

# Dexter Downtown Development Authority

December 18, 2014 <> 7:30 AM

Dexter Senior Center  
7720 Ann Arbor Street  
Dexter, MI 48130

## MINUTES

1. Call to Order: Called to order at 7:41 on December 18, 2014 by Chairman Steve Brouwer

2. Roll Call

Becker, Patrick-ab	Bellas, Rich	Brouwer, Steve
Covert, Tom-ab	Darnell, Don-ab	Finn, Doug
Jones, Carol	Keough, Shawn	Model, Fred-ab
O'Haver, Dan-ab	Schmid, Fred	Willis, Randy

Also in attendance: Michelle Aniol, Community Development Manager and Robert Overhiser, Architects Design Group.

3. Approval of Minutes from the Regular November 20, 2014 Meeting:  
*Motion by Randy, second by Rich to approve the regular meeting minutes of November 20, 2014 as presented. Motion carries.*

4. Approval of Agenda:  
*Motion by Doug, second by Fred S to approve the agenda with the addition of the invoices to be considered in the Treasurer's Report. Motion carries.*

5. Pre-arranged Audience Participation:

*None*

6. Non-Arranged Citizen Participation:

*Robert Overhiser of Architects Design Group spoke on behalf of Joe Schulz and the Mill Creek Terrace building project. He reported that they are looking forward in going ahead with the project and have made some changes in the original plans with commercial on the first floor and four condos each on the next two floors. They are asking for a two year extension on the fourth amendment to the development agreement.*

7. Treasurer's Report:

a) December Invoices: Invoice from Scott Munzel, legal fees for November 2014, for \$1,365.38; invoice from Scio Township for winter taxes for \$4,371.15; invoice for bond fees from US Bank for \$500.00; invoice from ASTI Environmental for \$500.00 for a total of invoices for

\$6,736.53. *Motion by Doug, second by Randy to pay the December invoices in the amount of \$6,736.53. Motion carries.*

b) Approval of November Treasurer's Reports – *Motion by Randy, second by Doug to accept the December Treasurer's report as presented by Ms. Aniol. Motion carries.*

8. Correspondence / Communications:

None

9. Action Items:

a) Fourth Amendment to the Mill Creek Terrace Development Agreement.

*Motion by Fred S; second by Doug to extend the Mill Creek Development Agreement for two years until December 2016.*

*Ayes: Rich Bellas, Doug Finn, Carol Jones, Shawn Keough, Fred Schmid and Randy Willis*

*Nays: None*

*Absent, Patrick Becker, Tom Covert, Don Darnell, Fred Model and Dan O'Haver.*

*Abstained: Steve Brouwer*

*Motion carries.*

b) Ann Arbor Street Lighting Project Cost Reimbursement to City

*Motion by Randy; second by Fred S to approve the reimbursement for the cost of the Ann Arbor Street Lighting in the amount of \$111,128.00 which includes an additional \$1,128.00 over the initial amount of \$100,000.00 and authorize the transfer of these funds to reimburse the City of Dexter for the installation of the street lighting during the Ann Arbor Street project..*

*Ayes: Rich Bellas, Steve Brouwer, Doug Finn, Carol Jones, Shawn Keough, Fred Schmid and Randy Willis*

*Nays: None*

*Absent, Patrick Becker, Tom Covert, Don Darnell, Fred Model and Dan O'Haver.*

*Motion carries.*

10. Discussion Updates:

None

11. City Mayor and Staff Reports

a) Mayor – Shawn Keough

*Mr. Keough reported on the following:*

- *Putting together a RFP to hire a City Assessor.*
- *Establish a Board of Review by March; this will be a joint group for the first time with Scio Township and Dexter.*
- *Have put together an Election Commission.*
- *The pretrial hearing for the tax appeal for the Dexter Wellness Center will be in the latter half of September.*

b) Staff Support Update - Michelle Aniol

*Ms Aniol highlighted the following:*

- *Redevelopment Ready Communities (RRC) have a great match program to help with establishing best practices.*
- *Planning Commission may be able to get help from a matching program from MEDC to upgrade zoning ordinances.*

12. Chairman's Report:

Items for January 15, 2015 Agenda –

13. Non-Arranged Citizen Participation:

None

14. Adjournment

*Motion by Doug, second by Rich to adjourn the meeting at 7:58 AM.  
Motion carries.*

Respectfully submitted,  
Carol Jones  
Secretary





The City of  
Dexter  
Michigan

8140 Main Street • Dexter, Michigan 48130-1092  
(734) 426-8303 • Fax (734) 426-5614  
www.DexterMi.gov

## Memo

**To:** Dexter DDA  
**From:** Thomas Covert, DDA Treasurer and Marie Sherry, City Treasurer/Finance Director  
**Date:** February 13, 2015  
**Re:** Treasurer's Report – February 2015

### Invoice Approval Notes

- PSLZ LLP: \$1,500 for annual audit. 248-248-802.000
- Scott E. Munzel: \$99 for legal fees – Schultz agreement. 248-248-810.000
- Scott E. Munzel: \$2,780.25 for legal fees – Wellness. 248-248-840.000
- Combined total due for all invoices is \$4,379.25

### Cash Status

- Tax Capture being held for other units and for the Wellness Center tribunal resolution are reflected on this report, and have resulted in the anticipated change in the projected year end cash.

### DDA Cash Balances Report 1-31-15

Fund	Account Name	General Ledger Balance	Notes
248 - DDA General	TCF Pooled Account	\$ -	
394 - DDA Debt	TCF Pooled Account	\$ -	
494 - DDA Project	TCF Pooled Account	\$ -	
	<b>Total DDA Pooled Checking</b>	<b>\$ -</b>	This account is now a zero balance account (attached to Savings)
248 - DDA General	TCF Money Market Account	\$ 440,520.07	
394 - DDA Debt	TCF Money Market Account	\$ 491.58	
494 - DDA Project	TCF Money Market Account	\$ -	
	<b>Total DDA Pooled Savings</b>	<b>\$ 441,011.65</b>	
248 - DDA General	UBT Money Market Account	\$ 49,554.96	
394 - DDA Debt	UBT Money Market Account	\$ -	
494 - DDA Project	UBT Money Market Account	\$ 202,930.15	
	<b>Total DDA Pooled Savings</b>	<b>\$ 252,485.11</b>	
248 - DDA General	Ann Arbor State Bank	\$ 250,000.00	.65% Renews 12/10/2015
	<b>Total Non-Pooled</b>	<b>\$ 250,000.00</b>	
<b>Total General Cash</b>		<b>\$ 740,075.03</b>	
<b>Total Debt Cash</b>		<b>\$ 491.58</b>	
<b>Total Project Cash</b>		<b>\$ 202,930.15</b>	
		<b>\$ 943,496.76</b>	
Month End Cash		\$ 943,496.76	
Projected FY 14/15 Revenue All Funds		\$ 436,886.05	
Projected FY 14/15 Expenditures All Funds		\$ (808,014.59)	
Wellness Center Set Aside		\$ (115,042.00)	
Due to Other Units		\$ (170,743.09)	
<b>Projected Year End Cash</b>		<b>\$ 286,583.13</b>	

**Budget FY 14/15**

- Following are the Fiscal Year 2014-2015 Revenue and Expenditure Reports through January 31<sup>st</sup>.

