

TROY DOWNTOWN DEVELOPMENT AUTHORITY

Meeting Agenda

April 17, 2013
7:30 AM in the Lower Level Conference Room
Troy City Hall
500 West Big Beaver Road, Troy, MI 48084
(248) 524-3330

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes from September 19, 2012
- IV. Old Business
- V. New Business
 - A. DDA Bond Issue
 - B. Development Update
 - C. Corridor Christmas Lighting
 - D. I-75 / Big Beaver Road Interchange
 - E. Discuss Proposed 2013-14 Budget (*Budget Document not included in this packet*)
- VI. Public Comment
- VII. Adjourn

The next regular meeting of the Troy Downtown Development Authority is scheduled for May 15, 2013, this is expected to be cancelled.

Executive Director

A meeting of the Downtown Development Authority was held on Wednesday, September 19, 2012 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
Ernest Reschke
David Hay
Michele Hodges
Janice Daniels
P. Terry Knight
Earle Van Dyke
Harvey Weiss

Absent: Douglas Schroeder (arrived at 7:39pm)

Also Present: Michael Culpepper
Mark Miler
Lori Bluhm
Nino Licari
Tom Darling
Glenn Lapin
Justin Breyer

Minutes

Resolution: DD-12-05

Moved by: MacLeish
Seconded by: Randall

RESOLVED, That the Minutes of the May 02, 2012 regular meeting be approved.

Yeas: 11
Absent: Schroeder
Abstain: None

New Business – Planning Department Report

Mark Miller discussed development projects in Troy. These included: Granite City, 699 W. Big Beaver; the Kilmer PUD, of which the retail component is under construction; and the Big Beaver Center PUD, formerly the Monarch.

Public Comment

NONE

Member Comment

Closed Session

Close Session Started at 7:38 AM

This meeting was adjourned at 9:18 AM.

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DOWNTOWN DEVELOPMENT AUTHORITY

Date: April 10, 2013

To: Troy Downtown Development Authority

From: Brian Kischnick, City Manager
Mark F. Miller, Director of Economic & Community Development

Subject: ESTIMATED TAX CAPTURE WITHIN DDA BASED ON CURRENT PROJECTS UNDER DEVELOPMENT

There are a number of new development projects along Big Beaver that will add to the tax base of the Downtown Development Authority (DDA). These new projects are either (1) Under construction, (2) Received site plan approval but not yet under construction, or (3) In the review/approval process. New projects include the following:

Project Name	Project Description
Fifth Third Bank	3,400 SF bank with detached drive-through
Big Beaver Center PUD	24,000 SF retail building and 3,397 SF bank with drive-through Note: Development also includes 16 residential units not in DDA district
Shoppes of Troy	17,000 SF retail building
Galleria of Troy	Phase 1: 3 buildings along frontage: Carrabba's Italian Grill restaurant, Bonefish Grill restaurant and 8,960 SF retail building. Phase 2: 120 room hotel. Note: Hotel(s) on northern portion of site proposed for Phase 2, no application submitted at this time. Number of rooms is an estimation based on discussion with property owner.
Big Beaver/Kilmer PUD	3 buildings along frontage: 9,607 SF retail building, 7,232 SF retail building and 1,800 SF Tim Horton's restaurant with drive-through Note: Development also includes 14 residential units not in DDA district

The attached Table summarizes the impact of the developments on the tax base within the DDA. The Table will be discussed in detail at the April 11, 2013 DDA meeting. Projected numbers are based on comparables within the existing DDA district, based on City Assessor's 2012 taxable value.

Attachments:

