



**FERNDALE DDA
BOARD OF DIRECTORS MEETING
JANUARY 11, 2018**

8:00 A.M. Board Meeting

Ferndale City Hall; Council Chambers
300 E. Nine Mile Rd., Ferndale, MI

AGENDA

- I. Call to Order
 - A. Roll Call
 - B. Dismissals
 - C. Consideration of Agenda
 - D. Consideration of Minutes: November 2017

- II. Consent Agenda
 - A. Staff Report (Includes 'The dot' update)
 - B. Financial Statement
 - C. MDA: 2017 Year-End Legislative Report

- III. Call to Audience (no more than 3 minutes per person – 15 min. total allotted)

- IV. Community Reports
 - A. Chamber of Commerce
 - B. Ferndale Area District Library

- V. Update: Wayfinding Signage (Kara Sokol, Communications Director)

- VI. Action Item: Ferndale DDA/Library Agreement

- VII. Call to Committee Chairs, Board Members & Staff (not more than 3 minutes)

- VIII. Adjournment

CALENDAR OF EVENTS

January

- 1st – 2nd**
DDA Office Closed
New Year's Day
- 4th**
Executive Committee 5pm
- 8th**
City Council 7pm
- 9th**
Design Committee 6pm
- 10th**
Biz Dev Committee 5pm
- 11th**
DDA Board Meeting
- 15th**
DDA Office Closed
Martin Luther King Jr. Day
- 22nd**
City Council 7pm
- 24th**
Promotions 5pm
- 25th**
Strategic Planning 6pm

February

- 1st**
Executive Committee 5pm
- 6th**
Design Committee 6pm
- 7th**
Biz Dev Committee 5pm
- 8th**
DDA Board Meeting
- 12th**
City Council 7pm
- 19th**
DDA Office Closed
President's Day
- 26th**
City Council 7pm
- 28th**
Promotions 5pm

March

- 1st**
Executive Committee 5pm
- 6th**
Design Committee 6pm
- 7th**
Biz Dev Committee 5pm
- 8th**
DDA Board Meeting
- 12th**
City Council 7pm
- 21st**
Promotions 5pm
- 26th**
City Council 7pm
- 26th-28th**
Main Street Now
Conference
- 30th**
DDA Office Closed
Good Friday

**FERNDALE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
THURSDAY, NOVEMBER 9, 2017
8:00 A.M.
FERNDALE CITY HALL
300 E. 9 MILE
FERNDALE, MI 48220**

MINUTES

I. CALL TO ORDER

A. Roll Call 8:13 a.m.

DDA Board Members Present: Dean Bach, Mindy Cupples, Michael Hennes, Chris Johnston, Pj Jacokes, Blake Scheer, Jacki Smith, Jay McMillan, Nathan Martin and Jerome Raska

DDA Board Members Absent: Mayor/Council

Staff Present: Barry Hicks, Cindy Willcock, Torri Buback

Guests: Jenny Marr for FADL,

B. Dismissals: Mayor/Council

C. Approval of Agenda

Motion by Director Smith, seconded by Director Scheer to approve the agenda as presented. All Ayes, motion carries.

D. Approval of Minutes: September 2017

Motion by Director Hennes, seconded by Director Jacokes to approve the Minutes for September 2017 as presented. All Ayes, motion carries.

D. Approval of Minutes: October 2017

Motion by Director Hennes, seconded by Director Jacokes to approve the Minutes for October 2017 as presented. All Ayes, motion carries.

II. Consent Agenda

- A. 2017 Downtown Businesses by Category
- B. Staff Report
- C. Financial Statement
- D. MDA Legislative Update

Motion by Director Jacokes, seconded by Director McMillan to approve the Consent Agenda as presented. All Ayes, motion carries.