02/10/2015		REVENUE AND EXPENDITURE REPORT FOR CITY OF DEXTER				
		PERIOD ENDING 01/31/2015				
		% Fiscal Year Completed: 58.90				
GL NUMBER	DESCRIPTION	2014-15 ORIGINAL BUDGET	2014-15 AMENDED BUDGET	YTD BALANCE 01/31/2015 NORMAL (ABNORMAL)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
<b>Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY</b>						
<b>Revenues</b>						
Dept 000-ASSETS, LIABILITIES & REVENUE						
248-000-415.000	TAX CAPTURE REVENUE	295,000.00	295,000.00	293,604.36	1,395.64	99.53
248-000-665.000	INTEREST EARNED	300.00	300.00	424.46	(124.46)	141.49
Total Dept 000-ASSETS, LIABILITIES & REVENUE		295,300.00	295,300.00	294,028.82	1,271.18	99.57
<b>TOTAL Revenues</b>		<b>295,300.00</b>	<b>295,300.00</b>	<b>294,028.82</b>	<b>1,271.18</b>	<b>99.57</b>
<b>Expenditures</b>						
Dept 248-ADMINISTRATION						
248-248-802.000	PROFESSIONAL SERVICES	5,000.00	5,000.00	0.00	5,000.00	0.00
248-248-803.000	CONTRACTED SERVICES	1,500.00	13,800.00	12,285.00	1,515.00	89.02
248-248-810.000	ATTORNEY FEES	0.00	10,000.00	9,555.63	444.37	95.56
248-248-843.000	PROPERTY TAXES	7,200.00	7,200.00	7,133.82	66.18	99.08
248-248-880.000	DOWNTOWN EVENTS	0.00	0.00	300.73	(300.73)	100.00
248-248-957.002	DDA CAPTURE REFUNDS	5,000.00	5,000.00	0.00	5,000.00	0.00
Total Dept 248-ADMINISTRATION		18,700.00	41,000.00	29,275.18	11,724.82	71.40
Dept 442-DOWNTOWN PUBLIC WORKS						
248-442-803.015	CITY MAINTENANCE	5,000.00	5,000.00	0.00	5,000.00	0.00
Total Dept 442-DOWNTOWN PUBLIC WORKS		5,000.00	5,000.00	0.00	5,000.00	0.00
Dept 965-TRANSFERS OUT - CONTROL						
248-965-999.394	TR OUT FOR BOND PAYMENTS - 394	336,000.00	336,000.00	122,188.65	213,811.35	36.37
248-965-999.494	TR TO DDA PROJECT FUND - 494	231,800.00	231,800.00	9,800.00	222,000.00	4.23
Total Dept 965-TRANSFERS OUT - CONTROL		567,800.00	567,800.00	131,988.65	435,811.35	23.25
<b>TOTAL Expenditures</b>		<b>591,500.00</b>	<b>613,800.00</b>	<b>161,263.83</b>	<b>452,536.17</b>	<b>26.27</b>
<b>Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:</b>						
<b>TOTAL REVENUES</b>		<b>295,300.00</b>	<b>295,300.00</b>	<b>294,028.82</b>	<b>1,271.18</b>	<b>99.57</b>
<b>TOTAL EXPENDITURES</b>		<b>591,500.00</b>	<b>613,800.00</b>	<b>161,263.83</b>	<b>452,536.17</b>	<b>26.27</b>
<b>NET OF REVENUES &amp; EXPENDITURES</b>		<b>(296,200.00)</b>	<b>(318,500.00)</b>	<b>132,764.99</b>	<b>(451,264.99)</b>	<b>41.68</b>

Fund 394 - DDA DEBT FUND						
Revenues						
Dept 000-ASSETS, LIABILITIES & REVENUE						
394-000-665.000	INTEREST EARNED	200.00	200.00	395.51	(195.51)	197.76
394-000-695.248	TRANSFER IN FROM DDA FUND 248	336,000.00	336,000.00	122,188.65	213,811.35	36.37
Total Dept 000-ASSETS, LIABILITIES & REVENUE		336,200.00	336,200.00	122,584.16	213,615.84	36.46
TOTAL Revenues		336,200.00	336,200.00	122,584.16	213,615.84	36.46
Expenditures						
Dept 850-LONG-TERM DEBT						
394-850-992.000	BOND FEES	1,000.00	1,000.00	500.00	500.00	50.00
394-850-997.003	DDA 2008 TAXABLE BOND (\$1.6M)	135,400.00	360,400.00	285,166.88	75,233.12	79.13
394-850-997.004	DDA 2008 BOND (\$2+M)	118,500.00	118,500.00	46,720.63	71,779.37	39.43
394-850-997.005	2011 REFUNDING BOND (\$620K)	81,100.00	81,100.00	41,264.57	39,835.43	50.88
Total Dept 850-LONG-TERM DEBT		336,000.00	561,000.00	373,652.08	187,347.92	66.60
TOTAL Expenditures		336,000.00	561,000.00	373,652.08	187,347.92	66.60
Fund 394 - DDA DEBT FUND:						
TOTAL REVENUES		336,200.00	336,200.00	122,584.16	213,615.84	36.46
TOTAL EXPENDITURES		336,000.00	561,000.00	373,652.08	187,347.92	66.60
NET OF REVENUES & EXPENDITURES		200.00	(224,800.00)	(251,067.92)	26,267.92	111.69
Fund 494 - DDA PROJECT FUND						
Revenues						
Dept 000-ASSETS, LIABILITIES & REVENUE						
494-000-665.000	INTEREST EARNED	200.00	200.00	200.97	(0.97)	100.49
494-000-695.248	TRANSFER IN FROM DDA FUND 248	231,800.00	231,800.00	9,800.00	222,000.00	4.23
Total Dept 000-ASSETS, LIABILITIES & REVENUE		232,000.00	232,000.00	10,000.97	221,999.03	4.31
TOTAL Revenues		232,000.00	232,000.00	10,000.97	221,999.03	4.31
Expenditures						
Dept 908-TUPPER REDEVELOPMENT						
494-908-802.000	PROFESSIONAL SERVICES	50,000.00	50,000.00	10,969.50	39,030.50	21.94
494-908-830.008	ENVIRONMENTAL STUDY	0.00	0.00	900.00	(900.00)	100.00
Total Dept 908-TUPPER REDEVELOPMENT		50,000.00	50,000.00	11,869.50	38,130.50	23.74
Dept 965-TRANSFERS OUT - CONTROL						
494-965-999.002	TRANSFER OUT TO GENERAL FUND - HOUSES	20,000.00	20,000.00	0.00	20,000.00	0.00
494-965-999.101	TRANSFER OUT TO GENERAL FUND	110,000.00	110,000.00	0.00	110,000.00	0.00
Total Dept 965-TRANSFERS OUT - CONTROL		130,000.00	130,000.00	0.00	130,000.00	0.00
TOTAL Expenditures		180,000.00	180,000.00	11,869.50	168,130.50	6.59
Fund 494 - DDA PROJECT FUND:						
TOTAL REVENUES		232,000.00	232,000.00	10,000.97	221,999.03	4.31
TOTAL EXPENDITURES		180,000.00	180,000.00	11,869.50	168,130.50	6.59
NET OF REVENUES & EXPENDITURES		52,000.00	52,000.00	(1,868.53)	53,868.53	3.59
TOTAL REVENUES - ALL FUNDS						
		863,500.00	863,500.00	426,613.95	436,886.05	49.41
TOTAL EXPENDITURES - ALL FUNDS						
		1,107,500.00	1,354,800.00	546,785.41	808,014.59	40.36
NET OF REVENUES & EXPENDITURES		(244,000.00)	(491,300.00)	(120,171.46)	(371,128.54)	24.46

