

**CITY OF BELLEVILLE
DOWNTOWN DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA**

**Wednesday, March 16, 2022 6:00 pm (EST)
Belleville City Hall—Council Chambers
6 Main Street, Belleville, MI 48111**

Join Zoom Meeting

<https://us02web.zoom.us/j/81772206628?pwd=SmJZVUdMNmsvSTdzWnV2VmxCREVQdz09>

Meeting ID: 817 7220 6628

Passcode: 377711

One tap mobile

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Find your local number: <https://us02web.zoom.us/j/kc06OrEtDm>

1. Pledge of Allegiance and Moment of Silence

2. Roll Call

Denise Baker – Secretary

Valerie Kelley-Bonner

Jim Chudzinski – Vice Chair

Mayor Kerreen Conley

Alicia McGovern - Chair

Kelly McWilliams

Sabrina Richardson-Williams – Treasurer

Jennifer Winter

Determination of Quorum and Status of Absent Members

3. Citizen Comments, Non-Agenda Items

4. Approval of and/or Changes to the Agenda

5. Approval of Meeting Minutes

– February 16, 2022 Regular DDA Meeting

– March 9, 2022 Special DDA Meeting

6. General Business

A. DDA-City Maintenance Agreement

B. Resolution-Pledging Tax Increment Revenues for 2022 Refunding Bonds

C. Purchasing Policy

D. Main Street Relining Proposal
E. 4th Street Electrical Project

- 7. Director's Report**
- 8. Treasurer's Report and Accounts Payable**
- 9. Chair and Board Member Comments**
- 10. Citizen Comments**
- 11. Action Items for Next Regularly Scheduled Meeting**
- 12. Adjournment**

City of Belleville
Downtown Development Authority
Meeting Minutes
Wednesday, February 16, 2022 (Belleville City Hall)

The Regular Meeting of the Belleville DDA was called to order at 6:00 pm by Chair Alicia McGovern.

1) PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

2) ROLL CALL:

Denise Baker	Present	Kelly McWilliams	Present
Jim Chudzinski	Present	Sabrina Richardson-Williams - Treasurer	Present
Mayor Kerreen Conley	Present	Jennifer Winter	Present
Valerie Kelley-Bonner	Present		
Alicia McGovern - Chair	Present		

3) CITIZEN COMMENTS, NON-AGENDA ITEMS

Tom Fielder: Commented on problems with legalized recreational marijuana in other states. There have occurrences of marijuana being laced with fentanyl.

4) APPROVAL OF THE AGENDA

Motion to approve the agenda with the addition of items D & E under General Business by Sabrina Richardson-Williams. Second by Jennifer Winter.

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED

5) APPROVAL OF JANUARY 19, 2022 REGULAR MEETING MINUTES

Motion to approve the regular meeting minutes by Sabrina Richardson-Williams. Second by Valerie Kelley-Bonner.

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED

6) GENERAL BUSINESS

A. CBC FUNDING REQUEST:

Motion to approve the CBC funding request made by Sabrina Richardson-Williams. Second by Valerie Kelley-Bonner.

Roll Call Vote: 8 Ayes, 0 Nays. MOTION CARRIED

B. BACC FUNDING REQUEST-LAKEFEST:

Motion to approve the funding request from BACC for Lakefest made by Sabrina Richardson-Williams. Second by Valerie Kelley-Bonner

Roll Call Vote: 8 Ayes, 0 Nays. MOTION CARRIED

Following discussion about a previous requirement for the organizers of Lakefest to form a 501c3, a Motion to rescind the funding request from BACC for Lakefest was made by Kelly McWilliams. Second by Sabrina Richardson-Williams.

Roll Call Vote: 8 Ayes, 0 Nays. MOTION CARRIED

Kelly McWilliams disclosed to the DDA Board that she may have a conflict of interest as she is also a member of the Belleville Area Chamber of Commerce. Upon discussion, the Board determined that there was no financial benefit to Kelly McWilliams on any action pertaining to Lakefest, there was no conflict of interest. Motion to waive the conflict of interest made by Jennifer Winter. Second by Jim Chudzinski.

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED

Motion made by Mayor Conley to approve the funding request for Lakefest contingent upon the establishment of a 501c3 by the organizers. Second by Jennifer Winter.

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED

C. BACC FUNDING REQUEST-WINTERFEST:

Motion to approve the BACC funding request for Winterfest made by Jim Chudzinski. Second by Kelly McWilliams.

Roll Call Vote: 8 Ayes, 0 Nays. MOTION CARRIED

D. DDA DIRECTOR PURCHASING THRESHOLD:

Motion to approve a \$5,000 spending threshold by the DDA Director made by Jim Chudzinski. Second by Sabrina Richardson-Williams. The Board directed DDA Director McLean to develop a comprehensive policy regarding purchasing thresholds for the next meeting.

Roll Call Vote: 8 Ayes, 0 Nays. MOTION CARRIED

E. LANDSCAPE MAINTENANCE CONTRACT AWARD:

Motion to award a three-year contract for landscape maintenance and mulch application to Pioneer Landscaping made by Sabrina Richardson-Williams. Second by Kelly McWilliams

Roll Call Vote: 8 Ayes, 0 Nays. MOTION CARRIED

7) DIRECTOR'S REPORT

Deputy City Manager McLean discussed the necessity for the restriping of Main Street. Street markers and parking spaces are in need of restriping. Mr. McLean stated there would be quotes to be presented on the March 2022 agenda.

