

**OSHTEMO CHARTER TOWNSHIP  
DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS**

**MINUTES OF SPECIAL MEETING HELD JUNE 9, 2016**

The Oshtemo Charter Township Downtown Development Authority (DDA) Board of Directors held a special meeting on Thursday, June 9, 2016. The meeting was called to order at approximately 12:00 p.m. at the Oshtemo Community Center, 6407 Parkview Avenue.

Members present: Grant Taylor, Chair, Jay Brown, Shelly Corakis, Libby Heiny-Cogswell, Maria Dacoba, Rich MacDonald, Terry Schley, Richard Skalski and Jack Siegel.

Members absent: Bruce Betzler, Stephen Dallas, Glenn Steeg, and Mike Lutke.

Also present: Julie Johnston, Oshtemo Township Planning Director

**Approve of Agenda**

Mr. Skalski moved to approve the agenda as presented. Ms. Dacoba supported the motion. The motion passed unanimously.

**Approval of Minutes**

Chairperson Taylor asked if there were any additions or corrections to the minutes of March 17, 2016.

Ms. Corakis indicated that her last name was spelled incorrectly.

Hearing no further additions or corrections, the Chair asked for a motion to approve the three sets of minutes.

Mr. Schley moved to approve the Minutes of the Regular Meeting of March 17, 2016 with the proposed corrections. Mr. Skalski supported the motion. The motion carried unanimously.

**Treasurer's Report**

Chairperson Taylor asked for an overview of the Treasurer's Report. Ms. Johnston gave an overview of the report, stating that tax revenue for 2016 had been collected and that revenues were higher than expected. The budget for 2016 was \$78,000 and the DDA actually accrued \$119,768 in tax revenues.

Ms. Johnston stated that some minor invoices were paid during this period, which totaled approximately \$3,000.

Mr. Schley requested that the two line items under the capital outlay section of the budget, corner site improvements and streetscape elements at the intersection, be reviewed for a better understanding as to why these items were specifically outlined in the budget.

Mr. Skalski moved to approve the Treasurer's Report as presented. Ms. Dacoba supported the motion. The motion passed unanimously.

#### Nominations for Treasurer

Chairperson Taylor asked if any member was interested in the position of Treasurer.

Mr. Skalski stated that he saw his name listed in the last minutes as a possible candidate for Treasurer. As he is so new to the DDA, he wished to decline at this time until he has more experience with the Board.

Chairperson Taylor indicated that the Board would continue to have Ms. Johnston prepare the Treasurers' reports.

#### Streetscape Update

##### a. Car Wash Property

Ms. Johnston indicated that the Board requested she provide some possible costs for the demolition of the car wash and to try and set a meeting with the Church to discuss possible partnerships for the demolition. She stated that a meeting had not been set, but that the Church members requested the DDA provide some dates/times that the Streetscape Subcommittee was free to meet. She will discuss this with the Subcommittee after the meeting is adjourned.

Ms. Johnston then reviewed the report prepared on the possible costs and next steps for the car wash demolition. Her report indicated that the demolition would likely be a five month process, from preparing the environmental assessment through demolition, and that it would cost around \$15,000.

Mr. Schley indicated that he thought the costs would likely be higher. Because of the use of the property, the demolition may be more involved than just taking down the building. He also indicated that because the DDA is quasi-governmental the process for bidding the project needs to be considered.

Mr. Schley stated that any agreement between the Church and the DDA must be mutually beneficial to both parties. If not, than the Church would be responsible to pay back the DDA. If it is not mutually beneficial, we are essentially providing a grant for the demolition. Mr. Schley stated he cannot support the demolition without some mutual benefit. He indicated that the DDA had been pursuing an exchange of land for the demolition. A mutual access easement is not enough benefit for a possible \$20,000 expenditure.

Mr. Skalski agreed with Mr. Schley statements. He was concerned with setting a precedent. Their needs to be equal compensation for the cost of the demolition.

Mr. MacDonald suggested that maybe the DDA could tear down the property and build the parking if the Church was willing to enter into a special assessment to pay back the costs over time. The parking could be considered a public benefit because of its association with the improvements on the corner lot.

Mr. Schley thought this was a good idea to investigate, but was concerned that the Church's resources might not support this concept.

Mr. MacDonald indicated that a special assessment could be stretched over 30 years.

Ms. Corakis felt that the Board should put this discussion on hold until the meeting with the Church.

