Downtown Development Authority Minutes – Final May 15, 2013

A meeting of the Downtown Development Authority was held on Wednesday, May 15, 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:	Dennis Bostick	
	Arkan Jonna	
	Larry Keisling	
	Allan Kiriluk	
	Dan MacLeish	
	Ward Randol	
	Ernest Reschke	
	Douglas Schroeder	
	Mayor Dane Slater	
Absent:	David Hay	
	P. Terry Knight	
	Albert Papa	
	Earle VanDyke	
Also Present:	Lori Bluhm	
	Tom Darling	
	Brian Kischnick	
	Glenn Lapin	
	Nino Licari	
	Mark Miller	
	R. Brent Savidant	

Minutes

Resolution: DDA-2013-05-03

Moved by: MacLeish
Seconded by: Bostick

RESOLVED, That the Minutes of the April 17, 2013 regular meeting be approved.

Yeas: All
Absent: David Hay, P. Terry Knight, Albert Papa, Earle VanDyke

New Business – Troy Downtown Development Authority Improvement Plan

City Manager Brian Kischnick presented a bond concept plan. The presentation showed that the tax capture does not meet debt requirements. The plan created a tax capture by restructuring the district and issues a new debt under the city.

The presentation reviewed the DDA History of the Ordinance and included a summary of the borrowing of insurance.

This new plan would eliminate more parcels and would not need a short term cash infusion (parking structure).

Included in the presentation was a safety net of the parking structure and the ability to levy two mills. It is necessary to amend the plan by eliminating parcels. This amendment would lower the base value in order to achieve greater capture. The plan would issue a new debt within 20 years.

Under review were the cash flow projections including capture and bond parts. Additionally, the process to amend the plan was under review, including a discussion with the County, OCCC, and the Council.

The process to amend the plan will take an estimated 100 days. It will concurrently take 90-100 days to issue debt.

There was a discussion on the consequences of new construction such as the possibility of losing capture. It can come back if accepted by the County: OCCC.

There was also a discussion on the possibility of lower interest rates.

Kiriluk reviewed the process. Suggestions:

a) Review plan
b) DDA approve plan
c) Go through amending plan
d) Re-issue debt

Jonna questioned the on viability of a 1% increase in property values.

Recommend Plan to City Council as recommended by Brian Kischnick.

Resolution: DDA-2013-05-04

Moved by: Reschke
Seconded by: MacLeish

RESOLVED, That the Bond Plan be presented to City Council as recommended by Brian Kischnick.

Yeas: All
Absent: David Hay, P. Terry Knight, Albert Papa, Earle VanDyke

New Business – Approval of the 2013-14 Budget

Resolution: DDA-2013-05-05

Moved by: Randol
Seconded by: Bostick

RESOLVED, That the Troy Downtown Development Authority approves the Budget for Fiscal Year 2013-14.

Yeas: All
Absent: David Hay, P. Terry Knight, Albert Papa, Earle VanDyke

Public Comment

None

Member Comment

None

Closed Session

None

This meeting was adjourned at 8:19 AM.

Alan Kiriluk, Chairman

Thomas Darling, Secretary

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