8) TREASURER'S REPORT AND ACCOUNTS PAYABLE

Sabrina Richardson-Williams presented the payables report and asked the Board to approve payables in the amount of \$2,520.00.

Motion to approve the payables by Sabrina Richardson-Williams. Second by Jim Chudzinski.

Roll Call vote: 8 Ayes, 0 Nays. MOTION CARRIED.

9) CHAIR AND BOARD MEMBER COMMENTS

Chudzinski: Informed the DDA Board that there may be a winter storm coming in the second half of the week.

McWilliams: Commented on electrical work that needs to be completed in 4th Street Square.

Kelley-Bonner: Stated she may have to miss the regularly scheduled meeting in March

Richardson-Williams: Commented that no major projects were identified during the February 10 Strategic Planning session.

McGovern: Commented that she was grateful for citizen input. Requested that the DDA hold a Special meeting on Wednesday, March 9 at 6PM.

Motion to schedule a special meeting on Wednesday, March 9 at 6PM made by Jennifer Winter. Second by Jim Chudzinski

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED.

10) CITIZEN COMMENTS

Tom Fielder: Commented that the funding of Public Safety services for public events should be decided by the City Council.

Motion to adjourn at 7:22 pm made by Sabrina Richardson-Williams. Second by Jennifer Winter.

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED

Respectfully submitted,

Timothy McLean
Deputy City Manager/DDA Director
Downtown Development Authority

Approved:

City of Belleville
Downtown Development Authority
Special Meeting Minutes
Wednesday, February 16, 2022 (Belleville City Hall)

The Special Meeting of the Belleville DDA was called to order at 6:00 pm by Chair Alicia McGovern.

1) PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

2) ROLL CALL:

Denise Baker	Present	Kelly McWilliams	Present
Jim Chudzinski	Present	Sabrina Richardson-Williams - Treasurer	Present
Mayor Kerreen Conley	Present	Jennifer Winter*	Present
Valerie Kelley-Bonner	Absent		
Alicia McGovern - Chair	Present		

*Jennifer Winter arrived at 6:05PM

3) APPROVAL OF THE AGENDA

Motion to approve the agenda by Mayor Conley. Second by Jim Chudzinski.

Voice Vote: 6 Ayes, 0 Nays. MOTION CARRIED

4) GENERAL BUSINESS

A. AUDIT PRESENTATION—PLANTE MORAN:

Accountant Kelly Howey from Plante Moran presented the DDA portion of the annual audit. The auditors issued an unmodified opinion; which is the “gold standard” for a municipal audit.

B. DDA/CITY MAINTENANCE AGREEMENT:

Director McLean presented the proposed changes to the maintenance agreement between the DDA and the City. The proposed changed would increase payments back to the City for services performed in the DDA district, and administrative services to the DDA provided by the City.

The DDA Board requested that language be added to the proposed new maintenance agreement stating that there would be monthly reporting on work completed in the DDA district by the Department of Public Works.

The DDA reached a consensus about the proposed changes to the maintenance agreement. Director McLean stated that approval of the new maintenance agreement would be the first order of business for the March 16, 2022 DDA Meeting.

City Manager/Police Chief Robinson stated he would incorporate final revisions to the proposed maintenance agreement.

C. 2022 PROJECTS DISCUSSION:

The DDA Board discussed projects for 2022. Some of the projects included electrical work in 4th Street Square/Place, restriping of Main Street from E. Huron River Dr. to Liberty, and looking into the potential for grants with DTE for a charging station for electric vehicles.

5) CITIZEN COMMENTS

Rosemary Otzman: Commented on recent action taken by the Library Board relative to the library millage.

Tom Fielder: Requested that the DDA maintain the format of having Citizen Comments on Agenda Items and Citizen Comments for non-Agenda items for future meetings.

Motion to adjourn at 7:09 pm made by Jennifer Winter. Second by Jim Chudzinski.

Voice Vote: 8 Ayes, 0 Nays. MOTION CARRIED

Respectfully submitted,

Timothy McLean
Deputy City Manager/DDA Director
Downtown Development Authority

Approved:



TO: Downtown Development Authority Board
FROM: Tim McLean, Deputy City Manager/DDA Director
DATE: March 3, 2022
RE: Maintenance Agreement

The current Maintenance Agreement is set to expire on June 30, 2022. The City Manager has worked with Administration to identify a list of services performed for the DDA by the City. A comprehensive list of those services is identified in bullet points in the attached document ***City of Belleville/Belleville DDA Maintenance and Service Provider Agreement***. This includes work performed by the Department of Public Works. Administrative Services, Tax Roll Preparation, Liability and Property Insurance, the annual outside audit, and Financial/Accounting services.

City Administration has worked with Accountant Kelly Howey of Plante Moran to review the associated costs to provide all of these services for the DDA. It has been determined that the costs to provide the current level of service to the DDA exceed the current amounts being paid back to the City for those services. In order to maintain current service levels, the DDA the payment levels back to the City must be increased.