III. Call to Audience

None

IV. Community Organization Reports

- A. Chamber of Commerce Jerome Raska
On behalf of the FAC, thank you to everyone that helped with Best of the Best. Voting was open to everyone and very successful, coming in with over 2000 votes.
- B. Ferndale Area District Library Jenny Marr
On November 20th, the library will be holding a bake sale to support the summer concert series. FADL is replacing the public internet computers and has also purchased T-Mobile hot spots for user, as well as the addition of mobile print. Beginning in October of 2017, the FADL is now open on Sundays. For the week of Thanksgiving, the library will be closed from Thursday, November 23rd through Sunday, November 26th, 2017.
- C. Ferndale School District No report available.
None

Director Johnston arrives at 8:23 am.

V. Action Items

A. Lyft Co-Marketing Agreement – Approval needed
ED Hicks has negotiated a deal that would allow the DDA to partner with Lyft to provide ride sharing services to people that would like to get to and from downtown Ferndale. The promotional period would last from November 9th, 2017 – February 8th, 2018. The intent is to utilize the services throughout the holidays. The offer would have two major components:

1. Lyft will provide codes to new customers that come to downtown Ferndale that would provide a \$10 off discount during the duration of the Co-Marketing agreement with use of discount code GOFERNDALE.
2. Ferndale business owners can work with Lyft to generate unique codes specific to their business to provide incentives to users coming to their business.

Motion by Director Smith, seconded by Director Hennes to authorize the DDA Chairman to enter into a Co-Marketing agreement with Lyft, Inc. in accordance with the terms presented, subject to minor modification for effectuation.

B. Capital Improvement Project Programming – Approval needed
ED Hicks presented projects that are major expenses, more than 10K (see memo for project listing). ED stated that the master land use plan needs to be updated and now is the time to begin thinking about the direction of our plan. ED also stated the current TIF plan from 2012 is about to expire and we need to update current development objectives, mostly adjusting the numbers to be more reflective of today.

Discussion: Director Cupples stated that Vester should stay, crosswalks should stay and added that we could collectively put thought into finding other, better capital improvement projects. CM Lynch added that these are explained priorities and we are not required to fund it and we are focused on having a more community event space.

Motion by Director Hennes, seconded by Director Raska to approve the DDA Capital Improvement Plan (CIP) as presented and to direct the Executive Director to be enter the DDA's projects in to the City of Ferndale's CIP.

VI. Discussion Items

A. 2017 Strategic Plan Check-In

ED Hicks presents ideas for 2018 Strategic Plan. Currently, the meeting will be held on Thursday, January 25, 2018. Plan updates to include communication for The dot, website updates, Ferndale Forward and establishing value within the community, e-news campaign, social media and events. Updates to also include tweaks to current programs such as the Business Spotlight, outreach to social media regarding DF happenings, city partnerships such as BUILD, business retention and update packets, design codes and any other supporting initiatives that support the Downtown Ferndale experience. Our focus needs to be made around how we will communicate and tell our story in pursuit of building stronger relationships and loyalty within the community. 2018 will focus on driving more recruitment opportunities with volunteers and strengthening relationships within the community. Creating an effective elevator pitch we can present to potential volunteers is also something we need to include in this year's initiatives. Working toward being plan and data driven this year is another priority for the DDA. Budget is another part of the strategic plan, we were 3 – 4 months behind and now we're down to 3-4 weeks behind.

Director Johnston offered ideas to assist with minimizing the 3 day session. He stated that it seems like we do more talking and less doing and he would like to see a more realistic plan. Director Hicks stated that we could technically skip '18 since we just did the plan in '17. CM Lynch adds, it was a robust plan last year and had more to do with implementation rather than the strategic plan. Director Johnson also adds, last year ('17) was the first year we saw progress. Discussion between board members concluding, the main points in need of updating are the volunteer process and the Capital Improvement Plan. Director Cupples offers ideas such as an online meeting. Director Raska determines we need to have an overview meeting of some sort to bring board members up to date. OM Willcock adds, it could be a State of the DDA session and emphasizes how important it is that we show our volunteers their contributions and progress. Director Johnston said we need to be more focused and effective with time. Director Smith would like to see a survey incorporated with some assisted direction on the questions.

