

LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

MEETING MINUTES

Thursday, September 7, 2006

4:00 – 5:00 PM

Fremont City Hall

Council Chambers

Call to Order

The meeting was called to order at 4:03 PM.

Members Present: Dan Slate Hendon & Slate
Bing Hanson Fremont Public Schools
Stanley Nieboer Newaygo County Commissioner Dist. # 3
Jean Palmerton Coldwell Banker
Jon Sovinski Hi-Lites Graphics, Inc.

Advisors Present: Chris Yonker Fremont City Manager
Michele Ribant Fremont Neighborhood & Economic Development Director

Members Absent: Dr. John Kingsnorth Fremont Public Schools
J.R. Smith Dura Automotive Systems, Inc.

Approval of Minutes

A motion was made by Stan Nieboer, seconded by Jon Sovinski and carried to approve the minutes from the June 29, 2005 LDFA meeting. Another motion was made by Bing Hanson, seconded by Jon Sovinski and carried to approve the minutes from the June 15, 2006 LDFA meeting.

“Industrial Park Improvement Plan – Scope Definitions & Preliminary Cost Projections”

Chris Yonker gave an overview of the Industrial Park Improvement Plan as delivered to the Board in their meeting packets. The Plan was prepared by Fleis & VandenBrink Engineering, the firm under contract to the City Council to assist both the Downtown Development Authority (DDA) and the LDFA to prepare the preliminary design engineering for improvements within both districts. He indicated that the following areas were targeted for preliminary design concept development:

- Main entryway signage, landscaping, lighting and irrigation for the intersection of M-82 and Industrial Drive
- West entryway signage, landscaping, lighting and irrigation for the intersection of Green Avenue and Locust Street
- East entryway signage, landscaping, lighting and irrigation for the intersection of Connie Avenue and Locust Street
- Wetland vegetation enhancement with possible amenities for public use on Outlot A.

Mr. Yonker stated that the entryway improvements are estimated to be \$170,360 and all Outlot A improvements are estimated to be \$99,640, totaling approximately \$270,000.

A motion was made by Stan Nieboer, seconded by Bing Hanson and carried to recommend approval to the Fremont City Council of the “Industrial Park Improvement Plan – Scope Definition & Preliminary Cost Projections” document.

“Amended LDFA Development Plan and Tax Increment Financing Plan”

Mr. Yonker also gave an overview of the “Amended LDFA Development Plan and Tax Increment Financing Plan.” He indicated that as part of the Amended Development Plan, the LDFA intends to

initially improve the property within the boundaries of the FIP with projects as outlined in the Industrial Park Improvement Plan including, but not limited to the following:

- Add main entryway signage, landscaping, trees, lighting, irrigation and other necessary improvements along Industrial Drive at the north entrance to the Industrial Park from M-82.
- Add west entryway signage, landscaping, tress, lighting, irrigation and other necessary improvements along Locust Street at the west entrance to the FIP from Green Avenue.
- Add east entryway signage, landscaping, trees, lighting, irrigation and other necessary improvements along Locust Street at the east entrance to the FIP from Connie Avenue.
- Enhance woody vegetation, including trees, shrubs & native grasses in the wetland area of Outlot A to meet MDEQ wetland mitigation requirements for a deciduous wooded wetland.
- Enhance Outlots A, B & C and surrounding area of FIP with possible amenities for public use, such as trails, paths, picnic shelters, wildlife & waterfowl observation decks, trash receptacles, interpretive signage, connection to and extension of the Town & Country Path and other similar improvements and public amenities.

He indicated that it is intended that much of the above FIP work would be bid out with the DDA's Downtown Enhancement project in the fall of 2006, with construction completed by summer 2007. He clarified that other projects may be considered by the LDFA or the City during the Plan period following the completion of the improvements slated for 2006-07, subject to the availability of funds. He referred the Board to the LDFA Development Plan for a list of possible future projects.

Mr. Yonker continued by reviewing the Tax Increment Financing (TIF) Plan. He highlighted Table 3 showing the estimated Captured Taxable Value for each year of the Plan (2006 – 2026) as well as historical figures for the years prior to the Plan period (2000 – 2005). He recommended that the Authority use tax increment revenues derived from Captured Taxable Value of any and all "eligible property" located or to be located from time to time in the expanded Industrial Park. He recommended that the Authority also use tax increment revenues that may result from growth in property values resulting from inflation or other market causes.

Section 12 (2)(f) of the LDFA TIF Plan was discussed by the Board. It states that "the Authority intends to pay for out of TIF revenues the City's costs for operational, planning, financial, administration and other services provided to the Authority in an annual amount of no less than \$10,000." Chair Slate asked for an explanation as to why it says "of no less than \$10,000." He felt that it would make more sense if it stated that it would be "no more than \$10,000" or that the Authority should pay an annual amount equal to the City's actual costs for these services. City staff agreed to amend Section 12 (2)(f) so that it does not mandate that the City pay at least \$10,000 annually for the City services outlined under this Section. Staff also indicated they would delete the last sentence fragment of the same paragraph, which was language from the previous version of the Plan.

After further discussion, questions & answers, a motion was made by Jon Sovinski, seconded by Stan Nieboer, and carried to recommend approval to the Fremont City Council of the September 2006 "Amended LDFA Development Plan and Tax Increment Financing Plan" subject to the LDFA's recommended changes to the language under Section 12 (2)(f) entitled "Amount of Operating and Planning Expenditures of the Authority."

Mr. Yonker informed the Board that the proper Public Hearing notices had been published & distributed for the City Council's consideration of both the FIP Improvement Plan and the LDFA Amended Development & TIF Plan at its September 18, 2006 regular meeting.

Adjournment

There being no further business of the LDFA Board, the meeting adjourned at 5:35 PM.