



BROWNSTOWN TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY
January 6, 2010

A Work Session of the Brownstown Township Downtown Development Authority was held on Wednesday, January 6, 2010 in the Township Hall, 21313 Telegraph Road, Brownstown, Michigan 48183. The meeting was called to order at 4:00 p.m. by Chairperson Rybski and began with the Pledge of Allegiance.

PRESENT: Rybski, Bielecki, DiMilia, Khan, Matrone, Varady, Vidusic, Willis, Wright, and Economic Development Manager DiSanto.

ABSENT AND EXCUSED: None

FACADE GRANT REVIEW: At December's meeting the draft packet was given to members for review and comments. Members offered many thoughts and suggestions. Rybski, after speaking with many other communities, said she wanted to see a maximum grant/loan amount set; a definite interest rate on the loan; the ability to request the first right of refusal on future work; and to charge a refundable application fee. She asked that "personal guarantee" be clarified on the application and asked what the collateral would be and how the loan would be secured. Matrone would like to see this program managed properly, lending public funds to private owners can bring up many questions. He would like to know up front when and what amount will be forgiven to the applicant for the project, so we can be sure we offer a deal but at the same time have accountability for the amounts we loan. He wants the Federal ID and MESC number on the application; criminal background check conducted; and verification that the applicant is not in default with any tax monies; and have the applicant appear in person for their request to the DDA. He also wants to see consistency between applications and monies awarded. DiMilia thinks there should not be too many deterrents for applicants.

DiSanto agreed that several points are valid including positioning of the loan and the interest rate. He sees the program as a two-fold grant program with a "shifting scale" percentage of the grant would be forgiven and the other portion would be a loan to a private industry. Public perceptions do need to be taken into account and fostering economic development and correcting blight meets the "intent" of the DDA purpose. Facades and improvements qualify for this type of grant. The DDA investment will come back in time with taxes. A reimbursement clause similar to tax abatements could be added for protection. Some Downtown Development Authorities use banks to loan the money with the DDA securing the notes and the payments are made to the bank who will conduct the background checks and title searches.

Rybski mentioned forming a design review committee for these improvements. Member Bielecki and DiSanto agreed the planning commission would handle that. It was also suggested to require or encourage local contractors, builders, and supplies to be used for the projects.

DiSanto will incorporate the comments made to the grant application and speak with some local lending institutions and get back to the DDA.

PROJECT LIAISONS: Members reviewed the DDA projects for 2010. Rybski would like to see the Budget Subcommittee meet in February, May and July since our budget is due to the Township Board in August. She also requested a review and update of the DDA bylaws and suggested Varady, DiMilia and Matrone to consider and decide by the next meeting about being on a DDA Bylaw Review Subcommittee.

DiSanto was asked to revise the Project Liaison spreadsheet and include the liaison names, budget amounts with year-to-date figures, and more definitive time frames on project completion.

Motion of Vidusic, supported by DiMilia, to adjourn the Downtown Development Authority Work Session at 4:34 p.m. All present voting aye.

smk/DDAws