The current Maintenance Agreement has been in effect since 2017. Since 2017, the level of service that the City of Belleville provides to the DDA has not changed. However, the percentage of property tax revenue contributed from the DDA to the City to perform those services has decreased in each year of the agreement. Additionally, the cost to perform those services has increased.

To sustain current and enhanced service levels, the City has proposed the necessary increases to cover the costs of providing those services. Accountant Kelly Howey has reviewed the proposed cost increases and has confirmed that these increases are necessary to maintain existing service levels.

At the Special Meeting on March 9, the DDA Board had an opportunity to discuss changes to the agreement. A number of questions were posed to Accountant Kelly Howey. The DDA reached a consensus that language be added to the Maintenance Agreement stating that there would be monthly reporting on work completed in the DDA district by the Department of Public Works.

Final revisions to the proposed Maintenance Agreement have been incorporated based on feedback from the DDA Board. If approved, the duration of the new Maintenance Agreement would be three years. It is my recommendation that the DDA Board please consider a motion to approve the proposed Maintenance Agreement between the City and DDA as presented.

ATTACHMENT:

- City of Belleville/Belleville DDA Maintenance and Service Provider Agreement

**BELLEVILLE DOWNTOWN DISTRICT
MAINTENANCE AND SERVICE PROVIDER AGREEMENT**

This Maintenance and Service Provider Agreement ("Agreement") is made effective this 21st day of March, 2022, by and between the **CITY OF BELLEVILLE**, a Michigan Home Rule City, whose address is 6 Main Street, Belleville, Michigan 48111 ("City") and the **CITY OF BELLEVILLE DOWNTOWN DEVELOPMENT AUTHORITY**, a public body corporate organized pursuant to Act 197 of the Michigan Public Acts of 1976, as amended, whose address is 6 Main Street, Belleville, Michigan 48111 ("DDA"); collectively referred to herein as the "Parties".

RECITALS

WHEREAS, Public Act 197 of 1975, MCL 125.1651, *et seq.*, as amended, authorizes the DDA to improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building and any necessary or desirable appurtenances to that property, within the Downtown District for the use of any public corporation; and,

WHEREAS, the Parties entered into an agreement for the provision of such services on March 14, 2005, which was further last amended by an agreement dated November 6, 2017; and

WHEREAS, the Parties now wish to enter a successor agreement to terminate and replace that amended agreement through the execution of this Agreement; and

WHEREAS, the DDA desires City-provided services as further set forth in this Agreement; and,

WHEREAS, the City wishes to provide the services as further set forth in this Agreement for fair and reasonable consideration; and

WHEREAS, the Parties wish to confirm their agreement in writing, and affirm they are duly authorized by their respective party to enter into and execute this Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, it is mutually agreed by and between the Parties as follows:

1. Scope of Services The City agrees to perform for the DDA the services listed in the Scope of Services section of Exhibit A, attached hereto and incorporated herein.

2. Standards of Performance

In undertaking the performance of this Agreement, the City represents that it is qualified to perform all services agreed upon herein, and warrants that it will do so in compliance with standards as may reasonably expected from a professional private firm in that field.

3. No Inconsistent Restrictions

The City represents and warrants to the DDA that the City is under no contractual or other restrictions or obligations which are inconsistent with the execution of this Agreement. The City represents and warrants that the

execution and performance of this Agreement will not violate any policies or procedures of any other person or entity for which the City performs services concurrently with those performed herein.

4. Compliance with Regulations

The City shall comply with all business conduct, regulatory, and health and safety guidelines established by federal, state, or local law, in the performance of this Agreement.

5. Payment and Invoice Process

The DDA shall pay the amounts set forth in Exhibit B hereto, and pursuant to receipt of a proper invoice provided by the City.

6. No Third Party Contractual Obligation to DDA

In the performance of this Agreement, the City may from time to time enter employment or other contractual relationships for the completion of services. Any and all such relationships shall be those of the City, and shall not confer upon any party a contractual, employment, or any other form of relationship with the DDA; further, the City shall indemnify and defend the DDA from any and all such claims.

7. Additional Work Requests and Payment

The DDA may request additional work to be performed on a one-time, time-to-time, or ongoing basis as an additional service under this Agreement. Such requests shall be made in writing to the City. Thereafter, the City may, at its discretion, provide a written estimate for the requested work. The City may

only commence said work after written acceptance of the estimate made by the DDA, for which the DDA will remit payment to the City with receipt of a proper invoice and as set forth in Exhibit B.

8. Audit of Insurance and Electricity Cost Sharing

The Parties agree to conduct an audit of the percentage split of Insurance and Electricity as provided for herein, the nature of which will be agreed upon by the Parties. The Parties agree to equally share costs reasonably incurred in obtaining these audits.

9. Force Majeure

Neither party shall be liable for damages hereunder for any delay or failure to perform pursuant to this Agreement if such delay or failure arose out of causes beyond the respective party's reasonable control and without their fault or negligence.

10. DDA Covenant

The DDA agrees not to recommend any amendment to the DDA Plan that would diminish the DDA's responsibility to render payment to the City for Reimbursements owed pursuant to Section 8 of this Agreement and City Advances owed pursuant to Section 6 of this Agreement without the prior consent of the City.

