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**SOUTH DRAKE ROAD CORRIDOR IMPROVEMENT AUTHORITY  
Board of Directors**

**Oshtemo Township Hall  
7275 West Main Street**

**Wednesday  
July 20, 2016  
1:00 p.m.**

**AGENDA**

1. Call to Order
2. Approval of Minutes
  - a. May 4, 2016
  - b. June 8, 2016
  - c. June 29, 2016
3. Public Comment
4. 2017 Draft Budget Discussion
5. Any Other Business
6. Adjournment

**Policy for Public Comment**  
**Township Board Regular Meetings, Planning Commission & ZBA Meetings**

All public comment shall be received during one of the following portions of the Agenda of an open meeting:

- a. Citizen Comment on Non-Agenda Items or Public Comment – while this is not intended to be a forum for dialogue and/or debate, if a citizen inquiry can be answered succinctly and briefly, it will be addressed or it may be delegated to the appropriate Township Official to respond at a later date.
- b. After an agenda item is presented by staff and/or an applicant, public comment will be invited. At the close of public comment there will be board discussion prior to call for a motion.

Anyone wishing to make a comment will be asked to come to the podium to facilitate the audio/visual capabilities of the meeting room. Speakers will be invited to provide their name; it is not required unless the speaker wishes to have their comment recorded in the minutes.

All public comment offered during public hearings shall be directed, and relevant, to the item of business on which the public hearing is being conducted. Comment during the Public Comment or Citizen Comment on Non-Agenda Items may be directed to any issue.

All public comment shall be limited to four (4) minutes in duration unless special permission has been granted in advance by the Supervisor or Chairperson of the meeting.

Public comment shall not be repetitive, slanderous, abusive, threatening, boisterous, or contrary to the orderly conduct of business. The Supervisor or Chairperson of the meeting shall terminate any public comment which is in contravention of any of the principles and procedures set forth herein.

(adopted 5/9/2000)  
(revised 5/14/2013)

**Policy for Public Comment**  
**6:00 p.m. "Public Comment"/Portion of Township Board Meetings**

At the commencement of the meeting, the Supervisor shall poll the members of the public who are present to determine how many persons wish to make comments. The Supervisor shall allocate maximum comment time among persons so identified based upon the total number of persons indicating their wish to make public comments, but no longer than ten (10) minutes per person. Special permission to extend the maximum comment time may be granted in advance by the Supervisor based upon the topic of discussion.

While this is not intended to be a forum for dialogue and/or debate, if a citizen inquiry can be answered succinctly and briefly, it will be addressed or it may be delegated to the appropriate Township Official to respond at a later date.

Anyone wishing to make a comment will be asked to come to the podium to facilitate the audio/visual capabilities of the meeting room. Speakers will be invited to provide their name; it is not required unless the speaker wishes to have their comment recorded in the minutes.

Public comment shall not be repetitive, slanderous, abusive, threatening, boisterous, or contrary to the orderly conduct of business. The Supervisor shall terminate any public comment which is in contravention of any of the principles and procedures set forth herein.

(adopted 2/27/2001)  
(revised 5/14/2013)

## THE CHARTER TOWNSHIP OF OSHTEMO

### South Drake Road Corridor Improvement Authority (SoDA)

**May 4, 2016**

SoDA Board meeting was held at the Township Hall. The meeting was called to order by Chairperson Spurr at 12:11 p.m.

#### MEMBERS PRESENT:

Theresa Spurr, Chair  
Corey Ashley, Vice Chair  
Dennis Patzer, Treasurer  
Kelly Bringman  
Libby Heiny-Cogswell  
Dale Shugars

#### MEMBERS ABSENT:

Deb Jung  
Joe Gesmundo  
Jackie Kimble

Also present were Planning Director Julie Johnston.

#### Minutes

Motion by Mr. Ashley, second by Ms. Bringman to approve the minutes of the August 4, 2015 meeting. Carried 6-0.

#### Public Comment

None.