**Debt Fund Summary / Forecast – Unchanged from August 2014**

**Bond Restructuring – Nothing new at this time**

- Consider refinancing bond if Broad Street Property sale not eminent

**DDA Project Summaries – Nothing new at this time**

**Required Reporting**

- Form 5176 – Request for State Reimbursement of Tax Increment Finance Authority. Deadline to file for 2015 is June 15<sup>th</sup>.
- Form 2604 – Tax Increment Financing Plan Report for Capture of Property Taxes (deadline to file is July 31<sup>st</sup> of each year).
- Qualifying Statement – File the Fiscal Year 2014-2015 Statement by December 31, 2015.
- Audit – File the 2014-2015 Audit by December 31, 2015.
- Publish the Fiscal Year 2014-2015 Annual Report by February 2015. **Report is before the DDA for approval February 19, 2015, to be published February 25, 2015.**

**Banking Strategy – DDA checking account has been changed to a zero balance account. Any deposits will automatically be moved to the money market account by TCF Bank, and funds will automatically be moved by TCF Bank from the money market account upon presentation of a check.**

**Tax Capture Update - Nothing new at this time**

- Work on verifying parcel inclusion has been substantially completed. Next step is to analyze the data with assessor.



◆◆ SCOTT E. MUNZEL, P.C.  
ATTORNEY AT LAW

603 W. HURON STREET  
ANN ARBOR, MI 48103  
P: 734-994-6610 Fx: 734-769-9055  
E: SEM@MUNZELLAW.COM

1/16/2015

Invoice  
1456

Ms. Courtney Nicholls  
Manager  
City of Dexter  
8140 Main Street  
Dexter, MI 48130

Re: Invoice for Legal Services - General

Dear Ms. Nicholls:

Enclosed below is the invoice for legal services provided in December. Please contact me if you have any questions.

12/16/2014

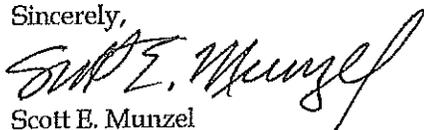
TC Michelle Aniol re questions related to Fourth Amend-  
ment on Schultz agreement; review draft Fourth Amend-  
ment and provide comments to Michelle

0.6

Coded by: MA  
GL # 248 - 248 - 810.000 Amt. 99 ✓  
GL # \_\_\_\_\_ Amt. \_\_\_\_\_  
GL # \_\_\_\_\_ Amt. \_\_\_\_\_  
Scanned by: \_\_\_\_\_  
Date: \_\_\_\_\_

0.6 at \$165/hr  
Current Invoice \$ 99.00  
Expenses- none \$ -  
Outstanding balance \$ -  
Total Balance Due \$ 99.00

Sincerely,

  
Scott E. Munzel

BIN 38-3120196

◆◆ SCOTT E. MUNZEL, P.C.  
ATTORNEY AT LAW

603 W. HURON STREET  
ANN ARBOR, MI 48103  
P: 734-994-6610 Fx: 734-769-9055  
E: SEM@MUNZELLAW.COM

*GL 248,248.810.000  
2780.25*

1/16/2015

Ms. Courtney Nicholls  
Manager  
City of Dexter  
8140 Main Street  
Dexter, MI 48130

DDA Invoice  
1457

Re: Invoice for Legal Services - Village/Dexter Wellness Center

Dear Ms. Nicholls:

The invoice for legal services provided in December is below. Please contact me if you have any questions. Please note I have divided this invoice between the City and DDA.

12/1/2014	Review CWF motion for request to not produce or to make DDA pay costs to produce; review Tax Tribunal Order on schedule for hearing	1.4
12/2/2014	Complete master outline of CWF arguments	2.3
12/3/2014	Review new Court of Appeals case; email Shawn, Paul re request for new deposition date; TC Shawn re update, status of discovery, options on how to proceed	1
12/4/2014	Review Answers to determine what they are not willing to produce; review Motion for Protective Order; create chart of responses	2.0
12/10/2014	Review documents produced by CWF; research MCR 2.302 re ability to compel, protective order issues; begin outline for response brief	2.2
12/11/2014	TC Absolute Computers re email recovery issues; review Motion to prepare reply; TC MIT re request for confidentiality; review draft Order; research re scope of discovery; TC Shawn and Courtney re several issues	5
12/12/2014	TC Absolute Computer re retrieval methods and review; scan and email cost estimate to Absolute; research re protective orders; TC Shawn re questions on CWF materials; draft introduction section to reply brief; TC Julian re alternative analysis of costs to produce	4.0
12/14/2014	Work on Response to Motion for Protective Order	2.2

1/16/2015

Page Two

12/15/2014	Revise Response Brief, draft portions related to specific discovery requests; research MCR provisions; research intervenor status and draft that section; TC Jeff Morris re letter supporting critique of cost estimate; email final draft to Shawn and Courtney for review	7.5
12/16/2014	Review Jeff Morris letter; TC Jeff re letterhead; TC MTT re efilng; revise Response per Shawn comments, insert Board member numbers; prepare Exhibits; file with MTT; send copies to parties; TC Jackie Cook re draft Order	2.0
12/17/2014	Review proposed Protective Order; create redline version; email to Cook, clients for review; email Response Brief to Cook; draft letter of no valuation required and email to MTT; draft letter responding to CWF offer for Shawn to review; email to him	2.1
12/21/2014	Revise draft Protective Order, create redline; email to Cook and parties for review; draft Motion to Compel re answers to interrogatories, requests to produce	2.0
12/22/2014	TC and email Jackie Cook re deposition dates, request that they produce discovery or else motion to compel; email from Jackie confirming dep dates, requesting info on which discovery needs to be produced	1.0
12/30/2014	TC Jackie Cook re CWF objections to discovery requests; email Shawn, Paul, Courtney re deposition questions, motion to compel	1.0

Total Time 35.7 at \$165/hr

Current Invoice	\$ 5,890.50
Expenses- none	\$ -
Total Balance Due	\$ 5,890.50
Minus courtesy discount	\$ 330.00
Revised Total Balance Due	\$ 5,560.50
Divided between DDA and Village	\$2,780.25
Outstanding balance	\$1,365.37
Total amount due	\$4,145.62

Sincerely,

  
Scott E. Munzel

EIN 38-3120196

## FOURTH AMENDMENT TO DEVELOPMENT AGREEMENT

### Mill Creek Building Project

This Fourth Amendment to Development Agreement ("Fourth Amendment") is made December 18, 2014, by and between the Dexter Downtown Development Authority, a Michigan municipal corporation, whose address is 8140 Main Street, Dexter, Michigan 48130 ("DDA"); and Mill Creek Terrace, LLC, a Michigan limited liability company, whose address is 150 S. Fifth Avenue, Suite 203, Ann Arbor, Michigan 48104 ("Developer"). (The DDA and Developer are collectively referred to as the "Parties.").