VII. New Item! Business Fun Facts – Mini Business Spotlights

OM Willcock realized how connected and involved our business owners are with our community during a recent conversation. Bringing this relational element into our communicative outreach will help to build strong, loyal relationships and connection amongst residents and businesses. Director Raska would like to see this incorporated with the volunteer base as well. There is also opportunity for building partnerships through this feature with local media and local non-profits.

VIII. Call to Committee Chairs, Board Members & Staff

Chair Bach thanked everyone for the successful chili cookoff held to support local police and fire responders.

IX. Adjournment

Meeting adjourned without quorum at 10:20 a.m.

January 2018

Consent Agenda

Sample Motions:

- A. *To approve the consent agenda in its entirety.*
- B. *To approve the consent agenda, excluding Items ____ (Letter/Letter & Number) ____.*

Staff reports are presented to the DDA Board of Directors at their regular meetings each month. Staff report is a summary of activities for the previous month and is not intended to be all-inclusive.

Committee Summaries

The committees are currently reviewing the DDA Strategic Plan and identifying 3-5 projects they would like to focus on for 2018.

Informational Items

Pledge of Commitment

The Executive Director will be working with the Executive Committee to develop a pledge of commitment. Some board members that have served for more than four years may have taken one at some point during their appointment. Newer Board Members have not. The pledge indicates a commitment to excellence and the standards of service while serving as a representative of the DDA. Input is welcome and may be forwarded directly to the Executive Director at barry@downtownferndale.com

New Board Members

The DDA currently has the minimum number of Board Members as required by the by-laws (which is 9). With upcoming term limits over the next few years, we anticipate a turn-over in board seats. In order to provide some continuity and training for new Board Members, we are asking our current members to reach out to their friends, neighbors, and fellow businesses owners in our downtown that may have an interest in serving on the DDA Board or one of our Committees.

Snow Removal Reminder

- Don't forget it will soon be that time of year where we all have to do our part to keep the sidewalks clear of snow and ice – Please encourage your neighbors to keep up so our sidewalks are safe!

- The DDA & City staff met to prepare mailings and outreach to send to business owners to remind them of the City's code enforcement with regard to snow and ice removal.
- Use SeeClickFix app on your phone to report snow or ice issues.
- City is working with DDA to revise policies for next winter with regard to the timeliness of snow and ice removal. The city presently allows 24 hours to remove snow and ice – this timeframe may be shortened in the future. Technology is making it easier and faster for the City to keep up with violations.

The Development on Troy (The dot)

To see conceptual designs of The dot, check out this link where you can download the full Planned Unit Development District Application:

<http://www.parkferndale.com/ParkingDeck/SitePlan/tabid/118/Default.aspx>

Don't forget to check out www.ferndaledot.com for the latest news about The dot – share this website with anyone asking questions about the project. Everything we know will be updated on this site.

Temporary Parking Solutions Update:

Church Parking Lot:

The agreement with the Ferndale Methodist church parking lot returns 65 additional parking spaces to the downtown parking system throughout the duration of the project. The lot is located at the corner of Leroy and Woodward, approximately .40 miles from the project site, about a 8-10 minute walk. This lot will be included in the wayfinding signage package.

Retail Tenant Space

City Council approved an agreement with CBRE for services to find a tenant for the retail space on the first floor of The dot.

Free Downtown Valet:

Free downtown valet was piloted during Small Business Saturday weekend and the Downtown Holiday Ice Festival weekend. Valet was offered Friday – Sunday between 12 p.m. – 9 p.m. each weekend. Digital and print marketing pieces were created for the DDA and business community. Wayfinding signage will be created and installed as part of the permanent temporary parking solution, a sign package was not created for these small pilot projects.

Small Biz Saturday breakdown:

5 parked cars (all Saturday night)

Star Trax reported that there was plenty of available parking and little downtown commercial activity during Black Friday and the Sunday of that weekend. It was noted that wayfinding signage along W. 9 Mile and at the alley entrance along Planavon would have increased visibility of the service. Despite the lack of wayfinding, with no parking challenges during the weekend, there was little demand for the valet service by downtown patrons.