1. Map
2. Table: Estimated Tax Capture Within DDA Based On Current Projects Under Development

Estimated Tax Capture within DDA based on Current Projects under Development

Development Name	Address	Pin	Land Sale	Commercial Sq/ft		Financial / Office Sq/ft	Hotel Rooms	Residential Units	Construction Costs	1993 Base	2012 Value (based on City Assessing Department)	1993 to 2012 Capture (Column L-Column K)	Estimated Taxable Value with New Construction ⁵	2013 Estimated Increase in Taxable Value Based on 2012 Value (Column N-Column L)	2013 Estimated Increase in Taxable Value Based on 1993 Base Value (Column N-Column K)	Notes
				Retail	Restaurant											
Big Beaver PUD ¹	Northeast corner of Big Beaver Road and Alpine	(Formally 88-20-20-402-052, 88-20-20-402-053, 88-20-20-402-054, 88-20-20-402-055) Consolidated 88-20-20-402-056	\$1,433,999	24,000		3,397			\$ 978,552	\$ 487,400	\$ 595,840	\$ 108,440	\$ 821,910	\$ 226,070	\$ 334,510	Construction cost column only includes retail building. Does not include bank
Galleria of Troy ²	Northeast corner of Big Beaver Road and Troy Center Drive	88-20-21-326-008, 88-20-21-326-009	\$5,100,000	8,960	10,923		120			\$ 37,160	\$ 1,287,210	\$ 1,250,050	\$ 1,200,100	\$ (87,110)	\$ 1,162,940	Projected 120 room hotel
5th/3rd Bank ²	2282 W. Big Beaver Road	88-20-20-376-004				3,400				\$ 380,300	\$ 222,390	\$ (157,910)	\$ 222,390	\$ -	\$ (157,910)	
Kilmer PUD ¹	Northeast corner of Kilmer Road and Big Beaver Road	88-20-22-383-007	\$430,751	18,609	1,648				\$ 2,522,000	\$ 170,840	\$ 215,380	\$ 44,540	\$ 837,405	\$ 622,025	\$ 666,565	Construction cost column includes Tim Hortons and Retail Building. Residential portion is outside of DDA
Shoppes of Troy ³	1475 W. Big Beaver	88-20-29-226-073	\$489,402	17,000						\$ 1,609,000	\$ 1,100,450	\$ (508,550)	\$ 765,000	\$ (335,450)	\$ (844,000)	
Totals				68,569	12,571	6,797	0		\$ 2,684,700	\$ 3,421,270	\$ 736,570	\$ 3,846,805	\$ 425,535	\$ 1,162,105		

- 1. Under Construction
- 2. Approved but not under
- 3. Submitted for Approval
- 4. Assumes 3% yearly appreciation once development is completed
- 5. Based on City Assessor's estimated taxable value

**I-75 / Big Beaver
 Preliminary Budget Estimate**

12/8/2008
 GMA T40-081

Estimated Quantity	Unit	Item Description	Unit Cost	Total Cost
Demolition / Site Work				
1	LS	Traffic Signage (arrows / sign boards)	\$ 40,000.00	\$ 40,000.00
1	LS	Mobilization	\$ 25,000.00	\$ 25,000.00
Allowance	LF	Silt Fabric Fence		\$ 10,000.00
15	EA	Inlet Filters	\$ 60.00	\$ 900.00
600	LF	Fence Removal @ Bridges	\$ 10.00	\$ 6,000.00
Allowance	AC	Prep work for meadow/fine lawns (spray, disc, york rake)		\$ 20,000.00
1	LS	Mass Grading	\$ 75,000.00	\$ 75,000.00
2,555	SY	Sidewalk Demolition / Removal	\$ 10.00	\$ 25,550.00
1	LS	Utility Adjustments	\$ 10,000.00	\$ 10,000.00
720	LF	Storm Pipes for Enclosed Ditches	\$ 45.00	\$ 32,400.00
6	EA	Storm Structures for Enclosed Ditches	\$ 1,100.00	\$ 6,600.00
1	LS	Sanitary Sewer ReAlignment (2 str + 220 lf)	\$ 12,000.00	\$ 12,000.00
<i>Permits</i>				
1	LS	MDOT	\$ 2,500.00	\$ 2,500.00
1	LS	RCOC	\$ 5,000.00	\$ 5,000.00
1	LS	OCDC	\$ 2,500.00	\$ 2,500.00
<i>Demolition / Site Work Subtotal:</i>				\$ 273,450.00
Hardscape				
21,880	SF	Sidewalks	\$ 4.00	\$ 87,520.00
576	SF	Barrier Free Ramps (Truncated Domes)	\$ 8.00	\$ 4,608.00
<i>Hardscape Subtotal:</i>				\$ 92,128.00

