

**MINUTES OF THE MEETING OF THE
COMMUNITY DEVELOPMENT AUTHORITY
HELD IN COUNCIL CHAMBERS ON WEDNESDAY, JULY 9, 2008**

Chairman Przybyla called the meeting to order at 7:34 a.m.

ROLL CALL: PRESENT - Directors John Budnik, Beach Hall, Kevin Lamb, Dennis Meredith, Erik Nadolsky (7:41), Gary Nowak, Tim Pritchard, Mark Slown, and Chairman Jim Przybyla.

ABSENT – Directors Larry Bruski, Bill Hanson, Boyd Haut, and Gwen Stypick.

OTHER PERSONS PRESENT – Deputy Clerk/Treasurer Janice Lemmon.

APPROVAL OF MINUTES:

A motion was made by Director Meredith, seconded by Director Budnik, to approve the minutes of the June 11, 2008 regular meeting as written.

ROLL CALL: Ayes—All, the motion carried.

CITIZENS APPEARING BEFORE THE CDA: None.

REPORT

BILL VALENTINE:

Valentine's report was included in the packet. He stated that he has been working with City Manager Slown on the economic study that will be done with the VSCI grant. Valentine stated the Economic Restructuring Committee did not meet this month due to scheduling conflicts with committee members. They do plan to meet within the next week.

CITY MANAGER

Chairman Przybyla inquired if the City Manager knew if the Tourism Council was planning a salmon tournament this year. City Manager Slown stated he did not know. Slown reported on the following:

* **ASSOCIATE MAIN STREET PROGRAM:** Rogers City has been awarded an associate membership to the Michigan Main Street Program. Governor Granholm has not made the announcement yet.

* **SUNRISE COSTAL COALITION:** Representatives from a group of cities along the Lake Huron coast are organizing and will meet in Harrisville on July 16th. Slown plans to attend.

* **MAYOR EXCHANGE:** The City had a successful Mayor Exchange with the City of St Ignace.

* **CDA DISTRICT CHANGE:** This is still being reviewed by the City Attorney. It will go to City Council at their July 15, 2008 meeting.

* **BECKETT AND RAEDER INVOICE:** Included in the packet was another invoice from Beckett and Raeder, Inc. Slown contacted them and spoke with a new employee who issued the invoice and was not aware of the original agreement the CDA had with Beckett and Rader, Inc. She agreed not to pursue payment.

* **LAKEVIEW PROJECT:** Slown reported that he has not received any additional correspondence to the reply that City Attorney Vogler sent to Federated Properties regarding remediation of the Lakeview properties.

REVIEW AND APPROVAL OF BILLS: None.

UNFINISHED BUSINESS:

BECKETT & RAEDER INVOICE:

This agenda item was discussed under City Manager's report. Discussion took place suggesting sending Beckett and Raeder a letter of explanation that payment will not be made until the property is sold.

CDA RESOLUTION NO. 2008-25

A motion was made by Director Meredith, seconded by Director Nadolsky, to send a letter to Beckett and Raeder with a copy of the original resolution which documents that the CDA is not responsible for paying the invoice until the property is sold.

ROLL CALL: Ayes—All, the motion carried.

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STREET LIGHT PROJECT BUDGET:

Slown stated that the total VSCI Grant is in the amount of \$517,000 and the street light project is approximately \$250,000 of grant money. The City and CDA would seek a bond in the amount of \$300,000. Discussion took place on what would happen if the CDA decided not to proceed with the street light project. Slown explained how the grant has changed regarding the matching fund amount and the proposed budget cuts that would allow the CDA to proceed. There is concern if the CDA can afford these cuts. Slown's estimates were based on bonds at 5.5% interest rate for the amount of \$300,000. The first payment will be in the amount of \$32,000. The payments would continue to decrease after the initial payment. It was suggested to check and see if the bond agreement could be extended to 12 or 15 years instead of a 10-year bond. Some questions arose regarding the increase of \$10,000 projected in the CDA budget. Director Nadolsky asked if this amount was based on before or after the CDA district change. Slown asked City Clerk/Treasurer Heinzl to answer these questions. Heinzl explained that there is no way to tell what figure can be attributed to the changing of the district because she bases her figures from a total. It was decided that the CDA's increase would not greatly affect the change in the district because history shows that changes have consistently been in the US 23 corridor and the downtown area. It was suggested to talk to bond counsel to see if they may submit a 12 and 15 year bond proposals. It was then decided that it would be in the best interest of the CDA to continue to do the project because the CDA could still pull out of the project later if they felt it was necessary.

CDA RESOLUTION NO. 2008-26

A motion was made by Director Nowak, seconded by Director Meredith, to authorize that the City's Bond Counsel be contacted to provide different bonding options in reference to the Street Lighting Project. Cost is not to exceed \$5,000 for this information.

ROLL CALL: Ayes—Directors Budnik, Hall, Lamb, Meredith, Nadolsky,
 Nowak, Pritchard, and Slown.
 Nays—Chairman Przybyla. The motion carried.

NEW BUSINESS: None.

OTHER BUSINESS: None.

ADJOURNMENT:

A motion was made by Director Nadolsky, seconded by Director Budnik, to adjourn the meeting at 8:44 am.

James Przybyla, Chairman

Janice Lemmon,
Recording Secretary