- A. The Developer and the DDA entered into a Development Agreement, dated May 8, 2008, related to land and a development project located in the City, formerly Village of Dexter (the "Agreement").
- B. The Agreement contained a schedule for tasks to be completed by both the DDA and the Developer; not all such tasks have been completed within the schedule.
- C. The original Agreement has been amended by a First Amendment, dated November 19, 2009, a Second Amendment, dated November 18, 2010, and a Third Amendment, dated November 15, 2012.
- D. The Parties desire to extend the schedule for all uncompleted tasks, upon the terms contained in this Fourth Amendment.

#### Agreement to Amend

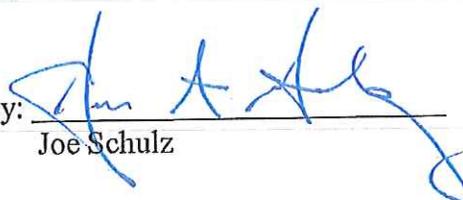
THEREFORE, based upon the Recitals and for valuable consideration, the sufficiency and receipt of is acknowledged, the Parties agree to amend the Agreement on the following terms:

1. **Project Schedule.** Section 2 of the Agreement shall be amended as follows:
  - 2.1 Developer shall commence construction on the Project within 90 days after the later of: 1) the Effective Date of this Agreement; 2) the conveyance of the City Property to Developer; or 3) the date Developer obtains financing for the Project. Developer shall complete construction of the Project by no later than

December 1, 2016, subject to Sections 6, 10.9 & 10.12. "Completion of construction" shall mean completion of the Building core and shell and site improvements.

- 2. **Miscellaneous.** Except as modified above, all terms of the Agreement remain in effect. This Fourth Amendment may be executed in counterparts and such counterparts taken together shall be construed as an original.

Mill Creek Terrace, LLC

By:   
Joe Schulz

Dated: 1/15, 2015 

Its: Member

Dexter Downtown Development Authority

By:   
Steve Brouwer

Dated: December 18, 2014

Its: Chairperson

**OFFICE OF COMMUNITY DEVELOPMENT**

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

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**Memorandum**

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** Border – 2 – Border (B-2-B) Trail Update

**Date:** February 13, 2015

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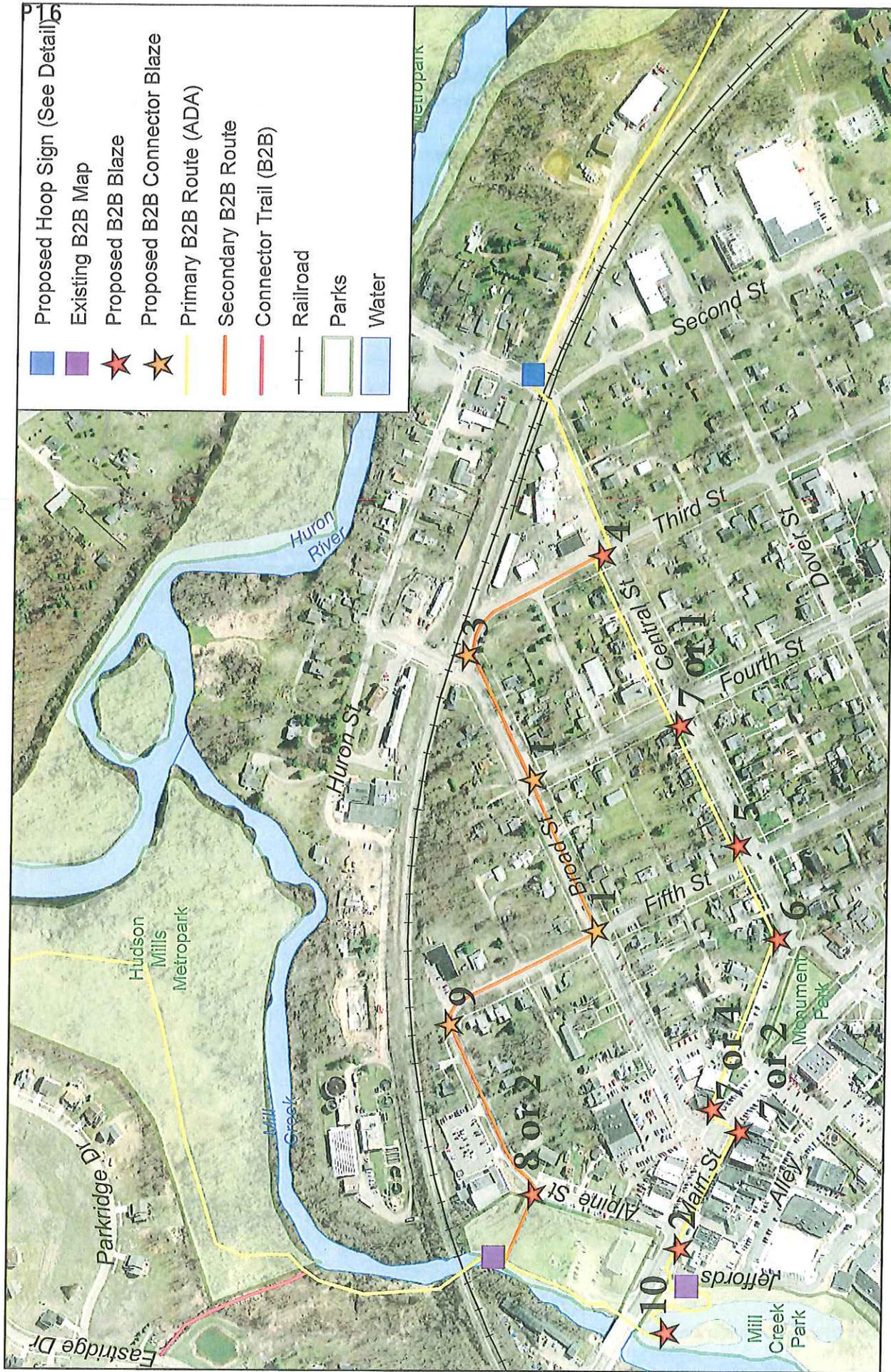
Attached you will find the signage plan from Washtenaw County Parks for wayfinding signage to guide people between the two Border to Border Trail connections in our community. One route is handicap accessible, while the other is a more direct route that utilizes the stairway from Alpine to Mill Creek Park North. The signage is 12" by 6" and will be placed on existing poles.