Holiday Ice Festival breakdown:

8 parked cars (14 Friday, 14 Saturday)

Star Trax reported that all 14 cars were parked during the evening hours on Friday night, zero cars were parked prior to 5 pm. during the day on Friday. 14 cars were parked throughout the day and evening during the Holiday Ice Festival on Saturday. Additional wayfinding signage was placed at the alley entrance located along Planavon to increase visibility to the valet station.

Customer service reports were positive for Star Trax personnel.

Lessons Learned:

The team will meet with Star Trax and the DDA to discuss lessons and a path forward prior to the spring implementation of the downtown valet service. The team hopes to meet in the first few weeks in January.

Wayfinding Package:

A wayfinding and walkability sign package has been completed for the Dot. Design files have been delivered to the project team. We are working to map existing parking wayfinding signage in GIS and preparing a plan to track the installation of new/replacement wayfinding signage. Sample wayfinding design files will be presented by the Communications Director during the Board meeting on Thursday.

Refuse:

City Officials, Architects from The dot, and the DDA met with Waste Management to discuss the dumpster location (Troy Street Compactor behind Rosie's) during construction and what elements need to be built into the mixed-use structure to accommodate current and future anticipated demands for refuse and recycling.

Events

Past:

- **Small Business Saturday** – The Business Development Committee teamed up with Level One Bank and the Ferndale Area Chamber of Commerce and spread the Holiday cheer! Level One Bank handed out \$1,000 from their cash mob and the City and chamber handed out 400 Small Business shopping bags with information on contests, scavenger hunts, holiday parking, and much more.
- **Holiday Ice Festival** – families came out and enjoyed hot cocoa (courtesy of the Ferndale Arts Commission) and met Santa for pictures and lunch while they enjoyed shopping in downtown Ferndale as it was adorned with over 60 Ice Sculptures.

Upcoming:

- **Volunteer Appreciation – SAVE THE DATE – March 20th** The DDA is working with our partners to host a second annual Volunteer Appreciation event; More details to come!
-

Administrative

- The Executive Director & Executive Committee are working on an Employee Development Plan
- Staff is working with the City and with students from the Information Technology School at UofM to develop methods of measuring the effectiveness and impact of special events in downtown Ferndale.
- The Business Spotlight program is revamping with some help from volunteers to draft content – mini-business spotlights and featurettes will begin in February; content will continue to be developed on an ongoing basis. This will assist with brand and downtown promotion.
- The Executive Director is working with City Council and the Community & Economic Development Director on reestablishing the Mayor’s Small Business Council. Events and tools will be developed during the first half of 2018 and implementation and roll-out will be ongoing as programs and resources are developed.
- DDA staff is working with the Office of the City Manger to help identify

Training

- Staff will begin attending classes for Main Street Manager Certification in 2018
- The Main Street Now Conference is taking place March 26-28th.
- Main Street Oakland County is offering “The Connected Downtown-Tech to Trails” training in Ferndale on February 15th-16th. You can learn more about this program and register to attend by visiting <https://www.eventbrite.com/e/main-street-oakland-county-the-connected-downtown-tech-to-trails-tickets-41435512734>

