

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

MINUTES OF REGULAR MEETING HELD SEPTEMBER 19, 2013

The Oshtemo Charter Township Downtown Development Authority (DDA) Board of Directors held a regular meeting on Thursday, September 19, 2013. The meeting was called to order at approximately 12:00 p.m. at the Oshtemo Community Center at 6407 Parkview Avenue.

Members of the Board of Directors present: Chairperson Terry Schley, Michael Lutke, Fred Gould, Jack Siegel, Glenn Steeg, Kathleen Garland-Rike, Maria Dacoba, Jay Brown, and Libby Heiny-Cogswell.

Members of the Board of Directors absent: Bruce Betzler, Stephen Dallas, Andy Wenzel, and Chip Everett.

Also present was Gregory Milliken, Planning Director.

Approve Agenda

The meeting was called to order at approximately 12:00 p.m. by Chairperson Schley. Mr. Brown moved to approve the agenda as presented. Ms. Garland-Rike seconded the motion. The Chairperson called for a vote on the motion, and the motion passed unanimously.

Approve Minutes

Chairperson Schley asked if there were any comments or questions on the minutes of the regular meeting of July 25, 2013. He indicated that he had a couple of comments. First, he suggested adding a note to the paragraph that discusses the budget on page 2 to reflect the information regarding the reduction in the amount captured by the DDA, information that was collected after the meeting and is in contrast to what was presented at the meeting.

Second, in the section regarding the rear access drive, Chairperson Schley wanted to be sure it was clear what the commitment would be of the property owners along 9th Street upon connection to the access drive. Specifically, although it is understood that properties on 9th Street will eventually have to close/consolidate driveways, it is not required that those drives be closed immediately upon connection to the access drive. The minutes should be altered to reflect this so it is clear.

Mr. Gould moved for approval of the minutes of the regular meeting of July 25, 2013 as amended. Mr. Lutke seconded the motion. The Chairperson called for a vote on the motion, and the motion passed unanimously.

Treasurer's Report

Mr. Gould indicated that he had reviewed the Treasurer's Report and presented the report. It covered the period from July through August. Chairperson Schley indicated that the summary and the table did not match. Mr. Milliken indicated that was an error due to changes made as additional information was collected. Mr. Milliken described some of the expenses in the report.

Mr. Siegel moved for approval of the Treasurer's Report. Ms. Heiny-Cogswell seconded the motion. The Chairperson called for a vote on the motion, and the motion passed unanimously.

CITGO Station Update

Chairperson Schley stated that the survey of the property was completed and there was nothing surprising that appeared.

Chairperson Schley indicated he has continued discussions with Prein & Newhof regarding assistance with the acquisition. This includes help with the BEA prior to taking title, preparing design documents for the demolition, and potential amendments to the due care plan. This work is necessary because of the DEQ issues with the site.

Ms. Heiny-Cogswell asked if the DDA would be on the hook for additional updates to the Due Care Plan going forward.

Chairperson Schley said that as the site is modified, the Due Care Plan will need to be modified as well. Some of the initial work is the Seller's responsibility, like the removal of the tanks and capping with asphalt. After the building is down and that area is capped, then the DDA would be responsible for an update to the Due Care Plan based on the modifications to the site.

Ms. Heiny-Cogswell asked about the extent of the design work that would be done by Prein & Newhof.

Chairperson Schley indicated that once the building is removed, a cap meeting very specific requirements must be placed over the area where the building was located. The design work would focus on those sorts of issues and define the process for compliance to be used in the bidding and demolition process.

The DDA also further discussed the role Prein & Newhof would play managing the complex process and critical timing that will play out and the insulation they will provide for the DDA throughout the process.

Mr. Steeg asked if someone would oversee the Seller's responsibility for the tasks and removal.

Chairperson Schley stated the buy/sell agreement maps out the conditions that the Seller must satisfy. He has chatted with an environmental group that has been retained by the Seller. Apparently the site nearly reached "closure" status from DEQ, but there is some concern about

possible contamination on the Subway site to the east. Tests will be run to determine this and ability for closure in future.

Mr. Steeg asked when closing would take place. Chairperson Schley said he expected it to occur within the next couple weeks. The timing was based on winding down the tanks. If the DEQ does not reach closure status, the closing on the property would be conditioned on closure occurring in the future. If closure does occur, then wells should be removed and capped and pump building should be removed. This should be covered by insurance but additional commitment is good.

Mr. Brown asked if the DEQ is just testing for gas station chemicals because the site was a plating company in the past.

Chairperson Schley said he did not know but that he knew the area had been studied for years. Mr. Steeg felt the DEQ would be able to isolate the chemicals and the likely source.

Ms. Heiny-Cogswell explained that she understood there was a specific incident in 1985 when the tank leaked so the DEQ action is all stemming from that event.

