

Dexter Downtown Development Authority

June 16, 2016 <> 7:30 AM

Dexter Senior Center
7720 Ann Arbor Street
Dexter, MI 48130

MINUTES

1. Call to Order: Called to order at 7:30 AM on June 16, 2016 by Chairman Steve Brouwer.

2. Roll Call

Becker, Patrick	Bellas, Rich	Brouwer, Steve
Covert, Tom-ab	Darnell, Don	Finn, Doug-ab
Jones, Carol	Keough, Shawn	Model, Fred
O'Haver, Dan-ab	Schmid, Fred-ab	Willis, Randy-ab

Also in attendance: Michelle Aniol, Community Development Manager.

3. Approval of Minutes from the Regular Meeting on May 19, 2016.

Motion Bellas; support Model to approve the minutes of the Regular Meeting on May 19, 2016 as presented.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

4. Approval of Agenda:

Motion Darnell; support Bellas to approve the agenda as presented.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

5. Pre-arranged Audience Participation:

None

6. Non-Arranged Citizen Participation:

None

7. Treasurer's Report:

a) June Invoices: Invoice from Scott Munzel for Dexter Wellness Fees in the amount of \$1,538.50 for a total amount of invoices of \$1,538.50.

Motion Bellas; support Darnell to pay the June invoices in an amount of \$1,538.50.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

b) Approval of June 2016 Treasurer's Report: Ms. Aniol reviewed the report due to the absence of the Treasurer.

Motion Darnell; support Model to approve the June Treasurer's Report as presented.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

c) Budget Amendment

Motion Darnell; support Keough to approve the budget amendment in the amount of \$13,000 for Attorney's Fees.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

8. Correspondence / Communications:

None

9. Action Items:

a) Old Business – *None*

b) New Business – *None*

10. Discussion Updates:

a) Underground Trash Receptacles – Memo from Engineer.

Ms. Aniol gave an update of two locations to relocate the trash receptacle near the Encore Theatre. Discussion followed.

b) Maintenance of Public Stairs behind Dexter Pub – Memo from Engineer.

Ms. Aniol gave an explanation of the work involved to correct the issue with the stairs.

Motion Darnel; support Bellas to have staff obtain bids for the project for the July meeting.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

11. City Mayor and Staff Reports

a) Mayor – Shawn Keough

- *Council voted at the June 13 meeting to raise the General Fund millage by .25 mills to be able to set aside funds for Fire Capital Equipment needs. This will have an impact to the DDA as they will be able to capture those additional funds.*
- *Chris Renius, City of Dexter Assessor has resigned as of June 15 and the new assessor, Laurie Pettinaro, will begin today, June 16.*
- *Chelsea Wellness is challenging the 2016 taxes. Mr. Munzel is looking into how to handle this case.*
- *Sen. Gary Peters cancelled his June 10 visit to Dexter and will reschedule a visit for another time.*
- *The City has been doing a lot of roadwork around Dexter.*
- *Years ago curbs downtown were painted yellow. Did we make a decision not to continue doing this? Was it a maintenance issue?*

b) Staff – Michelle Aniol

- *Received an email from the manager of Hackney Hardware regarding parking on the street during a parade. Discussion followed about the safety issues and it was decided to pass this onto City Council.*
- *The June 8 Foremost Development presentation showed 2 scenarios for the Broad Street project – 83 units with three-story buildings and 88 units with three and four –story buildings. The positives that came out of this meeting were the Broad Street would be relocated and remain public and the setback from Mill Creek Park. The negatives were the large parking lot area and the building appearance, however many did like the architecture. Foremost has requested a meeting with the RFQ Committee to move forward. Discussion followed.*
- *DTE has programmed in an eight-month window to decommission the Broad Street sub-station.*

12. Chairman's Report: July 21, 2016 Agenda

- a) Election of Officers
- b) Security Cameras in Parking Lot
- c) Bids for Stair Maintenance behind Dexter Pub

13. Non-Arranged Citizen Participation:

None

14. Adjournment

Motion to adjourn at 8:20 AM.

Unanimous voice vote approval with Covert, Finn, O'Haver, Schmid and Willis absent.