11. City Covenant

The City agrees that pursuant to Section 15(2) of Act 197 of the Michigan Public Acts of 1975, as amended, MCL 125.1665(2), the City will not abolish Ordinance 86-245, as amended, which was subsequently codified at Section 38

“DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN” in Article II “DOWNTOWN DEVELOPMENT AUTHORITY” in Chapter 22 “COMMUNITY DEVELOPMENT” in the Code of Ordinances of the City of Belleville, until the principal of, and interest on, the bonds issued have been paid or fund sufficient to make the payment have been segregated.

12. Term

This Agreement shall be for a term of three (3) years that will begin on July 1, 2022, and will expire on June 30, 2025. Thereafter, this Agreement shall extend for an additional period of three (3) years, from July 1, 2025 to June 30, 2028, unless either party gives written notice to the other party of their intent to terminate said extension no later than January 1, 2025. Additionally, either party may terminate this Agreement by giving written notice to the other party not less than six (6) months from the intended date of termination.

13. Governing Law and Venue

This Agreement and any disputes hereunder shall be construed in accordance with the laws of the State of Michigan, unless such laws would direct the application of the laws of a different jurisdiction. Venue for any suit hereunder shall be a court of competent jurisdiction located within the State of Michigan.

14. Indemnity

In addition to any other indemnity set forth herein, the City shall indemnify and hold harmless the DDA from and against all injuries, liabilities, losses, damages, costs and expenses directly or indirectly incurred or suffered

by the DDA, its officers, employees or authorized agents as a result of any and all actions, proceedings, claims or demands brought or made against the DDA that relate to work performed by the City pursuant to this Agreement.

15. Attorney Fees

The DDA and the City shall be responsible for their own attorney fees in reviewing this Agreement before it is executed and enforcement of this Agreement after it is executed.

16. Assignment

This Agreement shall not be assigned by the City or the DDA.

17. Binding Effect

This Agreement shall be binding upon the City and the DDA and all successors and assigns of thereof.

18. Severability

If any provision of this Agreement for any reason and to any extent be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

18. Construction

This Agreement has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the parties hereto. This Agreement therefore shall not be construed against any party to this Agreement.

19. Non-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 the City and the DDA.

20. Integration

This 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 the parties.

21. Modification

This Agreement shall not be modified, altered, or amended except through a written amendment signed by the City and DDA.

22. Notice

Any notice required or permitted under this Agreement or under state law shall be deemed sufficiently given or served the next business day if sent by United States certified mail, return receipt requested or by overnight courier, addressed as follows:

If to City:

City of Belleville
Attn: City Manager
City Clerk
6 Main Street
Belleville, Michigan 48111

If to DDA:

City of Belleville DDA
Attn: DDA Administrator
DDA Chairperson
6 Main Street
Belleville, Michigan 48111

23. 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.

24. Contingency

This Agreement is contingent upon the City issuing bonds to defray the cost of the DDA Projects, and nothing contained in this Agreement shall require the DDA to reimburse or pay the City if the DDA Projects are not constructed and bond are not issued.

25. Captions and Bylines

The captions and bylines used in this Agreement are for the convenience of reference only and in no way define, limit or describe the scope of intent of any provision of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement with all necessary approval(s) on the date first above written.

WITNESSED:

City of Belleville

BY: _____
Kerreen Conley, Mayor

BY: _____
Briana Hootman, Clerk

WITNESSED:

City of Belleville DDA

BY: _____

Alicia McGovern, Chairperson

BY: _____

Timothy McLean, DDA Administrator

N:\Belleville DDA\DDA Maintenance and Service Provider Agreement 2022.docx

EXHIBIT A

The following services will be performed by the City in the DDA District:

DPW District Service:

- Hire and supervise all employees conducting services in the DDA district
- Maintain all equipment necessary for servicing the DDA district
- Street sweeping in accordance with the City's operating policy.
- Snow removal of public streets, public park sidewalks and parking lots (as negotiated by the parties, and municipal parking areas, as needed).
- Removal of litter, garbage, rubbish containers, and other debris from public areas (weather permitting).
- Streetscape weed prevention treatments and weed pulling, as needed.
- Zoning review – all businesses in district
- Pre-construction meetings – work with engineers, review plans for all DDA projects
- Plan reviews – business in district
- Facilitate permits and inspections in each phase of build out in all new businesses and renovations – mechanical, electric, signage, etc..
- Facilitate Planning Commission meetings on all projects in the DDA
- Certificate of Occupancy Inspections
- Ordinance enforcement
- Assist DDA Director
 - Locating and dealing with contractors for DDA
 - Fountain Contractor
 - Boat launch and store kayak launch at DPW
 - Schedule street light repair with electrician
 - Contact county on cross-walks and county lighting
 - Contact and coordinate prices with contractors for repairs to street scape, masonry, fences
 - Review and input on all DDA RFP's for contractors
- Assemble and place Benches and Trash Cans
- Order, replace, and install all DDA signage
- Provide a Truck for DDA Flower watering and supervise watering employee
- Provide all Water and Sewer maintenance in DDA district
- Provide all trash removal and clean up in DDA district – daily

****City agrees to provide a monthly synopsis of services provided**

Administrative Services:

- DDA Director – 40% of time dedication of the City Deputy Administrator
- Complete IT services, equipment, supplies for DDA director and employees who provide services in the DDA district
- Hire and supervise all employees conducting services in the DDA district