The Board agreed to continue the discussion after the meeting with the Church.

b. Stadium Drive Sidewalk MDOT Grant

Ms. Johnston informed the Board that the Kalamazoo Area Transportation Study (KATS) has included in their budget for 2020 a grant for the completion of sidewalks on Stadium Drive from 11<sup>th</sup> Street to Quail Run. While not in the DDA area, it places the DDA in a much better position to receive an MDOT grant to complete the sidewalks on Stadium Drive through the district. Their investment provides support for the larger project.

Ms. Johnston continued stating she met with Prein & Newhoff and OCBA, the consultants on the streetscape project to receive their input on moving forward. Both suggested that the best approach is to submit an MDOT application for the same timeline that KATS is going to provide funding. That means construction would occur in 2020.

Because of the four year wait, Ms. Johnston asked the consultants what projects could be completed sooner to allow the DDA to move forward with their streetscape plans. They suggested a Safe Routes to School grant for sidewalks on 9<sup>th</sup> Street. She requested the consultants provide a proposal to the DDA for the submittal of a Safe Routes to School grant, which would be available at the July meeting.

Ms. Johnston indicated that this project would need a champion from the elementary school. She asked Prein & Newhoff to include in their proposal working with the school.

Mr. Skalski indicated that he agrees the DDA should wait and package all of the Stadium Drive as one project in 2020. He stated that he used to manage these types of projects and administratively, a larger project is more bang for the buck.

Ms. Johnston stated that if we went after the Safe Routes to School grant and was awarded funds, it would be another level of support for an MDOT application.

Mr. Schley reflected that the school has not been well integrated into the community. At the time of their construction approval, they indicated they would be a community partner but the lack of pedestrian connection has hindered this ability. Now, with security concerns things may be different, but a pedestrian connection for access is still important.

The Board will continue this discussion when the Safe Routes to School proposal is presented.

### **Catalyst Project: Presentation**

Ms. Johnston indicated that the DDA has a number of projects they would like to see accomplished in the near future, which all have substantial budgets. She stated that the only way for the DDA to improve revenues is if new development occurs in the district. She has met with a couple of developers who have indicated an unwillingness to work within the Village Form-Based Code Overlay, which has specific development standards. She felt it might be beneficial for the DDA to consider sponsoring a “catalyst project” in the area to not only show that development can be successful under the Form-Based Codes but to increase the tax revenues coming to the DDA.

Ms. Johnston presented some properties that may be disposed for redevelopment, indicating the DDA could either:

1. Purchase the properties and solicit bids from possible developers for a mixed-use project. As part of the incentive to complete the project, the DDA would sell the properties to the developer at a significantly reduced rate, or
2. Work with a developer on gap financing.

Ms. Johnston provided some information on “missing middle housing,” which was a project sponsored by the Michigan State Housing Development Authority and the Michigan Economic Development Corporation. It was a competition for architects to develop plans for housing that fits between single-family and large multi-family apartments. Ms. Johnston felt this type of housing could work well within the “village” atmosphere the DDA is trying to create.

Ms. Johnston wrapped up her presentation stating that substantial increased revenues can only occur if new development or redevelopment occurs within the district. But, this does not seem to be happening organically, which may mean that the DDA has to get more directly involved.

Mr. MacDonald indicated that he felt this was a great start to what will likely be a larger discussion. He stated that the bottom line is that there must be a market for the development and that the numbers have to make economic sense to the developer or the project will fail. He stated that the cost of new construction is not in line with the demands of the market in this area. He indicated that we need to take a holistic view of the market to see if there is a demand for housing and what type of housing it might be, possibly a high level pro forma.

Mr. MacDonald felt the DDA should consider spending some dollars on residential and commercial market potential studies and possibly some dollars on concept planning to better understand costs. We need to get to the economic feasibility of development. Then, the DDA can market the area with real information and if there is a gap between construction costs and the potential market rents, we can address it. He is interested in furthering this discussion.

Mr. Schley indicated that a big partner we should consider is Harding's Market. At some point they will be faced with an obsolete building. He stated we should keep the lines of communication open with them to understand their future plans and not miss out on possible opportunities. Ms. Corakis stated we should reach out to them sooner rather than later.

Mr. Schley liked the idea of a catalyst project from the residential perspective because the Village Theme Plan is pedestrian based but the economic base does not exist to support the vision. So, increasing residential would improve the economic base and in turn support the Plan.

Mr. MacDonald indicated that he felt the DDA reacts to agenda items instead of having a clear plan. He believes we need to further the discussion on strategically increasing revenues while not sacrificing the projects already in play.

Mr. Schley stated that the Board has periodically reviewed their priorities list. This hasn't been done in a while and maybe the Board should re-establish this list.