Estimated Quantity	Unit	Item Description	Unit Cost	Total Cost
Ponds				
2	EA	Wells	\$ 20,000.00	\$ 40,000.00
2	EA	Aerator Fountains and electrical service	\$ 20,000.00	\$ 40,000.00
11,500	SY	12" Thick Pond Liner (Blue Clay)	\$ 15.00	\$ 172,500.00
<i>Ponds Subtotal:</i>				\$ 252,500.00
Landscape				
8,600	CY	Redistribute 4" Topsoil from Stockpile	\$ 5.00	\$ 43,000.00
38,600	SY	Fine Grade / Meadow Seed Mix	\$ 0.75	\$ 28,950.00
39,600	SY	Fine Grade / Cut Lawn Seed Mix	\$ 0.50	\$ 19,800.00
1	LS	Irrigation System (including booster pumps @ ea pond)	\$ 150,000.00	\$ 150,000.00
<i>Landscape Subtotal:</i>				\$ 241,750.00
Landscape Plantings				
Deciduous Trees				
155	EA	3 Gal. RPM (10%)	\$ 40.00	\$ 6,200.00
233	EA	1.5" Cal. (15%)	\$ 215.00	\$ 50,095.00
465	EA	2" Cal. (30%)	\$ 270.00	\$ 125,550.00
465	EA	3" Cal. (30%)	\$ 400.00	\$ 186,000.00
155	EA	4" Cal. (10%)	\$ 600.00	\$ 93,000.00
77	EA	5" Cal. (5%)	\$ 950.00	\$ 73,150.00
<i>Landscape Plantings - Deciduous Tree Subtotal:</i>				\$ 533,995.00

<u>Estimated Quantity</u>	<u>Unit</u>	<u>Item Description</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Evergreen Trees				
130	EA	4' / 6' ht. (20%)	<u>\$ 175.00</u>	<u>\$ 22,750.00</u>
260	EA	6' / 8' ht. (40%)	<u>\$ 275.00</u>	<u>\$ 71,500.00</u>
194	EA	8' / 10' ht. (30%)	<u>\$ 375.00</u>	<u>\$ 72,750.00</u>
32	EA	10' / 12' ht. (5%)	<u>\$ 525.00</u>	<u>\$ 16,800.00</u>
32	EA	12' / 14' ht. (5%)	<u>\$ 725.00</u>	<u>\$ 23,200.00</u>
<i>Landscape Plantings - Evergreen Tree Subtotal:</i>				\$ 207,000.00
Street Trees				
258	EA	4" Cal. Street Trees	<u>\$ 600.00</u>	<u>\$ 154,800.00</u>
<i>Landscape Plantings - Street Tree Subtotal:</i>				\$ 154,800.00
Icon Plantings				
180	EA	Shrubs at 30" o.c.	<u>\$ 35.00</u>	<u>\$ 6,300.00</u>
80	CY	Plant Mix	<u>\$ 35.00</u>	<u>\$ 2,800.00</u>
13	CY	Mulch	<u>\$ 45.00</u>	<u>\$ 585.00</u>
<i>Landscape Plantings - Icon Planting Subtotal:</i>				\$ 9,685.00
Maintenance and Warranty (2 years)				
Allowance	YR	Watering, Cultivation, Turf Maintenance		<u>\$ 40,000.00</u>
<i>Landscape Plantings - Maintenance Subtotal:</i>				\$ 40,000.00
Site Features				
Screen Panels				
Allowance		Decorative Infill Panels		<u>\$ 500,000.00</u>
Allowance		Panel Infill and Bridge Understructure Uplights		<u>\$ 275,000.00</u>

Estimated Quantity	Unit	Item Description	Unit Cost	Total Cost
		Guard Rail		
182	LF	Decorative Metal Fence	\$ 90.00	\$ 16,380.00
Allowance		Aluminum Guard Rail Barriers		\$ 50,000.00
		Gateway Icons		
4		Masonry	\$ 70,000.00	\$ 280,000.00
4		Foundations	\$ 9,500.00	\$ 38,000.00
4		Cap/Shroud and Poles	\$ 44,000.00	\$ 176,000.00
8		Icon Uplighting		\$ 80,000.00
			<i>Site Features Subtotal:</i>	\$ 1,415,380.00
			<i>Project Subtotal:</i>	\$ 3,220,688.00
			<i>10% Contingency:</i>	\$ 322,068.80
			<i>Project TOTAL:</i>	\$ 3,542,756.80



Competitiveness and Eligibility Details

What types of projects are competitive for TAP funding?