- Processing of payroll, benefits, payroll tax filings for DDA director and employees who provide services in the DDA district
- Preparing and processing checks and EFT's for all DDA transactions
- Receipting, processing, and preparing bank deposits for collection of taxes on approximately 630 parcels in the DDA district
- Water meter repair, replacement, reading, processing, mailing, payment receiving, deposits for all Water meters in the DDA.
- City Clerk's supervision of employees who handle DDA transactions
- Responding to public's concerns for issues within the DDA district
- Allocation of invoices between city and DDA (e.g. supplies, utilities, insurance, repairs)

Tax Roll Assessment Services:

- Preparation of summer and winter tax bills for approximately 630 DDA parcels. 35% of overall property tax revenue.
- Adjust DDA properties throughout the year for property sales (uncapping), veteran exemptions, PRE's
- Administration of board of reviews and tax tribunals

Annual Audit:

- Services Provided by Plante Moran
- Services Provided by Alan C Young

Liability and Property Ins Coverage:

Finance Director Services:

- Preparation of monthly DDA bank reconciliation
- Review of monthly DDA investment statement
- Calculation of allocation of DDA tax captures from city, county, jail, parks, HCMA, WCCC, and library
- Preparation of DDA tax distributions (every 2 weeks during winter and summer tax cycles)
- Annual property tax settlement with the county
- Preparation of DDA budget and amendments, as necessary (on city's ledger)
- Calculation of annual DDA prepaid expenditures, accruals, and accounts payable
- Allocation of street lighting invoices to DDA district
- Allocation of DDA director salary and benefits
- Preparation of debt service payments

The following services will be contracted by the DDA:

- Grass cutting and associated landscaping services in all city parks
- Weed preventative and fertilizer in all city parks
- Flowers planted within the greenspaces within the DDA District

- Main street hanging flower baskets
- Pond maintenance – aeration/fountains
- Kayak Launch/Boardwalk maintenance

EXHIBIT B

BASIS AND RATE OF PAYMENT FOR CITY SERVICES

1. **DPW District Service:**

BASIS: Pursuant to estimates for staff hours, supervision and goods and equipment, related to the services as set forth in the Agreement, annual payment of \$150,000 – in quarterly payment of \$37,500. The City and DDA agree if circumstances require capital equipment purchase, used in the DDA District, or the DDA requires additional services, the City will notify the DDA and an appropriate additional payment amount will need to be mutually agreed upon. The listed flat amount will be adjusted annually based on the consumer price index rate of inflation, not to exceed 5%.

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter.

2. **Other Maintenance and/or operations services requested by the DDA:**

BASIS: Pursuant to estimates provided by City and fully set forth in Section 7 of the Agreement.

PAYMENT: Invoice Quarterly, with payment 30 days thereafter.

3. **Administrative Services of the City Deputy Administrator/DDA Director**

BASIS: 40% of the wages, benefits and associated costs of the City Deputy Administrator functioning as the DDA Director.

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter.

3. **Administrative Services by City**

BASIS: 19% of costs incurred in annual wages to City

Manager, City Clerk, and two clerical staff; current employees annual wages and benefits only, in the year in which the service is provided.

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter

4. **Tax Roll Assessment Services by Wayne County**

BASIS: Pursuant to 50% of costs incurred, based upon percentage of City taxes captured.

PAYMENT: Invoice Annually, with payment 30 days thereafter.

5. **Annual Audit**

BASIS: 15% of costs incurred per year

PAYMENT: Invoiced Annually, with payment 30 days thereafter.

6. **Liability and Property Insurance Coverage**

BASIS: Pursuant to 22% of costs incurred by City

PAYMENT: Invoiced Annually, with payment 30 days thereafter.

7. **Finance Director Services**

BASIS: 10% of actual costs incurred for City-contracted finance director services.

PAYMENT: Invoice Quarterly, with payment 30 days thereafter.

8. **Office Space Rental**

BASIS: City-provided office space, inclusive of costs, and as agreed upon by the parties, at a rate of \$200 per month.

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter.

9. **Police and Fire Services**

BASIS: Payment equivalent to the return of City taxes captured by the DDA for the Columbia Court development.

PAYMENT: Payment Annually, with City providing detail of Columbia Court City taxes to DDA.

Informational Purposes Only

(Numbers presented are calculated at FY 2021 costs)

EXHIBIT B

BASIS AND RATE OF PAYMENT FOR CITY SERVICES

1. **DPW District Service:**

BASIS: Pursuant to estimates for staff hours, supervision and goods and equipment, related to the services as set forth in the Agreement, annual payment of \$150,000 – in quarterly payment of \$37,500. The City and DDA agree if circumstances require capital equipment purchase, used in the DDA District, or the DDA requires additional services, the City will notify the DDA and an appropriate additional payment amount will need to be mutually agreed upon. The listed flat amount will be adjusted annually based on the consumer price index rate of inflation, not to exceed 5%. **(\$150,000)**

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter.

2. **Other Maintenance and/or operations services requested by the DDA:**

BASIS: Pursuant to estimates provided by City and fully set forth in Section 7 of the Agreement.

PAYMENT: Invoice Quarterly, with payment 30 days thereafter.