User: Bhicks

PERIOD ENDING 01/31/2018

DB: Ferndale

FUND ACCOUNT	DESCRIPTION	2017-18		END BALANCE
		AMENDED BUDGET		01/31/2018
				NORMAL (ABNORMAL)
Fund 248 - Downtown Development Authority				
Liabilities				
248 202.000	Accounts Payable			0.00
248 257.000	Wages Payable			5,893.88
248 257.100	Accrued Liability - Payroll			2,735.92
248 257.150	Accrued Liabilities - Health Insurance			0.00
TOTAL LIABILITIES				8,629.80
Revenues				
248 402.000	Property taxes	418,400.00		298,097.68
248 403.100	Property Tax Chargebacks	0.00		0.00
248 404.000	Voted Property taxes	56,000.00		45,603.94
248 523.000	Federal grant	0.00		0.00
248 610.000	Participation fees	0.00		0.00
248 665.000	Interest income	0.00		0.00
248 675.000	Contributions	25,000.00		13,265.00
248 675.500	Contributions - DDA - Public Art	1,000.00		22.00
TOTAL REVENUES			500,400.00	356,988.62
Expenditures				
248 706.000	Full Time Personnel	151,744.00		76,593.33
248 707.000	Part-Time Personnel	0.00		0.00
248 715.000	Social Security	11,608.00		5,829.55
248 716.100	Health Insurance	17,624.00		5,731.73
248 716.110	Health Insurance - EE Contribution	(2,350.00)		(198.30)
248 717.000	Life Insurance - EE	211.00		159.63
248 718.000	Pension- ICMA-RC 401	10,622.00		5,334.22
248 725.000	Workers Compensation	850.00		1,120.49
248 730.000	Postage, Mail processing	500.00		0.00
248 740.000	Operating Supplies	25,000.00		2,784.72
248 775.000	Repair & Maintenance	1,000.00		0.00
248 802.000	Audit/Actuarial Fees	1,000.00		0.00
248 818.000	Contractual Services	28,000.00		(86.25)
248 853.000	Phone/Communications	0.00		0.00
248 873.000	Training/Education	15,000.00		125.64
248 885.000	Special programs	30,000.00		2,591.80
248 900.000	Printing & Publishing	10,000.00		2,251.90
248 914.000	Liability Insurance	1,800.00		0.00
248 920.000	Utilities	7,600.00		4,260.22
248 931.000	Facilities Maintenance	144,000.00		71,064.00
248 940.200	Equipment Leases - Non-City owned	0.00		0.00
248 942.000	Building Rental	1,800.00		0.00
248 943.000	Equip Rental Alloc - General Fund	1,800.00		545.96
248 956.000	Miscellaneous	102,800.00		0.00
248 958.000	Memberships & Dues	3,500.00		0.00
248 974.000	Public Improvements	18,000.00		0.00
248 977.000	Capital Outlay	5,000.00		0.00
TOTAL EXPENDITURES			587,109.00	178,108.64

**Michigan Downtown Association (MDA) Year-End Legislative Update
December 19, 2017**

Legislative Environment

- The Legislature has adjourned for the holidays, and will return to a regular session schedule the second week in January 2018.
- We are at the half-way point in the 99th Legislature, and headed into a highly politicized environment in 2018, a year when all state-wide seats are up for election, as well as all 14 Congressional seats, one of Michigan's U.S. Senate seats, all 38 State Senate seats, all 110 House seats, as well as numerous judicial posts and boards.
- The House is back to 110 members, after November special elections to fill vacancies in the 1st House District and the 109th House District State. With the election of Democrat Tenisha Yancey from Detroit and Democrat Sara Cambensy from Marquette, the partisan split returns to 63 Republicans – 47 Democrats. However, there will be one new vacancy in the House, after State Rep. Andy Schor (D-Lansing) is sworn-in on New Year' Day as Lansing's new Mayor.

SPECIFIC LEGISLATION OF INTEREST TO MDA MEMBERS

1. TIF Recodification & Reporting Legislation Reintroduced, Passes Senate

- **SB 393 (Sen. Horn)**
- **Status:** passed the Senate unanimously, now before House Tax Policy Committee, Chaired by Rep. Jim Tedder (R-Clarkston).
- **MDA's position:** SUPPORT, still seeking small technical amendments.

Details: Legislation has been reintroduced this session, identical to a bill passed by the Senate last year, which recodifies TIF statutes, establishes new reporting requirements for authorities, and establishes sanctions for lack of compliance. Senate Bill 393, sponsored by Sen. Ken Horn (R-Frankenmuth) and House Bill 5070, sponsored by Rep. Ben Frederick (R-Owosso) are identical to SB 1026 (S-2) which passed the Senate last session and died in the House. Both bill sponsors, Sen. Horn and Rep. Frederick, are champions of DDAs, and have sponsored this legislation believing it provides a counter-balance to more draconian 'reforms.' MDA supports the bills, especially given Sen. Horn's efforts last session to craft a bill that does not impose undue administrative burdens on DDAs.