The Parks & Recreation Commission discussed the plan and requested that the County place handicap accessibility stickers on the signs along the "downtown" route. City Engineer OHM is verifying that "downtown" route is handicap accessible. The Commission also requested that the signage include "downtown route" or "historical route". Due to the small size of the signage, the County suggested that these designations be placed on the map that will be a part of the kiosk sign at the start of the path to Dexter Huron, instead of being included on the individual wayfinding signs.

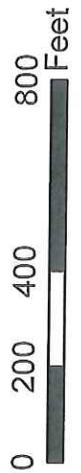
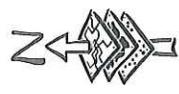
The Planning Commission reviewed the signage plan and approved it on January 5, 2015; City Council reviewed and approved the signage plan at its February 9<sup>th</sup> meeting.

Below is a list of the types of poles the signs will be included on (corresponds to the numbering on the map):

- 1 – Parallel Parking Only
- 2 – Light Pole
- 3 – Truck Route
- 4 – No Trucks
- 5 – Curve Ahead
- 6 – No Parking
- 7 – Street Sign
- 8 – Fence
- 9 – Left Arrow
- 10 – Black Railing



- Proposed Hoop Sign (See Detail 6)
- Existing B2B Map
- Proposed B2B Blaze
- Proposed B2B Connector Blaze
- Primary B2B Route (ADA)
- Secondary B2B Route
- Connector Trail (B2B)
- Railroad
- Parks
- Water



### B2B Route Through Dexter and Proposed Signage

Data Source:  
Washtenaw County GIS  
2010 Aerial Image

Prepared by:  
Washtenaw County Parks  
& Recreation Commission  
October 2014



B2B Connector Blaze  
12" x 6" (stock size)  
.080 aluminum

ARROW:  
Right

P17

Holes: 2 @ 3/8" dia., centered left to right, center of hole 1" from top & bottom edge

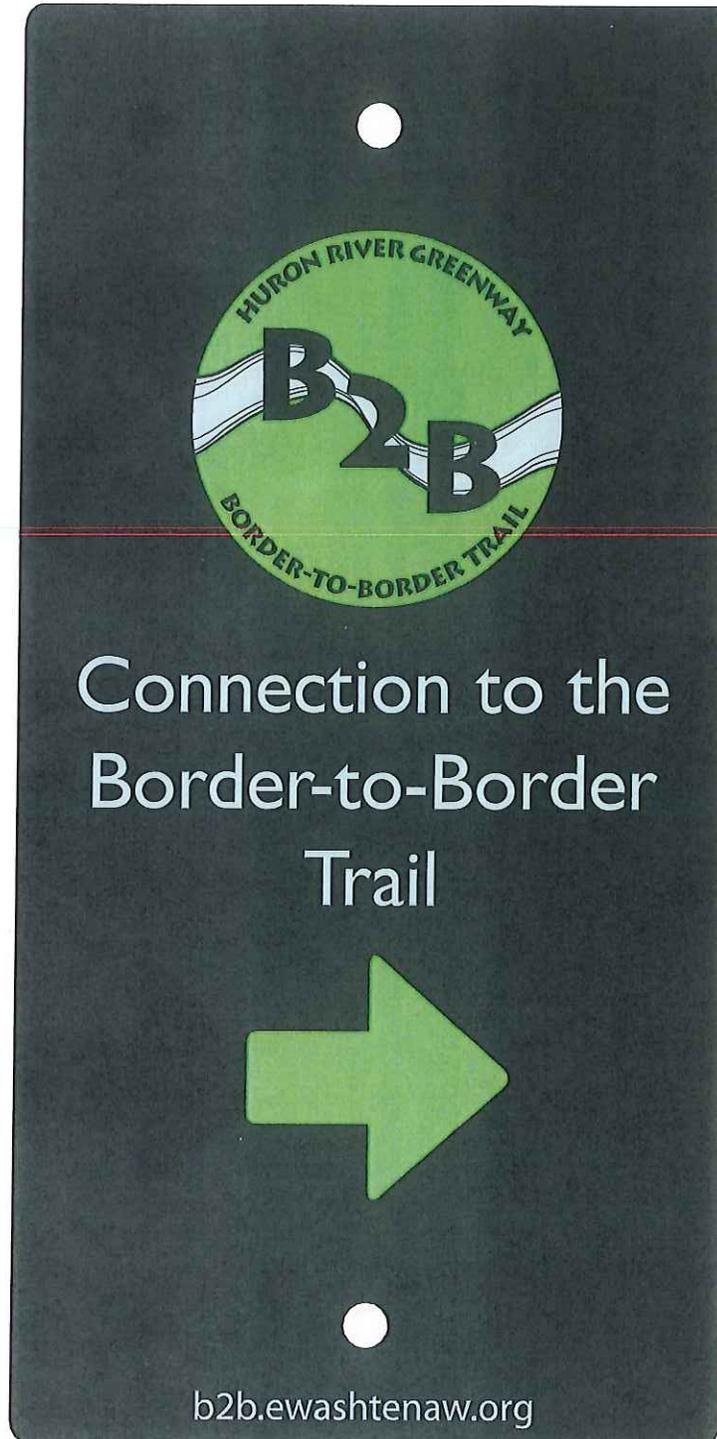
Match Colors to:



Pantone 376C



Pantone 2975C



P18 B2B Wayfinding Blaze  
12" x 6" (stock size)  
.080 aluminum

ARROW:  
Straight Ahead

Holes: 2 @ 3/8" dia., centered left to right, center of hole 1" from top & bottom edge