#### Treasurer's Report

Planning Director Johnston presented the Treasurer's report indicating that the tax revenue received in 2016 was slightly higher than expected based on what was outlined in the South Drake Road Corridor Improvement Authority Plan. The 2016 budget was planned for \$10,565 but \$12,834 in tax revenue was collected. To date, no expenses have been applied to the budget.

Ms. Heiny-Cogswell indicated that the budget in the Plan was reduced because of the Costco tax appeal that was in play at that time. There was concern that if the appeal went through, the tax increment financing revenue would be reduced so the budget was intentionally conservative.

Ms. Spurr stated that there was concern that the Authority would only collect about \$4,700 in taxes a year because of the tax appeal. She thought that was the budget for 2016, not \$10,565.

Ms. Heiny-Cogswell indicated that the appeal was dropped so the taxes collected were higher than expected.

Mr. Shugars asked why there was such a difference between the \$4,700 expected and the \$12,000 collected.

Ms. Heiny-Cogswell stated that it was because of more development in the area than expected by this time, the dropped tax appeal and better SEV's than expected.

Ms. Johnston stated that the Plan expected less construction to be completed within the Corner@Drake property by this time, which was reflected in the budget.

Mr. Shugars indicated that it would be a good idea to update the projected budget outlined in the Plan based on this new information.

Ms. Heiny-Cogswell stated that the Township Board did only approve a budget of \$4,700 for 2016 and that the numbers presented by Ms. Johnston are actually incorrect.

Ms. Heiny-Cogswell motioned to amend the budget to the \$4,700 and accept the Treasurer's report. Mr. Shugars seconded the motion. The motioned passed 6-0.

### **Drake Road Non-Motorized Path Construction**

Ms. Heiny-Cogswell provided some background on how the Drake Road project got to the planned 10-foot path. She indicated that originally the plan called for a 6-foot sidewalk. But, the Township learned that no bike lanes were planned in Drake Road. Because of this, the consultants tasked to help the Township with the design of the sidewalk indicated that a 10-foot path was a better option because it would support all types of non-motorized and pedestrian movement.

Ms. Spurr stated that some property owners along Drake Road are concerned about the larger easement that is required for a 10-foot path. She indicated that she definitely believes that the non-motorized path is needed because of the school in the area, but she understands that the first part of the project doesn't include the school.

Ms. Heiny-Cogswell stated that the project has been broken into two phases. The City of Kalamazoo offered to partner with the Township on a Safety Grant, which would cover the development of a portion of the 10-foot path. The boundaries on the Safety Grant are West Michigan Avenue to Green Meadow Drive, which doesn't cover the school. The second phase of the project has been submitted to MDOT who have indicated they are in support of the project.

Ms. Spurr said that she is concerned with the safety of the properties where the path will be developed. She is concerned about trash, littering and loitering.

Ms. Bringham stated she is in favor of the path as it will help the residents of Nottingham Apartments.

Mr. Shugars asked if the Township was buying the easements.

Ms. Heiny-Cogswell said that the Township is buying the easements based on current cost standards.

Ms. Johnston outlined the proposal the Authority received from AVB Construction to build the path on their property, the Corner@Drake. She delineated some of the pros and cons of the offer. Pros – the path could be built quicker, may cost less, and can be built while the Corner@Drake project is being built. Cons – would not be able to utilize grant funding for this section of the project, will be a break in the path between the AVB property and West Michigan Avenue until the rest of the path can be built, and 100 percent of the costs would have to be covered by the Authority.

Mr. Shugars stated he is in support of this proposal. He believes it is good to have the project done quickly, but it's difficult to know if this is the right course without a budget for the costs.

Ms. Spurr was concerned with the gap in the path until the MDOT grant can build the remainder of the project.

Ms. Heiny-Cogswell indicated that there could be a problem extending the path through to West Michigan because easements have not yet been acquired.

Mr. Ashley stated that he felt we should table any decision until costs could be provided to the Authority.

The members in attendance agreed and the matter was tabled until the next meeting. A request was made of Ms. Johnston to pull together possible budget costs.

### **Drake Road Non-Motorized Path Maintenance**

Ms. Johnston requested the Authority discuss whether they would like to assign a portion of their budget in the coming years for the maintenance of the non-motorized path.