Respectfully submitted,

Carol Jones, Secretary

Memo

To: Dexter DDA
From: Marie Sherry, City Treasurer
Date: July 13, 2016
Re: Treasurer's Report – July 2016 Meeting

Invoice Approval Notes

- Scott Munzel, P. C.; Dexter Wellness Center Attorney Fees: \$2,413.00 (FY 15/16)
- Combined total due for all invoices is \$2,413.00 (FY 15/16)

Cash Status

DDA Cash Balances Report			
6-30-2016			
Fund	Account Name	General Ledger Balance	Notes
248 - DDA General	TCF Pooled Account	\$ -	
394 - DDA Debt	TCF Pooled Account	\$ -	
	Total DDA Pooled Checking	\$ -	
248 - DDA General	TCF Money Market Account	\$ 35,777.38	
394 - DDA Debt	TCF Money Market Account	\$ -	
	Total DDA Pooled Savings	\$ 35,777.38	
248 - DDA General	ONB Money Market Account	\$ 202,607.69	
394 - DDA Debt	ONB Money Market Account	\$ -	
	Total DDA Pooled Savings	\$ 202,607.69	
248 - DDA General	Flagstar Bank CD	\$ 200,000.00	.70%, matures 1-27-2017
	Total Non-Pooled	\$ 200,000.00	
Total General Cash		\$ 438,385.07	
Total Debt Cash		\$ -	
		\$ 438,385.07	
Month End Cash		\$ 438,385.07	
Projected FY 15/16 Revenue All Funds		\$ -	
Projected FY 15/16 Expenditures All Funds		\$ (7,600.00)	Attorney Fees
Delinquent Taxes Due from County		\$ 20,371.85	
Brownfield Capture Due to County		\$ -	
Wellness Center Set Aside		\$ (226,275.09)	Added set aside for FY 2015-2016
Projected Year End Cash		\$ 224,881.83	

Budget FY 15/16

Following are the Fiscal Year 2015-2016 Revenue and Expenditure Reports through June 30th.

07/13/2016 REVENUE AND EXPENDITURE REPORT FOR CITY OF DEXTER						
PERIOD ENDING 06/30/2016						
% Fiscal Year Completed: 100.00						
		2015-16		YTD BALANCE	AVAILABLE	
		ORIGINAL	2015-16	06/30/2016	BALANCE	% BDGT
GL NUMBER	DESCRIPTION	BUDGET	AMENDED BUDGET	NORMAL (ABNORMAL)	NORMAL (ABNORMAL)	USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Revenues						
Dept 000-ASSETS, LIABILITIES & REVENUE						
248-000-405.000	TAX CAPTURE REVENUE	287,500.00	287,500.00	257,048.97	30,451.03	89.41
248-000-416.000	DELINQUENT REAL PROPERTY TAX CAPTURE	-	-	20,371.85	(20,371.85)	100.00
248-000-417.000	DELINQUENT PERSONAL PROPERTY TAX CAPTURE	-	-	2,225.77	(2,225.77)	100.00
248-000-445.000	TAXES - PENALTIES & INTEREST	-	-	220.97	(220.97)	100.00
248-000-574.001	PERSONAL PROPERTY TAX REIMBURSEMENT	5,300.00	5,300.00	7,821.41	(2,521.41)	147.57
248-000-665.000	INTEREST EARNED	500.00	500.00	2,068.93	(1,568.93)	413.79
248-000-671.000	OTHER REVENUE	-	-	4,320.37	(4,320.37)	100.00
248-000-695.494	TR IN DDA PROJECT FUND 494	186,500.00	186,500.00	186,201.83	298.17	99.84
Total Dept 000-ASSETS, LIABILITIES & REVENUE		479,800.00	479,800.00	480,280.10	(480.10)	100.10
TOTAL Revenues		479,800.00	479,800.00	480,280.10	(480.10)	100.10
Expenditures						
Dept 248-ADMINISTRATION						
248-248-802.000	PROFESSIONAL SERVICES	5,000.00	5,000.00	2,970.00	2,030.00	59.40
248-248-803.000	CONTRACTED SERVICES	1,700.00	1,700.00	1,500.00	200.00	88.24
248-248-810.000	ATTORNEY FEES	15,000.00	83,000.00	77,833.33	5,166.67	93.78
248-248-880.000	DOWNTOWN EVENTS	500.00	500.00	500.00	-	100.00
248-248-957.002	DDA CAPTURE REFUNDS	500.00	500.00	267.26	232.74	53.45
Total Dept 248-ADMINISTRATION		22,700.00	90,700.00	83,070.59	7,629.41	91.59
Dept 442-DOWNTOWN PUBLIC WORKS						
248-442-803.015	CITY MAINTENANCE	5,000.00	5,000.00	5,000.00	-	100.00
248-442-970.000	CONTRACTED CAPITAL IMPROVEMENTS	15,900.00	15,900.00	13,928.00	1,972.00	87.60
Total Dept 442-DOWNTOWN PUBLIC WORKS		20,900.00	20,900.00	18,928.00	1,972.00	90.56
Dept 901-CAPITAL IMPROVEMENTS						
248-901-972.001	PURCHASE OF HOUSE	20,000.00	20,000.00	20,000.00	-	100.00
248-901-972.002	DTE SUBSTATION MOVE	25,000.00	25,000.00	-	25,000.00	-
248-901-972.004	3045 BROAD STREET REDEVELOPMENT	25,000.00	25,000.00	-	25,000.00	-
Total Dept 901-CAPITAL IMPROVEMENTS		70,000.00	70,000.00	20,000.00	50,000.00	28.57
Dept 965-TRANSFERS OUT - CONTROL						
248-965-999.394	TR OUT FOR BOND PAYMENTS - 394	282,200.00	290,500.00	290,343.98	156.02	99.95
Total Dept 965-TRANSFERS OUT - CONTROL		282,200.00	290,500.00	290,343.98	156.02	99.95
TOTAL Expenditures		395,800.00	472,100.00	412,342.57	59,757.43	87.34
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:						
TOTAL REVENUES		479,800.00	479,800.00	480,280.10	(480.10)	100.10
TOTAL EXPENDITURES		395,800.00	472,100.00	412,342.57	59,757.43	87.34
NET OF REVENUES & EXPENDITURES		84,000.00	7,700.00	67,937.53	(60,237.53)	882.31