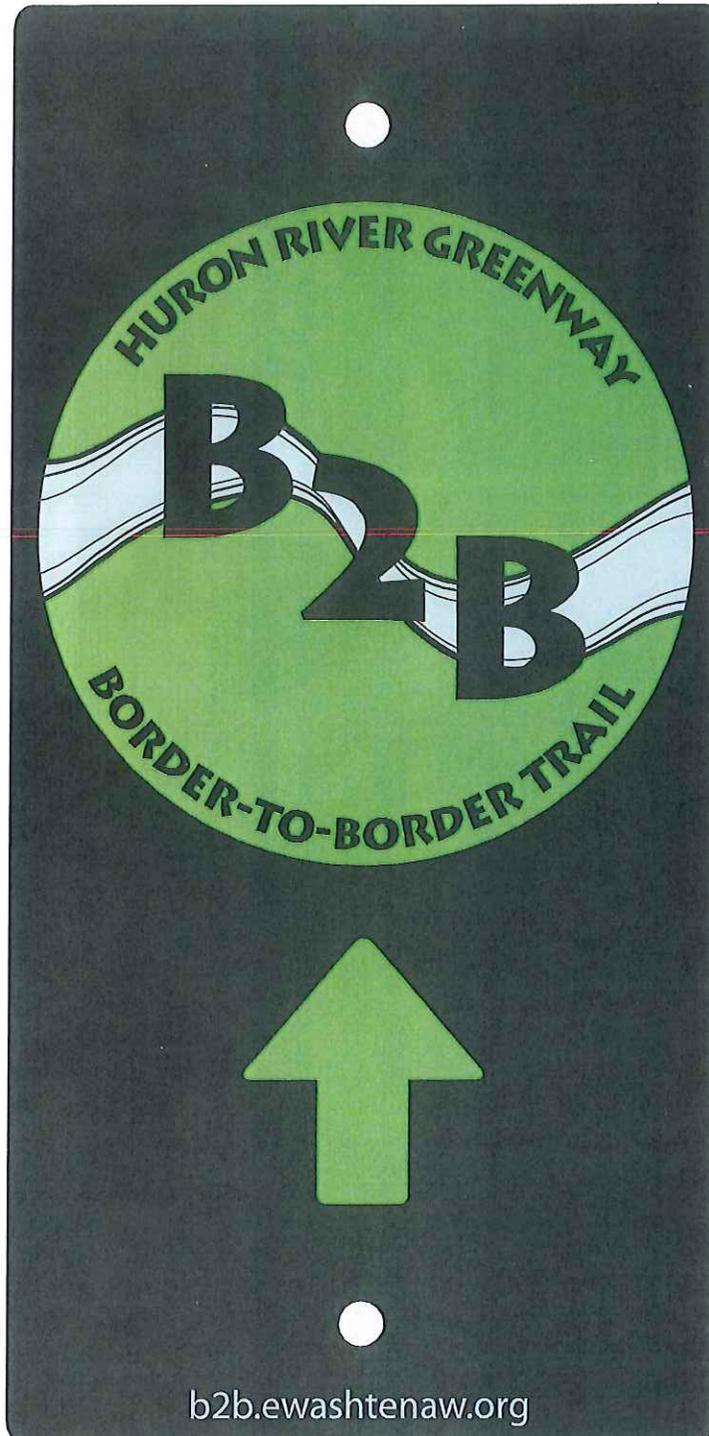
Match Colors to:



Pantone 376C



Pantone 2975C





Michigan

**OFFICE OF COMMUNITY DEVELOPMENT**

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

**Memorandum**

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** DDA Annual Report

**Date:** February 10, 2015

---

In accordance with PA 197 of 1975 (the DDA Act), as amended, the Downtown Development Authority must submit an annual report on the status of the tax increment financing account to the State Tax Commission (STC) and to its legislative body. In addition, this annual report must be published in a newspaper of general circulation, and including the following information:

- a) The amount and source of revenue in the account.
- b) The amount in any bond reserve account.
- c) The amount and purpose of expenditures from the account.
- d) The amount of principal and interest on any outstanding bonded indebtedness.
- e) The initial assessed value of the project area.
- f) The captured assessed value retained by the authority.
- g) The tax increment revenues received.
- h) The number of jobs created as a result of the implementation of the tax increment financing plan.
- i) Any additional information the governing body or the state tax commission considers necessary.

Attached for your review and approval you will find the 2014 Annual Report for the Dexter Downtown Development Authority, prepared by City Finance Director, Marie Sherry. Following your review, a motion to approve the 2014 Village of Dexter Downtown Development Authority Annual Report would be in order.



**OFFICE OF COMMUNITY DEVELOPMENT**

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

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**Memorandum**

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** Request to Amend Exclusive Listing Agreement (for 3045 Broad Street)

**Date:** February 16, 2015

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Attached you will find a request from Jim Chaconas (Colliers International) to extend the exclusive listing agreement (for 3045 Broad Street) to a new listing expiration date of December 31, 2015, which shall keep the property in an active status and allow Broker to continue to market the property.

At this time the listing agreement has expired. If the Board should decide to approve Mr. Chaconas' request, the listing would be extended from the point it expired to the new expiration date of December 31, 2015.

In addition to Mr. Chaconas' request, Peter Allen has approached staff and the Mayor about his desire to represent and assist the City/DDA with the sale and redevelopment of the 3045 Broad Street property. Therefore, before acting on Mr. Chaconas' request, the DDA may wish to consider the following questions:

- Since the listing agreement has expired, does the DDA want to extend the listing agreement or enter into a new listing agreement with Mr. Chaconas?
- Does the DDA want Mr. Allen to submit a written proposal for its consideration?
- Does the DDA want to develop an RFP to select a listing agent? A copy of current request and the initial listing agreement are enclosed with this memo.

I look forward to your discussion. In the meantime, please let me know if you have any questions or comments.



**AMENDMENT TO  
EXCLUSIVE LISTING AGREEMENT**

Date: Friday, December 05, 2014

This is an Amendment to the Exclusive Listing Agreement ("Listing") between Colliers International Detroit, LLC, d/b/a Colliers International ("Broker") and the Seller/Lessor for the real property described as follows:

Seller: Dexter Downtown Development  
Property: 3045 Broad St, Dexter, MI  
Dated: 3/25/13

Seller and Broker hereby agree to amend the Listing as follows:

- 1) Extend the Listing Agreement to a new listing expiration date of December 31, 2015, which shall keep the property in an active status and allow Broker to continue to market said property.

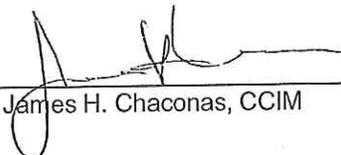
Except as expressly set forth in this Amendment, the Listing shall remain in full force and effect.

**SELLER: Dexter Downtown Development**

By: \_\_\_\_\_  
Steve Brouwer Date

Its: \_\_\_\_\_

**ACCEPTED BY  
Colliers International Detroit, LLC, d/b/a  
COLLIERS INTERNATIONAL**

By:   
James H. Chaconas, CCIM

By: \_\_\_\_\_  
Paul Choukourian  
Executive Managing Director, CCIM, RPA  
Its: Broker of Record

# Listing Proposal

Village of Dexter

3045 Broad Street - Redevelopment

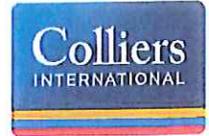
*Executed May 15, 2013*

PRESENTED BY:

Jim Chaconas, CCIM  
Vice President  
Direct: 734-769-5005  
[jim.chaconas@colliers.com](mailto:jim.chaconas@colliers.com)

Richard Timmons  
Senior Associate  
Direct: 734-769-5006  
[Richard.timmons@colliers.com](mailto:Richard.timmons@colliers.com)

Colliers International  
400 East Washington  
Ann Arbor, MI 48104  
[www.colliers.com](http://www.colliers.com)



Monday, March 25, 2013

Village of Dexter  
8123 Main Street  
Dexter, MI 48110

RE: 3045 Broad Street Redevelopment

Dear Allison:

Colliers International is pleased to submit this proposal for providing Real Estate Brokerage services.

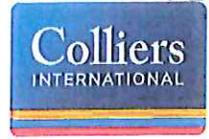
Colliers International is a leader in global commercial real estate services. Colliers has 522 offices in 62 countries with over 12,300 professionals and staff. Colliers International has completed over \$154 billion in commercial real estate transactions over the last three years. We provide a complete range of services to commercial real estate users, owners and investors on a local, regional, national and international basis. In addition to brokerage services, Colliers also provides property management and construction related services to our clients.