Ms. Heiny-Cogswell stated that the SoDA board was formed for this exact purpose. The intent was to create a specific revenue source through the Authority to cover these types of expenses.

Ms. Spurr indicated that the change to Tax Increment Financing Authorities that happened at the County level altered the amount of revenue the Authority can receive, which changed the Plan.

Mr. Shugars stated that because of this maybe the cost of maintenance should be a 50/50 split with the Township.

Ms. Heiny-Cogswell said she would take this idea to the Township Board.

Mr. Shugars stated that costs for maintenance might be more cost-effective being handled through the Township because they can bid out more than one property at a time.

Ms. Heiny-Cogswell reminded the Authority that revenues were better than expected so there are more funds to help cover these types of costs. She also indicated that maintenance has been a question from many of the property owners. It would go a long way with the property owners to get their support for the path if she could tell them that the Authority is going to assist with maintenance costs.

Ms. Johnston stated that she will bring back costs for both maintenance and construction at the next meeting.

### **Budget 2017 Discussion**

This agenda item was tabled until the Drake Road Non-Motorized Path costs could be determined.

### **Any Other Business**

Ms. Johnston asked if the Authority would like to set a regularly scheduled meeting.

Ms. Spurr suggested maybe two meetings at a time.

Mr. Shugars indicated he liked the meetings at the time scheduled for this meeting.

The Authority decided to set the next meeting for June 8, 2016 at noon.

There being no further business, the meeting was adjourned at approximately 1:30 p.m.

Minutes prepared:  
July 11, 2016

Minutes approved:

**THE CHARTER TOWNSHIP OF OSHTEMO**

**South Drake Road Corridor Improvement Authority (SoDA)**

**June 8, 2016**

SoDA Board meeting was held at the Township Hall. The meeting was called to order by Vice Chairperson Ashley at 12:04 p.m.

**MEMBERS PRESENT:**

Corey Ashley, Vice Chair  
Kelly Bringman  
Libby Heiny-Cogswell  
Dale Shugars  
Joe Gesmundo

Theresa Spurr, Chair arrived at 12:30 pm

**MEMBERS ABSENT:**

Deb Jung  
Jackie Kimble  
Dennis Patzer, Treasurer

Also present were Planning Director Julie Johnston and Township Attorney James Porter.

**Minutes**

None.

**Public Comment**

None.

**Drake Road Non-Motorized Path Construction Costs**

Ms. Johnston outlined the memo provided in the packet on construction costs.

The estimated cost of the path from Stadium Drive to West Michigan from the Viridis Design Group, the design firm developing the plans, is approximately \$126,435. With a 15 percent contingency, the price increases to approximately \$145,400. These dollar amounts are intended to reflect the cost if managed through an MDOT grant.

If the path was constructed outside of an MDOT process, the cost of the trail would likely decrease by around 15 percent, reducing the estimate back to the \$126,435 total. If the Board decided to spend their full revenue on the project, it would be paid off in approximately seven to eight years at the current rate of tax revenue. If half of the revenue was utilized on the path, the total cost would be paid off in approximately 14 to 15 years, again depending on current revenue projections.

The Viridis Design Group indicated a concern regarding removing this section of the path from the overall MDOT grant proposal. MDOT will not allow connections to a grant sponsored trail unless it meets all American Association of State Highway and Transportation Officials (AASHTO) requirements. They ensure this by evaluating plans through their review process. Developing outside this process could jeopardize the ability to seek MDOT grants for the remainder of the path.

Mr. Ashley stated that based on the costs provided, it looks like the Authority would only save approximately 35 percent of the costs by having AVB construct the path, where the grant would allow 60 percent of the costs to be paid. Based on this, it seems like the Authority should wait for the grant.

Mr. Shugars wondered if the Authority paid for the path on the AVB property if this cost could be used towards the match requirements on the MDOT grant for the remainder of the path.

Mr. Gesmundo stated that building the path while they are under construction is the best outcome. But, jeopardizing the grant for the remainder of the path is not a good idea. He stated that building the path later would impact the landscaping that they will be planting this summer.