Ms. Johnston asked if the Board would like to review priorities at the July meeting before making any decisions regarding market studies or ways to incentivize development in the area.

Mr. Schley stated he thought it would be very helpful to complete this review. He felt it is important to establish consensus on projects. The group has changed enough since the last time this was done that we may need to reestablish consensus.

Chairperson Taylor asked for this to be placed on the agenda for July.

### **Village Form-Based Code Overlay Zone**

#### a. Signs

Ms. Johnston indicated that a request was made to the Planning Commission to consider an amendment to the sign section of the Village Form-Based Code Overlay. The amendment would allow property owners to change out internally lit plastic box signs,

which are not permitted in the Overlay. The Township often receives requests to allow a panel change to these box signs when there is a tenant change in a building. Technically, the Overlay District would require the replacement of a new sign that is in compliance with the Architectural Standards.

Mr. Skalski stated he felt the existing plastic sign faces should be allowed to continue until larger redevelopment occurs.

Ms. Corakis indicated changing the entire sign could be very expensive.

Ms. Heiny-Cogswell stated a concern that maybe the proposed amendment was allowing too much latitude to nonconformities. She was worried that the amended language would allow for the continuation of nonconforming signs while incremental updates are being made to the building.

Mr. Schley indicated that he thought there was a mechanism in the Form-Based Code that gives latitude to the Planning Commission for the continuation of the nonconformities.

Ms. Johnston stated she would complete a review of the Ordinance.

b. Architectural Requirements

Ms. Johnston stated that as part of the Planning Commission's discussion on signs in the Form-Based Code, the rest of the Architectural Standards were debated, in particular the different areas of the Regulatory Plan, which determines which properties have to follow the Architectural Standards. The Regulating Plan has a Village Core, Village Fringe, Corridor East and Corridor South. Corridor South, which is down 9<sup>th</sup> Street, is exempt from these requirements.

Ms. Johnston continued saying that after the Planning Commission reviewed the regulating plan and discussed the type of uses and style of site development in these areas, they wondered if Corridor East should also be exempt. They thought it may make more sense to focus the Architectural Standards on the Village Core and Village Fringe. They have requested the DDA's input on removing Corridor East from the requirements of the Architectural Standards.

Mr. Schley stated that there are some differences between the areas of the Regulating Plan. For examples, setbacks in the Corridor East area are different then in the Village Core, but the overall Architectural Standards are the same. For point of reference, the Form-Based Code was driven by the Village Commercial Overlay.

Mr. Schley stated the Planning Commission could consider that if the Architectural Standards aren't working, maybe what has worked on the west side of Stadium Drive could be used instead as transitory edge to the Village.

Mr. Skalski stated that Corridor East and Corridor South could be transition areas.

Mr. MacDonald asked for a comparison chart to understand what is required by the Regulatory Plan.

### **Any Other Business**

#### Friends of the Park

Ms. Johnston provided a thank you letter and other information from Friends of the Park for the concert series the DDA sponsored. The first concert is June 12<sup>th</sup>, which is the concert the DDA funds supported.

Chairperson Taylor indicated that the Friends of the Park offered an opportunity for the DDA to speak at the concert.

Mr. Schley stated some acknowledgement of the DDA would be appropriate.

Ms. Johnston stated that a sign could be generated.

#### Flags

Mr. Schley stated they used to be something called the Oshtemo Business Association and they had a bunch of flags that used to be put up by the fire department. At some point the DDA accepted responsibility for these flags. He wondered if those flags still existed and suggested the Board might find some use for them.

#### DDA Property Sink-Hole

Ms. Heiny-Cogswell informed the Board that a sink-hole occurred on the old Citgo property. She indicated that the Township Engineer, Marc Elliott, contacted Prein & Newhoff to determine how to resolve the issue. If the DDA is willing, she will have Prein & Newhoff check into the problem and provide dollars to remedy the situation.

Mr. Schley stated he felt it made sense to have Prein & Newhoff work on this problem as they have been involved in this property with the DDA from the beginning.

Mr. Schley moved for Ms. Johnston to work with Prein & Newhoff to investigate and resolve the sinkhole on the DDA property with funds up to \$5,000. Mr. Skalski supported the motion. The motion passed unanimously.

Ms. Heiny-Cogswell indicated that this could be taken from the Corner Site Improvements line item of the budget, which has available funds.

## **Announcements and Adjournment**

There being no further business, the Chair adjourned the meeting at 1:40 p.m.

Oshtemo Charter Township  
Downtown Development Authority

Minutes Prepared: July 12, 2016  
Minutes Approved: July 21, 2016