

**CITY OF WIXOM
LOCAL DEVELOPMENT FINANCE AUTHORITY
49045 PONTIAC TRAIL
TUESDAY, DECEMBER 9, 2014**

**Approved
5/3/2016**

This meeting of the Wixom Local Development Finance Authority came to order at 7:37 a.m. with the following individuals in attendance:

MEMBERS: Vice Chairperson Joseph Baker, Raymond Cousineau, Mayor Kevin Hinkley, Dennis Olsen, Dr. Jacqueline Shadko, Joshua Springer and Commissioner Philip Weipert
ABSENT: Joseph Bell (excused), James Cutright (excused), Teri Les (excused) and Chairperson Eddie Osman (excused)
OTHERS: Carmine Avantini (City Planner), Anthony Nowicki (City Manager) and Deanna Murphy (Recording Secretary)

Determination of a Quorum:

A quorum of the Local Development Finance Authority was present for this meeting.

Approval of Agenda:

MOTION and second by Boardmembers Cousineau and Olsen to approve the December 9, 2014 LDFA Meeting Agenda.

VOTE:

MOTION CARRIED

Public Comments:

None.

Approval of October 7, 2014 Meeting Minutes:

MOTION and second by Boardmembers Springer and Shadko to approve the October 7, 2014 Meeting Minutes.

VOTE:

MOTION CARRIED

Hearings:

None.

Old Business:

A. Final review and approval of the LDFA Development Plan and Tax Increment Financing Plan

Mr. Nowicki mentioned that the summary of projects starts on Page 31 of the Plan. He further asked Mr. Avantini to summarize all of the changes that were made.

Mr. Avantini explained that there were only a few minor changes since their October 7th meeting where the Board essentially approved the overall Plan contingent upon adding the Alpha Drive/Twelve Mile Road to Beck Road Connector project. A figure of \$250,000 was assigned to this project; however, the overall Plan acts like a budget. The key to having an LDFA Development Plan is making sure to capture all of the projects under consideration. The state law says that when it is time to tackle a project, the project must be included in the approved Plan. The budget is essentially irrelevant at this point because these projects could be more or less depending on the overall scope of the project. As long as the project description is in the Plan, it becomes a viable option. Also, he fine-tuned the tax increment and tax capture table. In summary, the Plan meets all of the legal requirements allowing enough flexibility to accommodate the types of projects the Board envisioned and the City will be able to recapture tax increments in the future in order to pursue and fund new projects in the Plan. When the +\$3 million currently in the budget is exhausted, provisions are in place to allow the City to capture taxes again. The attorney recommended this because there is always the potential that the state law could change and we want to make sure the City is vested and can continue on if it decides to do so.

Mr. Nowicki added that once the Plan is adopted, the engineers will design the projects and come up with a hard estimate of costs. The LDFA Board will be the ones to approve the projects.

Boardmember Olsen asked if 12/Beck LLC was going to revise their proposal request since they initially requested up to \$1.8 million from the LDFA.

Mr. Nowicki explained that he has since talked with Mr. Galbraith who understands that if the LDFA Board decides to allocate funds to their project, it will only be a small contribution.

Mr. Avantini added that a big challenge in the market right now in terms of development projects (residential, office and commercial), the market has not caught up to a point where some of these projects are unable to afford the infrastructure for them. For example, a lot of the residential projects are seeking areas that already had the roads constructed prior to the recession. Some of the other projects, such as Alpha Drive, have not taken off yet because of the upfront costs of funding the infrastructures. In Michigan, we will most likely continue to see this lag for a few more years.

Boardmember Olsen further raised his concerns of the potential traffic increase onto Beck Road from the Alpha Drive/Twelve Mile Road development.

Mr. Avantini reiterated that we need to make sure it is a project big enough to cover the infrastructure (i.e., former Ford property). The Alpha Drive/Twelve Mile Road development will have a lot of challenges because of the ITC Corridor and wetlands, but 12 Beck, LLC is seriously considering this development since they have talked to both he and Mr. Nowicki. Also, he is working with this company in another community and know they are serious about the Alpha Drive/Twelve Mile Road project.

Mr. Nowicki explained that as part of a site plan process, there will be a review/analysis of the downstream traffic flows for both intersections of Beck and Wixom which will be conducted by a traffic consultant/engineer. If the analysis warrants additional intersection modifications, then 12 Beck/LLC will have to implement improvements in order to handle the additional traffic.

For clarification purposes, Boardmember Cousineau explained that the District Boundaries Map on Page 8 of the Plan identifies the proposed projects #1 through #6. However, the numbering of these projects does not coincide with the priority of the same projects that the Board established (starting on Page 31).

Boardmember Glessner suggested try bundling the LDFA projects with larger-scaled projects through the county, state, or federal, etc. to try and save money through a grant, economic development, etc.

Mr. Nowicki explained that it can be very difficult to bundle a non-federal project with a federal project. Typically, the federal requirements are much more stringent than local governments requirements, which could potentially boost the cost of the overall project.

Boardmember Springer asked once the Plan is approved, how the executions of projects will take place. How can the LDFA prevent running into a bogged problem? Is there another level of analysis?

Mr. Nowicki explained that the engineers will conduct their investigations and design work at the same time. Before any road project, core samples are taken to try and prevent unforeseen problems.

MOTION and second by Boardmembers Weipert and Springer to approve and recommend to City Council for approval of the updated LDFA Development Plan and Tax Increment Financing Plan.

VOTE:

MOTION CARRIED

New Business:

None.

Information:

None.

Public Comments:

None.

Executive Director's Comments:

The next LDFA meeting is yet to be determined. There is no need for regular monthly meetings at this point. Mr. Nowicki also thanked the Board for all of their effort, time and commitment to help move the Plan through. It is a good Plan and puts the City on track to address some of the issues (infrastructure, etc.) that exists. City Council will schedule a Public Hearing to solicit community input at their January 13, 2015 meeting. Once the Plan is approved in February, the engineers will start working on hard cost estimates, plans, etc.

Board Members' Comments:

Vice Chairman Baker welcomed the newest Boardmember Wayne Glessner to the LDFA. He also wished everyone a happy holiday.

Boardmember Glessner thanked Vice Chairman Baker and explained after reading the meeting minutes, he was impressed with the Board's comments as well as the quality of individuals sitting on the Board.

Mr. Nowicki explained that Mr. Glessner had originally served on the first LDFA Board of Wixom.

Adjournment:

This meeting of the Wixom Local Development Finance Authority was motioned and adjourned at 7:56 a.m.

Deanna S. Murphy
Recording Secretary