Mr. Porter suggested that maybe the Township could work with AVB to defer the landscaping along Drake Road until after the path is built.

Mr. Gesmundo indicated that is a workable solution.

Mr. Shugars suggested that we should exhaust MDOT possibilities before making a decision about paying for the path on AVB's property.

Ms. Johnston stated she will get the final word from the consultant about the impact to the grant after their discussion with MDOT and will have this information at the next meeting.

### **Drake Road Non-Motorized Path Maintenance**

Ms. Johnston indicated that she worked with the **Property Maintenance Supervisor** for the Township to review past snow removal bids to estimate the cost to complete snow removal on the path from Stadium Drive north to West Main. The estimated cost is \$6,750 for the winter.

Mr. Gesmundo indicated that because of larger revenues than expected, this cost should be reasonably covered by the Authorities budget.

Mr. Shugars stated that he believes everyone supports the Authority helping with maintenance costs and it is important to assist the property owners in the Authority's area.

Ms. Heiny-Cogswell said that the path won't be built until next summer so for the first year of maintenance, only the half the cost will be needed in the 2017 budget; the cost for snow during the first half of the 2017/2018 winter.

Mr. Shugars motioned to support the Authority covering the cost for snow removal/maintenance for the path. Mr. Gesmundo supported the motion. The motion passed 6-0.

### **Budget 2017 Discussion**

Mr. Shugars asked Mr. Gesmundo if he could provide an understanding of the new construction planned at the Corner@Drake project so we could better estimate future tax revenues.

Mr. Gesmundo stated he would work with Township staff to estimate taxes for the next few years.

### **Any Other Business**

The Authority set their next meeting date for June 29, 2016 at noon.

There being no further business, the meeting was adjourned at approximately 1:00 p.m.

Minutes prepared:  
July 11, 2016

Minutes approved:

**THE CHARTER TOWNSHIP OF OSHTEMO**

**South Drake Road Corridor Improvement Authority (SoDA)**

**June 29, 2016**

SoDA Board meeting was held at the Township Hall. The meeting was called to order by Vice Chairperson Ashley at 12:03 p.m.

**MEMBERS PRESENT:**

Corey Ashley, Vice Chair  
Kelly Bringman  
Libby Heiny-Cogswell  
Dale Shugars  
Joe Gesmundo  
Dennis Patzer, Treasurer

Theresa Spurr, Chair arrived at 12:10 pm

**MEMBERS ABSENT:**

Deb Jung  
Jackie Kimble

Also present were Planning Director Julie Johnston and Township Attorney James Porter.

**Minutes**

None.

**Public Comment**

None.

**Drake Road Non-Motorized Path Construction Costs**

Ms. Johnston gave a summary of the memo provided in the agenda packet.

The MDOT Grant Coordinator informed our consulting firm, VIRIDIS, that as long as the Drake Road Path located on the Corner@Drake shopping center property met the American Association of State Highway and Transportation Officials (AASHTO) standards, the grant for the remainder of the path would not be in jeopardy. This opens the door for SoDA to consider paying for the path so that it might be constructed earlier. However, there are some things to consider.

While the construction of the path will be less, (VIRIDIS indicated it could be up to 30 to 40 percent less than originally considered) it is still more than the 40 percent which would be spent if completed under the MDOT Transportation Alternative Grant (grant covers 60 percent and local municipality covers 40 percent of total costs). Below are the possible dollar amounts to consider per the Drake Road Path budget developed by VIRIDIS:

	Approx. Costs
Total Path Costs	\$1,035,639
40% of Total Costs	\$414,225
Corner@Drake Path Costs (Under MDOT grant)	\$132,182
If Constructed by AVB (approximate cost)	\$92,528
40% of Cost if Paid for by MDOT Grant	\$52,873

These numbers do not take into account the properties between the Corner@Drake shopping center and West Michigan. Currently, the Township is working to complete the Safety Grant path, which will run from Green Meadow Drive south to West Michigan. The completion of the path on the Corner@Drake property would leave a gap until the project can be completed with the MDOT grant, which would likely be around one year.