3. **Administrative Services of the City Deputy Administrator/DDA Director**

BASIS: 40% of the wages, benefits and associated costs of the City Deputy Administrator functioning as the DDA Director. **(\$36,759.30)**

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter.

3. **Administrative Services by City**

BASIS: 19% of costs incurred in annual wages to City **(\$33,350.70)**

Manager, City Clerk, and two clerical staff; current employees annual wages and benefits only, in the year in which the service is provided.

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter

4. **Tax Roll Assessment Services by Wayne County**

BASIS: Pursuant to 50% of costs incurred, based upon percentage of City taxes captured. **(\$14,894)**

PAYMENT: Invoice Annually, with payment 30 days thereafter.

5. **Annual Audit**

BASIS: 15% of costs incurred per year **(\$4,780.50)**

PAYMENT: Invoiced Annually, with payment 30 days thereafter.

6. **Liability and Property Insurance Coverage**

BASIS: Pursuant to 22% of costs incurred by City **(\$24,483.36)**

PAYMENT: Invoiced Annually, with payment 30 days thereafter.

7. **Finance Director Services**

BASIS: 10% of actual costs incurred for City-contracted finance director services. **(\$8,793.30)**

PAYMENT: Invoice Quarterly, with payment 30 days thereafter.

8. **Office Space Rental**

BASIS: City-provided office space, inclusive of costs, and as agreed upon by the parties, at a rate of \$200 per month. **(\$2,400)**

PAYMENT: Invoiced Quarterly, with payment 30 days thereafter.

9. **Police and Fire Services**

BASIS: Payment equivalent to the return of City taxes captured by the DDA for the Columbia Court development.

PAYMENT: Payment Annually, with City providing detail of Columbia Court City taxes to DDA.



TO: Downtown Development Authority Board
FROM: Tim McLean, Deputy City Manager/DDA Director
DATE: March 11, 2022
RE: Resolution-Tax Increment Revenues for Bond Refinancing

In 2009, the Belleville DDA adopted a resolution pledging its tax increment revenues to pay the interest and principal for the Streetscape Bonds. As you are aware, we are in the process of refinancing the existing bond debt to achieve a considerable cost savings.

The City is working with the legal firm Miller Canfield as bond counsel. As part of the bond refinancing process, it is necessary for the DDA to adopt a new resolution pledging its tax increment revenues to pay the interest and principal for the remainder of the debt for the Streetscape Bonds.

Miller Canfield has provided a template resolution for adoption. It is my recommendation that the DDA Board please consider a motion to adopt the Resolution Pledging Tax Increment Revenues for 2022 Refunding Bonds.

ATTACHMENT

- Resolution Pledging Tax Increment Revenues for 2022 Refunding Bonds.

RESOLUTION PLEDGING TAX INCREMENT REVENUES FOR
2022 REFUNDING BONDS

Belleville Downtown Development Authority
County of Wayne, State of Michigan

Minutes of a regular meeting of the Board of the Belleville Downtown Development Authority, County of Wayne, State of Michigan, held on the 16th day of March, 2022, at 6:00 p.m., prevailing Eastern Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

WHEREAS, the Belleville Downtown Development Authority (the “DDA”) has been established by the City of Belleville, County of Wayne, State of Michigan (the “City”) pursuant to Act 197, Public Acts of Michigan, 1975, as amended, as repealed and recodified by Part 2 of Act 57, Public Acts of Michigan, 2018, as amended (“Act 57”); and

WHEREAS, the City has previously issued its Capital Improvement Bonds, Series 2010 (Limited Tax General Obligation), dated April 6, 2010 (the “Prior Bonds”), for the purpose of financing the cost of certain capital improvements in the downtown area of the City, including streetscape improvements, water system improvements and other improvements related thereto; and

WHEREAS, pursuant to a resolution adopted on May 20, 2009, the DDA pledged its tax increment revenues to pay the principal and interest on the Prior Bonds; and

WHEREAS, due to current conditions in the municipal bond market, it may be possible to achieve debt service savings by refunding all or a portion of the outstanding Prior Bonds through the issuance of refunding bonds by the City; and

WHEREAS, in order to refund all or a portion of the outstanding Prior Bonds, it is necessary for the City to issue its 2022 Refunding Bonds (Limited Tax General Obligation) (the “Bonds”); and

WHEREAS, the Bonds are to be issued in anticipation of the collection of tax increment revenues of the DDA derived from the captured assessed value of the Development Area of the DDA (the “Tax Increment Revenues”); and

WHEREAS, the DDA has prepared an estimate of the Tax Increment Revenues anticipated to be available for the payment of the principal of and interest on the Bonds as the same become due and payable; and

WHEREAS, it is necessary and desirable for the DDA to pledge the Tax Increment Revenues to the payment of the principal of and interest on the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Pledge of Tax Increment Revenues. The DDA hereby covenants and agrees to pay to the City from the Tax Increment Revenues received by the DDA the amounts necessary to pay the principal of and interest on the Bonds as the same become due; provided, however, that to the extent the City determines that it is in the best interest of the City to redeem all or any portion of the Bonds prior to maturity, the DDA may, but shall not be required to, prepay its obligations authorized herein. In the event that the funds of the DDA are insufficient to pay the principal of or interest on the Bonds as the same become due and payable, and the City pays any such sums from its own funds, the DDA covenants and agrees to reimburse the City in whole for such payments from funds of the DDA as the same are received.

