some of their ideas of what they would like to see in the budget, and it will be brought back to them at the next meeting for approval.

UNFINISHED BUSINESS:

Steger Industrial Drive Extension Project Update:

City Manager Steve Hartsel gave the board a quick update on the on the Phase 5 project. He advised that there will be a preconstruction meeting within the next month with Brady Sand & Gravel and Jones & Henry Engineering. As soon as the weather warms up we will need to re-roll the asphalt due to the results of the deer tracks, and we will be putting the curb and gutter in. We are awaiting the quote from the Lenawee County Road Commission (LCRC) for the paving. When received we will be unable to take bids from other companies, but the LCRC is probably the most reasonable way to go. Potentially the paving would be done by mid May. Mr. Hartsel reminded the board that there were a series of change orders on the Phase 4 project, and financially we are approximately at \$837,559 between Phase 4 and Phase 5 for Brady Sand & Gravel to finish the rest of the project. Engineering costs thus far on Phase 5 are \$71,000 leaving \$16,000 in the budget.

Bills:

Bills to be Confirmed: \$184,532.65

Brady Sand & Gravel	\$162,343.69	Steger Dr Extension Pay App #11
Jones & Henry Engineers Ltd	\$14,360.12	Steger Dr Phase 5 Engineering Services OCT 2012
Jones & Henry Engineers Ltd	\$3,5869.12	Steger Dr Phase 5 Engineering Services NOV 2012
Jones & Henry Engineers Ltd	\$2,919.22	Steger Dr Phase 5 Engineering Services DEC 2012
Wolverine Engineers & Surveyors	\$1,323.50	Steger Dr Survey, Legal Descriptions & Map

Motion by Rex Murphy, seconded by Ed Engle to **pay the bills,** CARRIED: Unanimously by voice vote.

Visitors Before Authority:

There was no Public Comment.

CITY MANAGER'S REPORT:

- The Industrial Facilities Tax (IFT) Review Committee has approved Hi-Lex Controls request for IFTs on \$6.9 million in new investments at their facility. There is an additional batch of real and personal IFT's that expire this year, so next year they will not be subject to an IFT any longer on the original IFTs from 12 years ago.
- The flow analysis study being conducted by Fleis & VandenBrink as part of a \$200,000 State S2 grant is now underway. The flow meters are installed and providing data.

Adjournment:

Motion by Rex Murphy, seconded by Tim Stanley to **adjourn the meeting at 8:28 p.m.** There were no objections.

ATTEST:

Judith A. Tanner, City Clerk