We also heard from the MDOT Grant Coordinator that the development of the path on the Corner@Drake property could not be used towards the 40 percent costs the Township must pay as part of the grant.

In the end, the SoDA/Township would end up paying approximately \$40,000 more for the construction of the path than if all of it was covered by the MDOT grant.

At the June 8<sup>th</sup> meeting, two additional items were discussed that affect the development of the path. The first and most important is that SoDA voted to approve funding for the maintenance of the path after it is built. The second discussion item was one of the reasons for the offer to complete the path by AVB, which was the concern that landscaping would be destroyed if the path is built after construction is complete at the Corner@Drake property. Attorney James Porter offered a solution to this concern; a reprieve from landscaping installation along Drake Road until after the path is completed.

While having AVB complete the path may be more expedient and less expensive for this segment, the overall costs for the path in its entirety will actually be more. Based on this concern and the offer from the Township to allow a delay in landscaping along Drake Road, staff recommends including all of the Drake Road Non-Motorized Path as part of either the current Safety Grant or upcoming MDOT Transportation Alternative Grant.

Ms. Heiny-Cogswell stated that MDOT is committed to the project and she is confident the grant will be approved.

Mr. Gesmundo reiterated that if the Township is willing to defer landscaping for their project along Drake Road until the path can be built, this might be the best solution.

Chair Spurr stated that if it is just the difference between waiting one year to get the path built between the Authority paying for it now and MDOT providing a grant, we should wait the year and have 60 percent of the costs paid.

Mr. Patzer indicated that the information we have available today is that some or most of the path will be built in 2017. Something could come up that forestalls the development, but we don't know that today.

Mr. Gesmundo also indicated that site plan approvals at Corner@Drake were contingent on the path being installed within a certain period of time. This will also have to be waived.

Mr. Porter indicated that there needs to be a consensus on whether to wait on the MDOT grant to build the path.

The members of the Authority in attendance agreed that waiting for the MDOT grant funding and providing a deferment to AVB on landscaping and the construction of the path was the best solution.

### **Any Other Business**

Ms. Johnston stated that the Authority needs to have their 2017 budget ready for the Township Board by the 29<sup>th</sup> of July. She asked the Authority members in attendance to set the next meeting.

There was some discussion on what should be included in the budget, i.e. construction costs for the match requirements of the grant, maintenance of the 10-foot path, etc. Concern was whether the Authority had to cover the full 40 percent match for the grant.

Ms. Heiny-Cogswell indicated that the Authority was created for this purpose. Mr. Gesmundo and Mr. Patzer agreed.

Chair Spurr asked about the match for the Safety Grant.

Ms. Heiny-Cogswell stated that the match for this grant should also be considered when looking at the Authority's budget. Because of budget constraints, the Authority could pay back the Township over time.

Mr. Porter stated that a better understanding of adjusted budgets based on the new development occurring in the district as well as the Authority's long term projects is needed to understand how to structure a repayment to the Township.

The Authority set their next meeting for Wednesday, July 20 at 1:00 pm at the Township Hall.

There being no further business, the meeting was adjourned at approximately 12:24 p.m.

Minutes prepared:  
July 11, 2016

Minutes approved:

July 13, 2016



**Mtg Date:** July 20, 2016

**To:** South Drake Road Corridor Improvement Authority

**From:** Julie Johnston, AICP  
Planning Director

**RE:** 2017 Draft Budget

Working with the Township Assessor and Treasurer, staff was able to project the possible tax increment financing revenues for 2017 as approximately \$43,295. This dollar amount was based on the increased revenues collected in 2016 and the continued improvements which are occurring at the Corner@Drake project. Projected taxes were determined by the value attached to the building permit for the new construction, the value of the land, and that construction is expected to be 100 percent built in 2016. The final taxable value could fluctuate based on the completion date of the project. However, staff projected low to allow for this variability.