2. No Action Yet on Dangerous Library Opt-Out Bills

- **Senate Bills 305 – 310, (led by Senator Jack Brandenburg),**
- **Status:** no hearing yet or planned in near future, currently before Senate Finance Committee (also chaired by Sen. Brandenburg).
- **MDA's position:** STRONGLY OPPOSE. MEMBER ACTION NEEDED!

Details: As reported in earlier this year, a package of bills was introduced in the Senate making changes to the newly enacted 'library opt-out' statutes. Senate Bills 305 – 310, led by Senator Jack Brandenburg (R-Harrison Twp.), would significantly restrict situations in which tax increment financing (TIF)

authorities with existing obligations and debt could continue to capture taxes from the library millages (approved prior to or in existence on January 1, 2017) to pay those obligations.

Under the new bills, existing millages would be automatically exempt from capture if all outstanding "Library Capture Obligations" of the authority are satisfied. While the term "obligation" used in the new laws enacted late last year is a broad term, the proposed definition in the Senate bills is very narrow, including only bonds, notes and instruments, and only if issued by the authority. This will impair the ability of authorities to pay many types of obligations, including most DDA bonds, reimbursement agreements, development agreements and more.

If you have not already, please contact your state senator and urge a "NO" vote on Senate Bills 305-310. To identify and contact your state senator, go to:

<http://www.senate.michigan.gov/fysbyaddress.html>

SAMPLE MESSAGE:

I am calling/writing to urge you to oppose Senate Bills (SBs) 305-310, currently before the Senate Finance Committee. The bills may be intended to 'clean-up' provisions in the new laws passed at the end of last session addressing tax increment financing and public libraries. Unfortunately, the bills make substantive and problematic changes to language which was intentionally included to avoid creating unfunded liabilities. The current law recognizes the variety of obligations held by local DDAs across the state. SB 305-310 does just the opposite, and puts authorities with existing bonds and other outstanding obligations at high risk of default. This will create financial uncertainty for an authority's authorizing municipality and negatively influence economic investment. Thank you for your consideration of my views. Will you please let me know the Senator's views on these bills?

Sincerely,

<Your name>,

<your address - where you live and vote>, & <optional: your phone number>

3. Senate Bills Addressing DDA Demolition of Historic Buildings

- **SB 250-251 (sponsored by Sen. Hopgood),**
- **Status:** Still before Senate Economic Development Committee. One hearing in committee, future action uncertain
- **MDA's position:** SUPPORT IN PRINCIPLE, could be improved. Not an immediate MDA policy priority.

Details: This fall the Senate Economic Development and International Investment Committee took testimony (no votes) on two bills making changes to current law regulating how and when a downtown development authority can make changes to, or demolish historic buildings. MDA provided general support for the bills when there were initially introduced in the 2013-14 Legislative Session. This session, MDA indicated to the Committee that it supported the bills "in principal," because "historic resources help to create a sense of place that makes downtowns unique and should be protected." That position signals to legislators that although MDA supports the bills in concept, there could be changes made to improve the bills.

Senate Bill 250 (sponsored by Senator Hopgood, D-Taylor) would amend the downtown development authority (DDA) Act to do the following:

Require that proposed changes to a historic site owned or financed by a DDA but not located in a local historic district be referred by the DDA to the State Historic Preservation Office (SHPO), through December 31, 2018; and

Establish a civil fine of “up to \$30,000” for violating that requirement by demolishing a facility, building, or structure as determined by the SHPO.

Senate Bill 251 (sponsored by Sen. Wayne Schmidt, R-Traverse City) would amend the State Housing Development Authority Act to require the SHPO to review proposed changes to the exterior of a historic site owned or financed by a DDA but not located in a local historic district, through December 31, 2018; and prohibit a DDA from demolishing a historic structure without approval of the SHPO.

MDA has provided suggestions for improving the bills to the bill sponsors and the primary proponent of the bills, the Michigan Historic Preservation Network. The Michigan Municipal League, the Michigan Townships Association oppose the bills; the Michigan State Housing Development Authority and the State Historic Preservation Officers are neutral on the bills. It’s uncertain when and if further action will be taken by the committee on the bills.