The foundation of our service is the strength of our local specialists. Our clients depend on our ability to draw on years of direct local market experience. If selected, Colliers would provide services from our Ann Arbor office. Six licensed real estate professionals staff the Ann Arbor office. The primary individuals who would provide services to the Village of Dexter would be James Chaconas and Richard Timmons, their resumes are enclosed. Mr. Chaconas, based in Ann Arbor, has completed over \$700,000,000 in real estate transactions since 1994. Mr. Chaconas has brokered the sale of over 1,000 acres of vacant land for commercial and residential development in Ann Arbor, Canton, Saline and Dexter. Mr. Timmons, in addition to being a licensed real estate professional, is a licensed consulting engineer with over 35 years' experience in providing land development consulting services to developers and users of commercial and residential real estate.

When we receive a listing contract, we have a custom-made sign installed in a prominent location on the property identifying that it is for sale with our contact information.

We will advertise the properties on all of the commercial real estate websites, some of which are:

- Colliers International's website, [www.Colliers.com](http://www.Colliers.com) receives visitors from around the globe 24-hours a day. This property will be placed on the Colliers website, on the individual broker webpages, as well as the following commercial real estate search engines:
- LoopNet – LoopNet is a search engine that has national appeal and the most well-known by tenants. Our experience is that smaller, local tenants generally use this site.



- CoStar – CoStar is the leading commercial real estate analytic site. They compile data for all the local properties and create comprehensive market reports. CoStar also actively markets all properties listed on it.
- CPIX – CPIX.net is the site that we and all other local brokers use most. It is the most up to date and easy to use commercial real estate search engine in SE Michigan. CPIX also uploads all the listings onto more than eighteen other websites, which gets your property maximum exposure.

Colliers advertises its listings on [www.AnnArbor.Com](http://www.AnnArbor.Com). We create ads that link directly to a website that has detailed information on the specific property, pictures of the property and our contact information. This makes it very easy and convenient for interested parties to immediately call or email us should they have questions or interest in a property.

Colliers currently maintains lists of property users in various categories. Utilizing our current lists, we would further refine them creating a list of possible users specific to these properties. Once we have developed a list of potential purchasers, we would target them directly. We approach them through direct mailings, emailing and cold calls.

Our commission rate for listing and selling of the properties is 6% of the sale price with a minimum commission of \$20,000. I have attached a copy of our listing contract for your review. Our commission includes compensation for representing the Village of Dexter in negotiations for the sale of the properties. We do not anticipate any other costs related to the real estate services, which we provide.

Thank you for the opportunity to submit this proposal. We look forward to working with the Village of Dexter in the selling of these properties.

Sincerely,

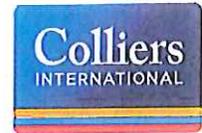
  
**Jim Chaconas** CCIM  
 Vice President | Ann Arbor  
 Direct: 734 769 5005  
[jim.chaconas@colliers.com](mailto:jim.chaconas@colliers.com)

  
**Richard Timmons**  
 Senior Associate  
 Direct: 734 769 5006  
[richard.timmons@colliers.com](mailto:richard.timmons@colliers.com)

**Colliers International**  
 400 E. Washington St  
 Ann Arbor, MI 48104

**Colliers International**  
 400 E. Washington St  
 Ann Arbor, MI 48104

Enclosures: Resumes  
 Listing Contract



EXCLUSIVE LISTING AGREEMENT

Sale

Date: Monday, March 25, 2013

Dexter Downtown Development ("Seller") hereby grants to Colliers International Detroit, LLC, dba Colliers International ("Broker"), in consideration of Broker's services in offering the following described property (the "Property") for sale, the exclusive right to find a purchaser(s) for the Property during the Listing Period, defined below, and any extension of the Listing Period, and Seller agrees to pay Broker a commission or commissions ("Commission") as specified herein.

Description of the Property

Land and premises in the Village of Dexter County of Washtenaw, State of Michigan, described as: 3045 Broad Street, Dexter, MI 48130.

Sale Price

The sale price shall be \_\_\_\_\_ Dollars (\$) (the "Sale Price"). Seller shall have the right to accept any other Sale Price as Seller may, in its sole discretion, deem appropriate.

Listing Period

Broker will have the exclusive right to find a purchaser(s) for the Property from the date of this agreement through June 30, 2014 (the "Listing Period") and during any extension of the Listing Period. The Listing Period may be extended by written authorization of Seller.

SELLER AGREES AND REPRESENTS AS FOLLOWS:

1. Discrimination because of religion, race, color, national origin, age, sex, disability, familial status, or marital status on the part of the real estate broker, real estate salesperson, seller, or lessor is prohibited.
2. Seller will pay to Broker a Commission if (a) during the Listing Period or any extension of the Listing Period ("the Commission Period"), the Property is sold or exchanged on any terms to any person or entity, (b) within six (6) months after the expiration of the Commission Period, the Property is sold or exchanged on any terms to a person or entity (or any affiliate of any person or entity) who, during the Commission Period, was shown the Property, or informed of its availability for sale by any person or entity, including Seller, or (c) during the Commission Period, Broker presents to Seller a person or entity who is ready, willing, and able to purchase the Property for the Sale Price, regardless of whether the Property is sold. If, during the Commission Period, any person or entity submits a written offer to purchase the Property, or enters into negotiations for the purchase of the Property, the Commission Period will be extended with respect to that person or entity until consummation of a sale or exchange or until termination of all efforts or negotiations with that person or entity. The term "affiliate" includes, but is not limited to, any agent, partner, member, shareholder, joint venturer, parent, subsidiary, successor, assign, and familial relation.
3. The Commission will be six percent (6%) of the Sale Price, with a minimum commission of Twenty Thousand (\$20,000.00) Dollars.
4. The Commission will be paid to Broker upon the first of the following to occur: (a) closing of a sale or exchange agreement, or (b) transfer of title to the Property, or (c) Seller's failure or refusal to sign a sale agreement in the event Seller fails or refuses to sign a sale agreement with a person or entity presented by Broker who is ready, willing and able purchase the Property for the Sale Price. If a sale is not consummated because of the purchaser's failure to perform and a deposit made by the purchaser is forfeited, Seller agrees that the deposit will be applied first to reimburse the Broker for all expenses incurred by Broker on the Seller's behalf, including but not limited to abstracting charges, counsel, and fees of public officers and that one-half of the remainder of such deposit (but not in excess of the amount of the full Commission) will be retained by the Broker in full payment for services rendered in this transaction.
5. ~~Seller hereby authorizes Broker to accept monies on its behalf from any actual or potential purchaser and to apply such funds to the Commission.~~
6. Seller is the owner of the Property and has and can deliver marketable title of record to the Property, free from any restrictions and encumbrances thereon, except the following:  
\_\_\_\_\_. Seller has not entered into any other listing agreement with respect to the Property that has not expired or terminated. Seller will take no action to frustrate, hinder, or prevent Broker from offering the Property during the Listing Period.