2. Reliance on Pledged Tax Increment Revenues. The DDA hereby acknowledges that the City will issue the Bonds in reliance upon the covenant and agreement of the DDA as set forth herein to pay to the City all of its available Tax Increment Revenues up to the amounts necessary to pay the principal of and interest on the Bonds as the same become due and payable.

3. Estimated Tax Increment Revenues. The DDA hereby certifies to the City that the DDA's estimate of the Tax Increment Revenues anticipated to be available for the payment of the principal of and interest on the Bonds, as set forth in Exhibit A attached hereto, is the DDA's best good faith estimate of said revenues.

4. Tax Covenant. The DDA shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended, including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds.

5. Delivery of Resolution. The Secretary of the DDA is directed to deliver a certified copy of this resolution to the City Clerk.

6. Other Actions. Each of the officers of the DDA is hereby authorized and directed to execute and deliver such documents, instruments and certificates as may be necessary for the issuance and delivery by the City of the Bonds.

7. Repeal. All resolutions and parts of resolutions in conflict with the provisions of this resolution are hereby repealed or amended to the extent of such conflict.

AYES: Members: _____

NAYS: Members: _____

RESOLUTION DEBELLEVILLED ADOPTED.

Secretary

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Board of the Belleville Downtown Development Authority, County of Wayne, State of Michigan, at a regular meeting held on March 16, 2022, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Secretary

EXHIBIT A

ESTIMATED TAX INCREMENT REVENUES AVAILABLE TO PAY DEBT SERVICE

**Belleville
Downtown Development Authority
Projected Property Tax Capture**

<u>Fiscal Year</u>	<u>Projected Tax Increment Revenues</u>
2021/22	\$850,000
2022/23	\$800,000
2023/24	\$800,000
2024/25	\$800,000
2025/26	\$800,000
2026/27	\$800,000
2027/28	\$800,000
2028/29	\$800,000

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TO: Downtown Development Authority Board
FROM: Tim McLean, Deputy City Manager/DDA Director
DATE: March 9, 2022
RE: Purchasing Policy

At the regularly schedule meeting in February, the DDA Board authorized the DDA Director to make purchases for goods, services, contract labor up to \$5,000. The DDA Board also requested that the Director present a comprehensive purchasing policy for the March meeting.

Based on direction from the DDA Board, I have created a draft policy which authorizes the Director to make purchases up to the \$5,000 threshold without prior approval. In the draft policy, the Director must obtain prior approval from the DDA Board. Every effort would be made to obtain multiple quotes for any services. An exception may be made in the event of an emergency. The requirement for obtaining multiple quotes may be waived if a vendor is a sole source provider for a particular purchase.

For transactions of \$20,001 and above, there is a requirement for a sealed bidding process. However, the DDA Board, by simple majority, may determine that the public interest will be best served without going through a sealed bidding process. However, the DDA Director would be required to make every effort to obtain quotes from multiple vendors.

ATTACHMENTS:

- Draft Belleville DDA Purchasing Policy

Belleville Downtown Development Authority Purchasing Policy

1. The Belleville DDA Director is authorized to purchase goods, products, contract labor, or services (i.e. “transactions”) directly from vendors for any transaction of \$5,000 or less. Every effort to obtain the best price will be made.
2. For transactions over \$5,000, the DDA Board must authorize any purchase. The DDA Director will make every effort to obtain quotes from multiple vendors. The following exceptions apply:
 - Purchases may be made without prior DDA Board authorization in the event of an emergency.
 - The vendor is the sole source for an item. However, prior authorization by the DDA Board is required.
3. For transactions of \$20,001 and above, sealed bids are required. The sealed bid requirement may be waived by a simple majority of DDA Board Members if it is determined that the public interest will be best served without obtaining bids. The DDA Director will make every effort to obtain quotes from multiple vendors.



TO: Downtown Development Authority Board
FROM: Tim McLean, Deputy City Manager/DDA Director
DATE: March 9, 2022
RE: Main Street Restriping

In my February Director's Report, I indicated that we would be seeking quotes for the restriping of Main Street from E. Huron River Dr. to Liberty. I reached out to multiple vendors for a verbal quote on striping the lane markings and the existing parking spaces. Only one vendor (GMS Sealcoating) responded to my inquiry.

There was specific reasoning for only requesting verbal quotes. The intent would be to split the cost of the street restriping between the DDA and the City (Major Streets fund). If the cost to the City was in excess of \$5,000, the Belleville City Charter requires a sealed bidding process. GMS Sealcoating quoted the cost of the restriping at \$8,500. With a 50-50 split, the DDA would pay \$4,250 and the City would pay \$4,250.

While this was not an expense identified in the 2021-22 fiscal year budget, there are more than adequate reserves in fund balance to cover 50% of the cost for the restriping. GMS Sealcoating has all of the materials to complete the job. It came to the attention of the City that there have been shortages in the types of paint utilized in street striping. However, GMS has enough in its inventory to complete the job.

If this project is approved, GMS Sealcoating would be able to complete the work on a Sunday, weather permitting. As the lane markings and parking spaces are in dire need of restriping, it is my recommendation that the DDA please consider a motion to appropriate \$4,250 from fund balance to cover 50% of the proposed project cost.