Facilities for Pedestrians and Bicyclists

- *Pedestrian and bicycle facilities, including nonmotorized paths, that:*
 - connect and develop documented regional or statewide nonmotorized transportation networks.
 - are appropriate for the need and user types targeted.
 - benefit state tourism or economic development initiatives.
 - if locally significant, have strong transportation connection and involve planning efforts or serve as connectors to regional networks.
 - are a priority on MDOT, county or regional nonmotorized transportation plans.
 - address documented safety deficiencies.
 - are part of a broader non-Transportation Enhancement or TAP funded nonmotorized system.
- *Nonmotorized amenities that increase usability of nonmotorized facilities.*
- *Streetscape improvements that:*
 - are located in established traditional downtowns or historic districts.
 - use a creative design approach that enhances pedestrian safety and takes into account the community identity, history, context, and the human environment.
 - accomplish multiple goals (traffic calming, pedestrian safety, tied with other initiatives, water quality improvements, etc.).
 - receive input and support from citizens, local businesses, economic developers, traffic engineers, historians, etc.

Turnouts, Overlooks, and Viewing Areas

- *Projects that:*
 - provide views of the Great Lakes or highly unique and scenic areas, and/or provide a benefit to state tourism.

Historic Preservation and Rehabilitation of Transportation Facilities

- *Historic preservation projects that:*
 - enhance National Register-listed historic districts, locally designated districts or National Heritage Areas.
 - preserve original property in place (certain bridges designed to be moved are an exception).
 - promote cultural tourism.

Environmental Mitigation Activities

- *Water quality projects that:*
 - will have a positive effect on important watersheds or water bodies with sensitive fisheries or that are not attaining the state water quality standards.
 - include monitoring after implementation or projections of water quality improvement.
 - are consistent with a local watershed management plan.
 - include an inspection and maintenance schedule.

Other Eligible Activities

- *For information on the Safe Routes to School Program, go online at www.saferoutesmichigan.org.*
- *Other eligible activities defined in MAP-21 but not specifically listed here are generally not competitive. Consideration will be given in certain circumstances where significant benefit to the state is demonstrated.*

* **Important note:** These details about competitiveness and eligibility pertain only to the \$16.5 million of TAP funding available per year through the competitive process administered by MDOT. \$6.5 million is available per year through competitive grant processes administered by metropolitan planning organizations (MPOs) in urban areas with populations greater than 200,000. For applicants in those areas, please consult with the MPOs for competitiveness and eligibility details.

Competitiveness and Eligibility Details



What other factors make a project competitive for TAP funding?

Financial factors

- realistic expectations and cost
- a high level of overmatch (40 percent and higher, ability to pay is considered).
- non-participating work that is determined to be a benefit to the TAP project

Public input

- project identified as a result of a community's Complete Streets stakeholder involvement process
- project receiving a high level of public input from multiple partners

Coordinated efforts

- project supporting a community's Complete Streets policy, is on a designated state or national scenic byway, or is part of a statewide initiative, such as placemaking, statewide trail connectivity, or tourism efforts
- paired with other infrastructure work
- part of an economic development or community improvement initiative

Constructability

- project design will utilize industry design standards and can obtain all necessary permits and approvals

Maintenance factors

- strong maintenance plan that includes tasks, schedule, cost, source of maintenance funding, and responsible parties

Previous Transportation Enhancement (TE) and TAP funding

- lower-than-average per capita TE and TAP investment in prior years
- timely implementation and appropriate maintenance on previous projects

What items are ineligible for TAP funding?

Eligible costs are those costs determined by federal TAP guidance and by MDOT to be consistent with achieving the intention of eligible categories set forth in the federal law. To enable limited TAP funds to support more projects, some project development costs are considered ineligible by MDOT, but may meet federal eligibility. MDOT usually considers the following costs to be ineligible for funding:

- Construction engineering
- Construction extras and cost overruns
- Design engineering
- Environmental clearance and mitigation (except for water quality)
- Permit cost
- Project administration

Various project elements also deemed ineligible for funding include the following:

- Annual plantings
- Banners
- Building facades (except for historic transportation buildings)
- Burying utility lines
- Clock towers
- Curb and gutter (negotiable in a water quality project)
- Decorative fountains
- Decorative street signs
- Electrical for tree lighting
- Flag poles
- Irrigation
- Items required as federal-aid project mitigation (except for water quality)
- Public art
- Speaker systems
- Landscaping of property (as opposed to road right of way)
- Wayfinding primarily for vehicular use
- Welcome signs

* **Important note:** It is highly recommended that you contact a grant coordinator at 517-335-1069 to discuss your proposed project before filling out a grant application. For more information, please visit www.michigan.gov/tap.

For many projects, these ineligible costs may be characterized as non-participating costs.