At the June 8, 2016 meeting, a motion was approved to support the maintenance/snow removal for the Drake Road Non-Motorized Path once it is built. At the meeting, snow removal in the SoDA District was estimated at \$6,750. If the path, or a portion thereof, is constructed in the spring/summer of 2017, funds will need to be set aside to manage snow removal for November and December, which equates to approximately \$2,700.

This leaves a remaining budget in 2017 of \$40,595. As presented at the June 29<sup>th</sup> meeting, the total cost for the Drake Road Non-Motorized Path is \$1,035,639. The Township/SoDA will be responsible for 40 percent of these costs which equates to \$414,225. It was also discussed at that meeting that because of revenue constraints, the SoDA would likely have to pay the Township back for this 40 percent over time.

It is expected that revenue for the SoDA will increase over the next five years as the Corner@Drake project comes to fruition. At this time, we don't have concrete numbers for this increased revenue, but based on expected revenues in 2017 and planned construction, we could anticipate tax revenues to increase to around \$70,000 a year. Based on this estimate, the SoDA could establish a plan of repayment for the Drake Road Non-Motorized Path costs while still setting aside some funds for maintenance and other possible future projects. The cost for the path would be paid back to the Township within nine years.

Please see the attached recommended draft budget and the possible projected budget over the next five years.

**SUGGESTED BUDGET FOR 2017**

GL NUMBER	DESCRIPTION	2016 APPROVED BUDGET	2016 ACTIVITY THRU 06/30/2016	2017 REQUESTED BUDGET
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Fund 247 - TAX INCREMENT FINANCE AUTHORITY (SoDA)

ESTIMATED REVENUES

Dept 001-Revenue

247-001-40100	Carryover	\$0	\$0	\$0
247-001-40300	Current Real Property Tax	\$4,700	\$12,834	\$43,095
247-001-47500	Miscellaneous	\$0	\$0	\$0
247-001-66500	Interest Earned	\$0	\$0	\$200
TOTAL ESTIMATED REVENUES		\$4,700	\$12,834	\$43,295

APPROPRIATIONS

Dept 728-Economic Development				
247-728-70300	Salary-Staff			
247-728-72800	Supplies			
247-728-73000	Postage			
247-728-80800	Consultants			
247-728-82500	Accounting & Audit Fees			
247-728-82600	Legal Fees			
247-728-90300	Legal Notices			
247-728-93300	Repairs/Maintenance			\$2,700
247-728-97500	Capital Outlay/Obligated Projects	\$4,700	\$12,834	\$40,595
247-728-97600	Capital Outlay/Land Acquisition			
TOTAL APPROPRIATIONS		\$4,700	\$12,834	\$43,295

**TOTAL FUND BALANCE:**

**\$12,834.00**

**POSSIBLE PROJECTED BUDGET**

**EXPECTED REVENUES**

	2016	2017	2018	2019	2020	2021
	\$ 12,834	\$ 43,295	\$ 47,625	\$ 54,768	\$ 62,983	\$ 69,282

**POSSIBLE EXPENDITURES**

	<u>Years</u>						
<u>Possible Projects</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<b><u>TOTAL</u></b>
Drake Road Path	\$ 12,834	\$ 40,595	\$ 40,000	\$ 45,000	\$ 50,000	\$ 55,000	<b>\$ 243,429</b>
Path Maintenance	\$ -	\$ 2,700	\$ 7,000	\$ 7,000	\$ 7,500	\$ 7,500	<b>\$ 31,700</b>
Capital Project Savings	\$ -	\$ -	\$ 625	\$ 2,768	\$ 5,483	\$ 6,782	<b>\$ 15,658</b>
<b>TOTAL</b>	<b>\$ 12,834</b>	<b>\$ 43,295</b>	<b>\$ 47,625</b>	<b>\$ 54,768</b>	<b>\$ 62,983</b>	<b>\$ 69,282</b>	<b>\$ 290,787</b>

Drake Road Non-Motorized Path

Project Costs           \$ 414,225  
 2016-2021:             \$ 243,429  
 Balance                 \$ 170,796

At \$55,000 a year for the remainder of the project (after year 2021), it would take 3 more years to reimburse.