TO: Downtown Development Authority Board
FROM: Tim McLean, Deputy City Manager/DDA Director
DATE: March 11, 2022
RE: Electrical Work-4th Street Square

The DDA Board has had previous discussions about possible electrical work to be done in 4th Street Square and 4th Street Place. It was suggested that the existing electrical pole in 4th Street Square, next to Egan's Pub be removed. The existing electrical wires would then be relocated underground along with the existing electrical cabinet. There are also some existing electrical outlets in 4th Street Square that are inoperable and need to be repaired.

There has also been prior discussion about installing a new electrical cabinet in 4th Street Place that would be connected to existing conduit that has been installed in the last few years. I have worked with DPS Director Rutherford to locate a map showing the location of the existing conduit and a location where an electrical cabinet could be installed and connected.

I have reached out to a number of electricians for pricing on the previously discussed electrical work. While it has been difficult to get anyone to return my calls, three local companies have gotten back with me. This week I had an opportunity to meet on-site with one of the local companies to discuss the scope of work. Early next week I will be meeting on site with the other two to go over the scope of work.

There is a strong possibility that it will be cost prohibitive to endeavor to remove the existing pole in 4th Street Square and relocate the existing lines and electrical cabinet. Also, to bury the existing lines underground, it is very likely that a major excavation in 4th Street Square would have to take place. This project would also necessitate enlisting the services of a project planner with DTE Energy.

At this time, I am seeking some direction from the DDA Board on pursuing a course of action. It would be my recommendation that we pursue the installation of an electrical cabinet in 4th Street Place. This would solve a lot of the electrical connection issues on that side of 4th Street. I would also recommend that we pursue repairs to the existing outlets in 4th Street Square that are currently inoperable. Given the potentially extensive scope of work to remove the existing pole in 4th Street Square, I believe this work would be both time and cost prohibitive.



TO: Downtown Development Authority Board
FROM: Tim McLean, Deputy City Manager/DDA Director
DATE: March 11, 2022
RE: Director's Report

Since the last regularly scheduled meeting of the Belleville DDA, I have been working on the following items:

- Several of the cast iron light poles on Main Street are missing plate covers. We have reached out to a local fabrication company to create replacement covers. The intent is to maintain an inventory of new covers so that they may be immediately replaced as needed.
- In January when we requested proposals for maintenance in City parks, no bids were submitted for weed control/fertilizer. I reached out directly to some local contractors for pricing on weed control, fertilizer, and pre-emergent for crab grass. TruGreen and Green Fertilizer provided estimates for these services. TruGreen has stated that they can provide those services to the DDA for \$2,415.00 for 2022.
- Pioneer Landscaping has begun maintenance work in City parks. Edging has been completed. Staff is now putting down fresh mulch in Victory Park.
- I have reached out to a number of electricians for pricing on electrical work that needs to be done in 4th Street Square and 4th Street Place. While it has been difficult to get anyone to return my calls, three local companies have gotten back with me. This week I had an opportunity to meet on-site with one of the local companies to discuss the scope of work. Early next week I will be meeting on site with the other two to go over the scope of work.
- On March 3, I received a letter from Attorney Kevin Kilby (from McGraw, Morris), who has represented the DDA since 2008. From 2008-2021, the billing rate for legal services to the DDA was \$135.00 per hour. Effective April 1, 2022, that rate will increase to \$170.00 per hour. In his correspondence, Attorney Kilby indicated that this hourly rate is still considerably lower than the standard municipal rate charged to new municipal clients. ***Please see the attached letter from Kevin Kilby.***
- On February 26, I attended the ribbon cutting at Main Street Pups. Representatives from the Chamber and Belleville City Council were also present.

ACCOUNTS PAYABLE EXPENDITURES
DDA MEETING MARCH 2022

DATE	AMOUNT		G. TOTAL
3/16/2022	\$8,058.75		\$8,058.75
<u>GRAND TOTAL</u>			\$8,058.75

Check Date	Bank	Check	Vendor	Vendor Name	Invoice Vendor	Description	Amount	Status
Bank DDA Downtown Development Authority								
03/11/2022	DDA	2084	1171	AHEARN SIGNS	AHEARN SIGNS	BOOVILLE BANNER	350.00	Open
03/11/2022	DDA	2085	0817	BELLEVILLE AREA INDEPEN	BELLEVILLE AREA INDEPEN	PROMOTIONS AND ADVERTISING	67.50	Open
03/11/2022	DDA	2086	1535	DISPLAY SALES	DISPLAY SALES	FLAGS	818.00	Open
03/11/2022	DDA	2087	0276	GARDEN FANTASY ON MAIN	GARDEN FANTASY ON MAIN	FALL DECORATIONS & BANNERS 2021	2,400.00	Open
					GARDEN FANTASY ON MAIN	WINTER DECORATIONS & BANNERS 202	2,100.00	Open
							4,500.00	
03/11/2022	DDA	2088	4386	WATER LANDSCAPES LLC	WATER LANDSCAPES LLC	MAINTENANCE ON VILLAGE PARK POND	2,323.25	Open
DDA TOTALS:								
Total of 5 Checks:								
Less 0 Void Checks:								
Total of 5 Disbursements:								