Fund 394 - DDA DEBT FUND						
Revenues						
Dept 000-ASSETS, LIABILITIES & REVENUE						
394-000-695.248	TRANSFER IN FROM DDA FUND 248	282,200.00	290,500.00	290,343.98	156.02	99.95
Total Dept 000-ASSETS, LIABILITIES & REVENUE		282,200.00	290,500.00	290,343.98	156.02	99.95
TOTAL Revenues		282,200.00	290,500.00	290,343.98	156.02	99.95
Expenditures						
Dept 850-LONG-TERM DEBT						
394-850-992.000	BOND FEES	1,000.00	1,000.00	1,000.00	-	100.00
394-850-997.003	DDA 2008 TAXABLE BOND (\$1.6M)	80,700.00	89,000.00	88,934.67	65.33	99.93
394-850-997.004	DDA 2008 BOND (\$2+M)	117,500.00	117,500.00	117,441.26	58.74	99.95
394-850-997.005	2011 REFUNDING BOND (\$620K)	83,000.00	83,000.00	82,968.05	31.95	99.96
Total Dept 850-LONG-TERM DEBT		282,200.00	290,500.00	290,343.98	156.02	99.95
TOTAL Expenditures		282,200.00	290,500.00	290,343.98	156.02	99.95
Fund 394 - DDA DEBT FUND:						
TOTAL REVENUES		282,200.00	290,500.00	290,343.98	156.02	99.95
TOTAL EXPENDITURES		282,200.00	290,500.00	290,343.98	156.02	99.95
NET OF REVENUES & EXPENDITURES		-	-	-	-	-
Fund 494 - DDA PROJECT FUND						
Revenues						
Dept 000-ASSETS, LIABILITIES & REVENUE						
494-000-665.000	INTEREST EARNED	-	-	6.86	(6.86)	100.00
Total Dept 000-ASSETS, LIABILITIES & REVENUE		-	-	6.86	(6.86)	100.00
TOTAL Revenues		-	-	6.86	(6.86)	100.00
Expenditures						
Dept 965-TRANSFERS OUT - CONTROL						
494-965-999.248	TRANSFER OUT TO DDA FUND 248	186,500.00	186,500.00	186,201.83	298.17	99.84
Total Dept 965-TRANSFERS OUT - CONTROL		186,500.00	186,500.00	186,201.83	298.17	99.84
TOTAL Expenditures		186,500.00	186,500.00	186,201.83	298.17	99.84
Fund 494 - DDA PROJECT FUND:						
TOTAL REVENUES		-	-	6.86	(6.86)	100.00
TOTAL EXPENDITURES		186,500.00	186,500.00	186,201.83	298.17	99.84
NET OF REVENUES & EXPENDITURES		(186,500.00)	(186,500.00)	(186,194.97)	(305.03)	99.84
TOTAL REVENUES - ALL FUNDS						
		762,000.00	770,300.00	770,630.94	(330.94)	93.66
TOTAL EXPENDITURES - ALL FUNDS						
		864,500.00	949,100.00	888,888.38	60,211.62	93.66
NET OF REVENUES & EXPENDITURES		(102,500.00)	(178,800.00)	(118,257.44)	(60,542.56)	66.14

Fund 494 has been closed and all assets moved to Fund 248.

Delinquent Personal Property Taxes

- The following businesses within the DDA have delinquent personal property taxes as of July 13, 2016. Balances due include taxes not captured by the DDA.
 - Red Brick Kitchen & Bar, \$1,892.60: A verbal payment agreement is in place. Reminder notice sent May 27th. Further collection activities will commence in the near future.
 - Dexter Rent-All, \$532.29: This business is now located in Ann Arbor, but according to our records did not move until January 2015 so 2015 taxes are still due to the City.
 - 2/18/16: Statutory Notice of Delinquent Taxes sent.
 - 3/21/16: Courtesy Reminder sent.
 - 5/27/16: Small Claims Court suit filed. Awaiting Proof of Service.
 - Court date is scheduled for July 20th.