Chairperson Schley indicated that the pump has not been run since 2010, so it is close to closure, they just need to confirm the status of the possible contamination of the site to the east.

Mr. Lutke asked if the cap would be temporary. Chairperson Schley said probably because there will be a plan to do something with the site, although that plan would have to include some form of cap in compliance with environmental requirements.

Mr. Steeg indicated that this means there may be a delay in demolishing the property due to the ability to get asphalt.

The DDA discussed the need to obtain insurance on the property once they are the owner. Mr. Steeg moved for Chairperson Schley to obtain property insurance on the structure and property once the DDA takes ownership. Mr. Lutke seconded the motion. Chairperson Schley called for a vote on the motion, and the motion passed unanimously.

Ms. Heiny-Cogswell stated that at one time there were talks with the Church regarding the car wash structure. She wondered what the status of those talks were.

Chairperson Schley indicated representatives of the Church previously approached him to discuss teaming with the DDA on cross uses of the site. There was no consensus on the Church's end as to the future use of the car wash. Therefore, he has not taken that further and he intends to stay focused on the Citgo property. He is concerned with getting involved in another property where there are unknowns regarding hazardous materials, environmental issues, etc.

Ms. Heiny-Cogswell agreed and stated that the DDA cannot do anything until there is initiative on their part.

Mr. Brown confirmed that the process is dragging and there is no consensus on the future by the Church. Trying to combine the properties will just delay the work the DDA wants to do.

Mr. Steeg indicated that the demolition of the gas station may expedite the decision of the Church.

Mr. Brown confirmed that the broader Methodist Church owned the property, not the local congregation.

Chairperson Schley stated that things are moving forward. The DDA needs to start thinking about the next steps. In the short term, this includes security of the site and limiting access. This could include temporary planters. This also means as property owners we assume some liability and responsibility.

Chairperson Schley confirmed for Mr. Brown that the DDA would hold title, not the Township.

9th Street Rear Access Drive Update

Ms. Heiny-Cogswell gave the DDA an update on the rear access drive and indicated that the Township staff has been working on easements on the property along with the Atlantic Street property that was formerly an AT&T easement.

Chairperson Schley asked if it was assumed the DDA would just cut a check or is additional involvement included.

Ms. Heiny-Cogswell stated that the process going forward needs to be clarified but that reaching out to the DDA and property owners regarding the plan should be a part of that discussion.

Chairperson Schley agreed and stated that he does not want the Township Board to go too far if no one is going to participate. He also suggested that someone touch base with the Road Commission to confirm that the driveways onto Atlantic could be approved.

Ms. Heiny-Cogswell indicated they are focusing on the agreements before going further with the design.

Banners

Mr. Milliken indicated that the banners were switched in July and are slated to be switched again in November. However, at the last meeting, there was discussion of switching in October in conjunction with the Methodist Church's 150th Anniversary and including some specific banners regarding the anniversary.

Mr. Brown confirmed that the Church was not interested in having a unique banner and will celebrate the event in their own way.

Chairperson Schley said that he would like to get catalogs together and would like to set up a committee to evaluate new banners for the DDA area. He also believes there may be an opportunity for the DDA to celebrate and identify local businesses through the banners. There are issues involved with this, but the banners could provide an opportunity to advocate on behalf of the community. The DDA could develop a policy on this.

Mr. Lutke thought that was a good idea.

Chairperson Schley said the Board should talk to other communities who do this to see how to avoid issues.

Looking Ahead to 2014 Officers and Board Membership

Chairperson Schley said that he received communication from Mr. Betzler indicating that it would be best if someone else filled his leadership role as Vice Chair going forward. His out of town business interests do not allow him enough time to fully participate in this process. This led Mr. Schley to think about the fact that in January, the DDA will elect leaders for 2014, which will be an important year for the Board and its leadership. He asked members to think about whether they want to play a bigger role in the organization as well as if current leaders want to keep current positions.

Mr. Gould indicated he has a lot going personally as well. He would like to help and continue as Treasurer, but there are other obligations that may limit his ability to continue to serve.

Ms. Heiny-Cogswell asked if Mr. Betzler was resigning.

Chairperson Schley confirmed that Mr. Betzler did not resign, but just said he should be replaced in his leadership role as Vice Chair.

Ms. Heiny-Cogswell indicated that Mr. Siegel and Ms. Garland-Rike along with Mr. Betzler are the members whose terms are up at the end of the year. She will be in touch with each of these members to see who is interested in continuing and then make recommendations to the Township Board on membership.

Other Business

There was no other business.

Announcement and Adjournment

The next meeting is scheduled for November 21, 2013.

Having exhausted the agenda, Chairperson Schley adjourned the meeting at 1:20 p.m.

Oshtemo Charter Township
Downtown Development Authority

Minutes Prepared: September 24, 2013
Minutes Approved: _____, 2013