4. Senate Passes Legislation Restoring State Historic Preservation Tax Credit Program

- **SB 469 (Sponsored by Sen. Wayne Schmidt), Note:** Rep. Stephanie Chang has introduced a similar bill HB 5117, currently before the House Tax Policy Committee.
- **Status:** passed in the Senate, YEAS 36 NAYS 2, referred to House Tax Policy Committee.
- **MDA’s position:** SUPPORT.

Details: MDA strongly supports this bill, and urges MDA members and allies to contact their state representatives and urge a “Yes” vote on the bill. To identify your state representative, go to: <http://www.house.mi.gov/MHRPublic/frmFindARep.aspx>

5. Bill Modifying Time Frame for Business Improvement Zones

- **SB 621 (sponsored by Rep. Wayne Schmidt, R-Traverse City), Status:** passed the Senate, now before the House Commerce and Trade Committee.
- **HB 4871 (sponsored by Rep. Stephanie Chang, D-Detroit),**
- **Status:** no action yet, also before the House Commerce and Trade Committee.
- **MDA’s position:** None yet.

Details: MDA has been asked if it has a position on legislation which modifies the period in which a business improvement zone may be authorized to operate. A similar bill, HB 4871 (sponsored by Rep. Stephanie Chang), addresses the same issue. The MDA Legislative & Advocacy Committee will review the issue before its next call (1/10/18), and prepare a recommended position on the bills for the MDA Board.

To review the text & available analyses for any of the bills listed in this report, go to:
<http://www.legislature.mi.gov>

PLEASE MARK YOUR CALENDAR:

MDA'S DAY AT THE CAPITOL – WEDNESDAY, MARCH 7, 2018

Look for details soon!

**FINALLY, Best Wishes for a Wonderful Holiday Season and New Year,
from Everyone at Capitol Services:**

- *Jean, Todd, Noah, Ben, Cara & Courtney*



MEMO

To: DDA Board of Directors
From: Barry Hicks, Ferndale DDA Executive Director
CC: none
Date: 01/09/2018
Re: **Ferndale DDA/Library Agreement**

At the beginning of 2017, the State enacted legislation that automatically made public library millages exempt from capture by DDAs. There are certain exceptions such as when a DDA has a prior debt obligation (such as a contract, bond, ect.) that allow a DDA to continue to capture the millage until the debt obligation is met.

The State legislation does allow a DDA to continue to capture the Library millage if both parties enter into an agreement. Attached is a proposed agreement which states that both the DDA Board of Directors and the Ferndale Area District Library Board of Directors agrees to allow the Ferndale DDA to continue to capture the same millage rate prior to the legislation enacted by the State.

Capture would be back-dated to July 1, 2017 and funds would be reimbursed to the DDA. The Agreement allows continuation of the DDA capturing a portion of the library millage through June 30, 2019. This covers two full fiscal years. In return, the library is asking for a description of what funding is being used by the DDA for by May 1, 2018. This will allow for the DDA to submit their proposed budget for the next fiscal year in alignment with submission of budget materials to the City of Ferndale and to keep the same fiscal year budget cycle to avoid confusion. In 2019 the agreement would be revisited to discuss continuation.

Recommended Actions

Action #1

To AUTHORIZE the DDA Chairman to sign an agreement with the Ferndale Area District Library allowing for the continuation of library millage capture by the DDA, subject to the terms of the agreement, and subject to minor modification as recommended by the DDA, City, or Library Attorney for effectuation.

Action #2

To DIRECT the Executive Director to submit the agreement on behalf of the Ferndale DDA to the Ferndale Area District Library for consideration.

**AGREEMENT TO SHARE TAX INCREMENT FINANCING REVENUE FROM
THE FERNDALE AREA DISTRICT LIBRARY MILLAGE**

This Agreement is made and entered into this ____ day of _____, 2018 (“Effective Date”) by and between the City of Ferndale Downtown Development Authority (“DDA”) and the Ferndale Area District Library (“Library”). The DDA and the Library are sometimes hereinafter referred to collectively as the “Parties.”