Outstanding Accounts Receivable for Site Improvements

- The following invoices from 2009 are outstanding:
 - Mary O'Neil: \$1,300. No payments were ever made.
 - Dexter's Pub: \$3,000. Partial payments made in 2010 and 2011 on an original balance of \$7,000.

DDA Financial Forecast – *Nothing new at this time*

DDA Project Summaries – *Nothing new at this time*

Required Reporting

- Form 5176 – Request for State Reimbursement of Tax Increment Finance Authority. Deadline to file for 2016 is June 15th (extended to July 15th in 2016 only): *Filed June 14, 2016.*
- Form 2604 – Tax Increment Financing Plan Report for Capture of Property Taxes (deadline to file is July 31st of each year).
- Qualifying Statement – File the Fiscal Year 2015-2016 Statement by December 31, 2016
- Audit – File the 2015-2016 Audit by December 31, 2016.
- Publish the Fiscal Year 2014-2015 Annual Report by February 2017.

Tax Capture Update – *Nothing new at this time*

◆◆ SCOTT E. MUNZEL, P.C.
ATTORNEY AT LAW

603 W. HURON STREET
ANN ARBOR, MI 48103
P: 734-994-6610 Fx: 734-769-9055
E: SEM@MUNZELLAW.COM

DDA

248-248-810.000
\$ 2,413.00

6/23/2016

Ms. Courtney Nicholls
Manager
City of Dexter
8140 Main Street
Dexter, MI 48130

Invoice
1882

DDA

Re: Invoice for Legal Services - Dexter Wellness Center

Dear Ms. Nicholls:

The invoice for legal services provided in May is below. Please contact me if you have any questions. Please note I have divided this invoice between the City and DDA.

5/4/2016	TC Bill Matheson re MML amicus brief; TC Courtney Nicholls are update; prepare Claim of Cross Appeal; review MCR re all details required to include; TCs Court of Appeals re filing, no filing fee; TC MTT to confirm they have all exhibits and will be sending to COA; deliver Claim of Cross Appeal to COA and MTT	5.0
5/5/2016	TC Courtney Nicholls re status, Baruch case, appellate issues	0.3
5/9/2016	Review Michigan Claim of Cross Appeal; prepare letter with \$100 certification fee to MTT	0.5
5/10/2016	TC Peter Flintoft re potential amicus; TC Shawn Keough with update; research other possible appellate attorneys	1
5/11/2016	TC Crystal Morgan at Bloom Suggest re potential amicus brief	0.7
5/12/2016	Obtain CWF Docketing Statement; legislation re charitable institutions; email update to Crystal Morgan re legislation	0.3
5/17/2016	Prepare for TCC with Foster Swift attorneys for amicus brief; lengthy TCC with Foster Swift attorneys re background, facts, ruling, issues	3.2
5/19/2016	Research re 501c3 issues and "unrelated income;" review proposed legislation that includes "health and wellness"	1.0

6/23/2016

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5/24/2016	Review email re new party- Michigan Association of Counties- on amicus; forward to Courtney, Shawn; scan CWF Docketing Statement; email to amicus parties	0.7
5/25/2016	Register of Court of Appeals efilng Research re Hope case and appellate brief; TC COA to confirm not on website; review pleadings re factual errors by MTT	NC 2.8
5/26/2016	Review pleadings to prepare outline for Docketing Statement; TC Adam Sadowski re Docketing Statement, issues, 501c3 issue, legislation issue	2.8
5/27/2016	Review Baruch briefs on discrimination issue	1.0
5/28/2016	Prepare outline for Docketing Statement; review Dexter and CWF Briefs on issues; review Escanaba big box case	2.5
5/29/2016	Work on Docketing Statement outline; email Adam Sadowski re issues	1.0
5/30/2016	Continued work on Docketing Statement outline	1.5
5/31/2016	Prepare Docketing Statement; email to parties for review and comments; TC Adam Sadowski re issues for Docketing Statement; review North Ottawa MTT case re burden of government issue	3.5

	Total Time	27.8 at \$170/hr
	Current Invoice	\$ 4,726.00
	Expenses- \$100 MTT certification fee	\$ 100.00
	Total Balance Due	\$ 4,826.00
	Divided between DDA and Village	<u>\$2,413.00</u>
	Outstanding balance	\$1,022.06
	Total amount due	\$3,435.06

Sincerely,



Scott E. Munzel

EIN 38-3120196