

**Charter Township of Lyon
Downtown Development Authority
And Development Council
Special Meeting
Monday, September 29, 2014**

Chairman Jay Howie called the meeting to order at 8:08 a.m.

Members Present: Jay Howie
Robert Heidrich
Tim Miner
Mark Szerlag
Tamra Ward
Lannie Young

Absent: Vince DeAngelis
John Bell
Bryan Wallace

Also Present: Christina Archer, DDA/Economic Development Coordinator

Guests: None

1. Action Items:

A. Matching Funds for South Hill Road Category A MDOT Project: *Lannie Young*

MDOT Category A is an economic development road project fund. The goal is to promote increased economic potential through the support of job creation. Projects must create or retain permanent jobs and increase the tax base of the local area. Each job is valued at \$4,900. Henrob and Hirata, companies that are located along South Hill, have made a combined contribution to the township job growth of 202 jobs which qualifies South Hill for Category A funding. Lannie Young announced that RCOC approved their portion of funding for this project the week of Sept 22. The estimated cost for this project is \$1M. MDOT will cover the construction cost which is 90% (\$900,000.00). Of the remaining 10% or \$100,000.00 which covers the design and engineering costs, RCOC will pick up 50% (\$50,000). Typically, local businesses and the local municipality make contributions to road improvements; in this case \$25,000 from both Henrob and Hirata and the DDA would need to decide on an amount to contribute. Lannie described a hypothetical scenario where Hirata, Henrob and the DDA split the cost each covering a 1/3. Tamra Ward questioned why the companies would even need to make a contribution since they have already invested in jobs in the DDA.

Mark Szerlag along with Robert Heidrich shared similar comments with the board about the significant investment both Henrob and Hirata has made to locate to the Township. The question was asked if this the right time to ask them for additional funds to improve a road that is used by more than just their employees? Without establishing an assessment district how could the contributions be fairly made? The reason the funding

is available is because these two companies have brought the jobs to the township. They have done their part. Tamra Ward and Jay Howie agreed with those points and stated that the DDA should contribute to road improvements in the districts

Jay Howie pointed out that this road project is an opportunity for the DDA to invest in a road improvement for minimal cost; an opportunity that is rarely seen. The DDA should make the full matching contribution. Road improvements help to attract businesses. This is an economic development project through MDOT and RCOC and the DDA is all about economic development.

Lannie reminded the DDA Board members that the initial work to pave South Hill that was done over 15 years ago was also paid for through a MDOT Category A funding. This new project is a complete reconstruction of South Hill road from Grand River to the I-96 overpass which is approximately 1/3 of a mile.

Lannie Young stated that Category A funding may also be available for reconstruction of the north end of South Hill from the I-96 overpass to Pontiac Trail. This is a longer stretch of road and as more companies locate around the Grand River/ South Hill intersection, a business contribution request could be made for the future improvement of this stretch of road. Perhaps Henrob and Hirata could make that contribution at that time along with other businesses affected by the improvement of this stretch of road.

Tamra Ward made a motion for the DDA to contribute up to \$50,000.00 towards the South Hill Category A road improvement project. Mark Szerlag offered support for the motion which was approved unanimously.

**Roll call: Ayes: Robert Heidrich, Tim Miner, Tamra Ward, Mark Szerlag,
Lannie Young, Jay Howie
Nays: None
Absent: John Bell, Vince DeAngelis, Bryan Wallace**

- 2. Adjournment. Jay Howie made a motion to adjourn. Tim Miner offered support for the motion, which was approved unanimously. Meeting adjourned at 9:17 a.m.**

Respectfully submitted,

Tina Archer
DDA Coordinator

Bryan Wallace
DDA Secretary