

A meeting of the Downtown Development Authority was held on Wednesday, April 17, 2013 in the Lower Level Conference room, City Hall, 500 W. Big Beaver, Troy, Michigan. Kiriluk called the meeting to order at 7:30 AM.

**Present:** Larry Keisling  
Allan Kiriluk  
Ward Randol  
Dan MacLeish (Depart 8:30am)  
Ernest Reschke  
David Hay  
Albert Papa  
Mayor Dane Slater  
P. Terry Knight  
Arkan Jonna  
Dennis Bostick

**Absent:** Douglas Schroeder  
Earle VanDyke

**Also Present:** Brian Kischnick  
Mark Miller  
Lori Bluhm  
Nino Licari  
Tom Darling  
Glenn Lapin  
R. Brent Savidant

**Minutes**

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**Resolution: DDA-2013-04-01**

Moved by: MacLeish  
Seconded by: Randol

RESOLVED, That the Minutes of the September 19, 2012 regular meeting be approved.

Yeas: 11  
Absent: Schroeder, VanDyke  
Abstain: None

**New Business – DDA Bond Issue (Conceptual Plan)**

City Manager Brian Kischnick presented a conceptual solution to the eminent DDA bonded debt default issue. The presentation was bifurcated to include both a short-term cash infusion aspect as well as a long-term plan to extinguish the debt.

The long term presentation included the consideration of extending the DDA plan, reassess the DDA district by excluding significant under taxable valued properties as compared to the base year, and compel the City of Troy to refinance the debt under the name of the City.

Included in the presentation were recent obstacles to the plan with special emphasis on the recent legislation (PAs 397-408) that exempts Personal Property Tax.

General comments related to the conceptual solution included:

The DDA would not be in this financial crisis if it did not issue bonds related to the Community Center, the Community Center is a City asset and as such the debt service should be paid by the City (offered by Dan Macleish).

The successful implementation of the plan includes a “Team” approach between the DDA Board and City Council as there are implications to both organizations should there be a default on the DDA bonds. (offered by City Manager Kischnick)

The DDA Board should take a non adversarial approach in working with the City Council for a solution. (offered by Mayor Dane Slator)

A “Safety Net” to the City Council should be included in the proposed plan. (offered by Arkon Jonna)

Consideration of interest rates should be included in a proposed plan. (offered by Dennis Bostick)

Consensus was given by the DDA Board directing the City Manager to continue with the conceptual plan and to bring additional details back to the DDA Board in regards to the short term cash infusion aspect of the plan.

**New Business – Development Update (Planning Department Report)**

The DDA Director Mark Miller and R. Brent Savidant, Planning Director, discussed development projects in the Troy DDA District. These included: Fifth Third Bank, Big Beaver Center PUD (formerly the Monarch), Shoppes of Troy, Galleria of Troy and the Big Beaver/Kilmer PUD.

**New Business – Corridor Christmas Lighting**

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DDA Board Chairman Allen Kiriluk presented a conceptual plan to organize a Christmas Tree Lighting event down the Big Beaver Road Corridor. The plan included a family friendly venue that would showcase the City and add value to City residents and businesses alike. Funding for the event would be solicited from local business owners and restaurants.

**New Business – I-75/Big Beaver Road Interchange**

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DDA Board Chairman Allen Kiriluk informed the DDA Board of the completion of plans prepared to provide landscape and landmark construction and improvement to the I75/Big Beaver interchange. In addition, Chairman Kiriluk presented grant information from the Michigan Transportation Alternatives Program (TAP) that could be considered as a possible funding source to assist in the \$3.5 million dollar project.

**New Business – 2013/14 DDA Budget Proposal**

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The DDA Secretary/Treasurer Thomas Darling presented a proposed budget to the DDA Board for consideration. The proposed budget included total revenues of \$222,040 of which \$216,040 were tax captures from the DDA District. Expenditures totaled \$3,372,140 of which \$3,262,870 was related to debt retirement. The proposed budget included the use of debt service reserves of \$3,150,100. The use of reserves would exhaust fund balance and result in a (deficit) fund balance of (\$120,207).

Comments by Mayor Dane Slater included his position that he could not support a budget that indicated a deficit fund balance and the associated default of the DDA bonds.

Consensus of the DDA Board directed management to search for additional financing sources including the request for funding from the Troy City Council during the City's current budget deliberation process.

**Resolution: DDA-2013-04-02**

Moved by: Papa

Seconded by: Keisling

RESOLVED, That the 2013/14 DDA Budget Proposal be postponed to the next DDA meeting.

Yeas: 10

Absent: Schroeder, VanDyke and MacLeish

Abstain: None

**Public Comment**

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None

**Member Comment**

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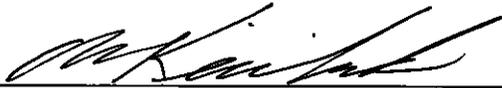
DDA Chairman Kiriluk commented about the upcoming “Troy Traffic Jam” classic car show of all eras. This family friendly event will be held on Sunday August 4, 2013 at the Columbia Center, 201 W. Big Beaver. Admission is free and proceeds from registration fees of vehicle participants will benefit the Troy Historical Society (THS).

**Closed Session**

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None

This meeting was adjourned at 9:18 AM.



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Alan Kiriluk, Chairman



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Thomas Darling, Secretary