RECITALS

WHEREAS, the DDA was established by the City of Ferndale pursuant to 1975 PA 197, the Downtown Development Authority Act (the “Act”); and

WHEREAS, the DDA had approved a Development Plan and Tax Increment Financing Plan and currently captures Tax Increment Financing (“TIF”) revenues from various taxing jurisdictions; and

WHEREAS, the Library is a taxing jurisdiction and levies a district wide millage for library purposes (“Library Millage”); and

WHEREAS, pursuant to 2017 PA 506, the Library’s millage is now automatically exempt from capture because all obligations of the DDA have been paid; and

WHEREAS, Section 3(3) of the Act authorizes the DDA and the Library to enter into an agreement to allow all or a portion of the Library taxes levied to be included as tax increment revenues and subject to capture; and

WHEREAS, pursuant to Section 3(3) of the Act, the Library desires to enter into an agreement with the DDA to allow all or a portion of the Library Millage to be included as tax increment revenues and subject to capture;

NOW THEREFORE, in order to carry out the intent of the Parties and all Parties providing valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:

1. **Agreement to Share the Library taxes.** The Library, pursuant to Section 3(3) of the Act, agrees to allow a portion of the Library Millage to be included as tax increment revenues and subject to capture. The amount of Library Millage that the Library is sharing with the DDA shall be equal to the amount that the DDA would have received from the Library Millage levy if the DDA was capturing tax increment financing revenue pursuant to the DDA’s approved Plan. (hereinafter referred to as "Amount of Shared Capture"). The Library authorizes the City of Ferndale to capture the Amount of Shared Capture from the Library’s 2017-2018 Library Millage and 2018-2019 Library Millage and disburse the Amount of Shared Capture to the DDA pursuant to the terms of this Agreement.

2. **Use of Amount of Shared Capture.** As a condition of receiving the Amount of Shared Capture identified in paragraph 1 above, the DDA shall provide the Library with a description of the intended uses of the Amount of Shared Capture. Such description shall be attached as Exhibit A to this Agreement. On or before May 1, 2018, the DDA shall provide documentation demonstrating how the Amount of Shared Capture was spent or how the DDA intends to allocate any unspent amounts for both fiscal years.
3. **Term.** The term of this Agreement shall begin on July 1, 2017 and end on June 30, 2019. The only tax levies that the Library is agreeing to share pursuant to paragraph 1 are the July 2017 and July 2018 tax levies.
4. **Integration.** The Agreement sets forth the entire agreement and understanding between the Parties as to the subject matter hereof, and supersedes all prior and/or contemporaneous discussions, representations, amendments, or understandings of every kind and nature between them.
5. **Waiver.** No waiver of any of the obligations contained herein shall be effective for any purpose unless the same shall be in writing signed by a representative of the Library upon its Library Board's approval and signed by the DDA's Chairman or Director upon its Authority Board approval.
6. **Applicable Law.** This Agreement shall be interpreted in accordance with the laws of the State of Michigan.
7. **Severability.** If any provision of this Agreement is found to be invalid or unenforceable, it shall not affect the validity of the balance of this Agreement, which shall remain valid and enforceable according to its terms.
8. **Construction.** This Agreement has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the Parties. This Agreement therefore shall not be construed against any party to this Agreement.
9. **No Third Party Beneficiaries.** This Agreement is not intended to confer upon any person or entity, other than the Parties hereto, any rights or remedies of any kind or nature whatsoever.
10. **Amendment.** This Agreement may not be amended or modified except by written agreement signed by both Parties.
11. **Counterparts.** This Agreement may be executed in several counterparts each of which shall be deemed one and the same Agreement. It shall be binding upon and inure to the benefit of the Parties to it and their respective successors and assigns.
12. **Filing with Clerk.** As required by Section 3(3) of the Act, this Agreement shall be filed with the City of Ferndale Clerk after it is executed.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

**CITY OF FERNDAL DOWNTOWN
DEVELOPMENT AUTHORITY**

By _____
Its: Chairman

Date: _____

FERNDAL AREA DISTRICT LIBRARY

By _____
Its: President

Date: _____