- 7. All inquiries or offers regarding the Property from any source whatsoever will be referred to Broker's attention, along with a copy of any written inquiry or offer.
- 8. Broker may show the Property to prospective purchasers during reasonable hours, erect a "For Sale" sign on the Property, and remove other "For Sale" signs from the Property. Broker is authorized to cooperate with other brokers, however, Seller is under no obligation to pay any Commission to any cooperating broker.
- 9. This agreement represents the entire agreement between the parties, and supersedes any and all other prior or contemporaneous agreements, understandings, and negotiations, written or oral, between the parties.
- 10. This agreement shall inure to the benefit of and be binding upon the respective heirs, personal representatives, successors and assigns of the parties. Seller hereby acknowledges receipt of a copy of this agreement.

**SELLER: Dexter Downtown Redevelopment**

By: *[Signature]* 5/15/13  
 Date  
 Its: Chairman DDA

**ACCEPTED BY**  
**Colliers International Detroit, LLC d/b/a**  
**COLLIERS INTERNATIONAL**

By: *[Signature]*  
 Jim Chaconas, CCIM

By: \_\_\_\_\_  
 Paul Choukourian  
 Managing Director, CCIM, RPA  
 Its: Broker of Record



**OFFICE OF COMMUNITY DEVELOPMENT**

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

**Memorandum**

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** Foremost Development Company Letter of Interest-3045 Broad Street

**Date:** February 16, 2015

On February 13, 2015 staff received correspondence from Terry Bailey, President, Foremost Development Company expressing interest in the 3045 Broad Street project. According to Mr. Bailey, Foremost Development Company, located in Birmingham, Michigan, views the Broad Street Development Parcels as "a fantastic opportunity to bring market-rate, luxury housing to downtown Dexter." He also states that Foremost's development model capitalizes on urban, walkable environments that attract Millennials and empty-nesters.

In the letter Mr. Bailey describes the type of development he envisions and cites the company's housing and brownfield development experience. Mr. Bailey indicates a desire to schedule a meeting "with key staff, consultants, and elected officials to develop an offer to the City of Dexter that fits within the Master Plan and the vision" the City has for the site, as well as downtown.

**Background and Discussion**

On February 3, 2015, at the request of Peter Allen, staff met with him and John Hess of O'Brien Construction/Foremost Development Company. Mr. Hess wanted a tour of the downtown, Mill Creek Park, Mill Creek Terrace (Schulz development) and the 3045 Broad Street property. We discussed the status of both the Mill Creek Terrace and the redevelopment of 3045 Broad Street, as well as Dexter in general. The process the City/DDA has and is taking (i.e. studies, TMA and eventual RFP for a Development Partner). Mr. Hess indicated an interest in bringing his partner in to discuss the 3045 Broad Street redevelopment project.

On Wednesday, February 11, 2015, Mr. Hess brought his partner, Terry Bailey, President, Foremost Development Company to tour the site and meet staff. Mr. Bailey requested an aerial photo map of the site and confirmation on the acreage involved. Staff provided the following, as requested:

- Assessors property profile for 3045 Broad Street, and the 3 adjacent parcels (8077 & 8087 Forest and 8090 Grant Street), which the City/DDA own for additional information;
- Acreage:
  - 3045 Broad Street is 1.35 ac in area
  - 8077 and 8087 Forest St are .40 ac in area
  - 8090 Grand St is .30 ac in area
  - Total, not including any road ROW is 2.27 ac

Staff also included information regarding 8080 Grand St, which is privately owned and currently on the market.

During our meeting, Mr. Bailey indicated he was not interested in waiting for an RFP, and preferred to engage the City sooner; asking what would be the next step. Although the City/DDA has not discussed a formal process for how staff should handle these types of inquiries, staff directed Mr. Bailey to submit a

written letter of interest, which could be shared with the DDA at its next meeting. Mr. Bailey has indicated his partner, John Hess, plans to attend your February 19<sup>th</sup> meeting.

In the meantime, to help frame the discussion, the DDA should consider the following:

- Identify 1-2 Board members to participate in the meeting requested by Mr. Bailey.
- What are the Board's expectations for a negotiation process?
- What is the process for persons expressing an interest in the property?
- What expectations does the DDA have of staff, and DDA/City officials in this process?

Thank you.



February 13, 2015

Ms. Michelle Aniol  
Community Development Manager  
City of Dexter  
8140 Main Street  
Dexter, MI 48130-1092

Sent via email to: [maniol@DexterMI.gov](mailto:maniol@DexterMI.gov)

Dear Ms. Aniol:

Thanks so much for your time at the office yesterday. The Broad Street Development Parcels represent a fantastic opportunity to bring market-rate, luxury housing to downtown Dexter. The location is ideal for our development model at Foremost: urban, walkable environments targeting Millennials and empty-nesters.

We envision a development of between 70-90 units with amenities like plank flooring, Kohler fixtures, recessed LED lighting, on-site cinema, yoga studio and WiFi Lounge. The floor plans would range from 630-980 square feet with balconies and rents of \$1.60-\$1.85 per square foot, which has to be determined by our market analysis. The power lines, transformers and Power House would have to be addressed to make the building and parking work on the site.

Foremost Development Company is a Birmingham, Michigan-based developer working on market-rate, luxury developments at five locations in Southeast Michigan and Ohio. Terry Bailey, President of Foremost has developed 20,000 units of apartment housing across the USA. We work with a team of architects, engineers, consultants, and contractors with whom our principals have worked on many projects. We have substantial experience working on Brownfield Redevelopments (BRDA), Community Reinvestment Program, Historic Tax Credits, and other incentive programs. We often work closely with ASTI Environmental, who has already worked with the City of Dexter on the Broad Street site.

We are very interested in scheduling time to meet with other key City staff, consultants, and elected officials to develop an offer to the City of Dexter that fits within the Master Plan and the vision you have created for downtown as well as the site. We believe we can develop a project that will get the City the highest possible sales price, highest quality units, and provide both tax revenue as well as customers to all the existing and future businesses in Dexter. John Heiss will plan to attend the upcoming DDA meeting next week. We hope to begin working on a site plan and scope for this development very soon for your input.

Sincerely,  
Terry Bailey, President  
Foremost Development

**From:** Terry Bailey  
**To:** "Michelle Aniol"  
**Cc:** John Heiss; "Elias T. Xenos"  
**Subject:** RE: Dexter  
**Date:** Friday, February 13, 2015 10:19:18 AM  
**Attachments:** [Foremost Letter to Dexter \(ETX Rev\).docx](#)

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Good morning, Michelle.

Thank you for providing the requested information. This will be very helpful with our due diligence.

As discussed, attached is our letter of interest to use as needed. John and I look forward to hearing back from you in the near term. Should you require any additional information, please do not hesitate to contact either of us.

Terry

**TERRY L BAILEY**

**FOREMOST DEVELOPMENT COMPANY**

550 W. Merrill Street, Suite 100  
Birmingham, Michigan 48009  
248-764-1093 ext 710  
248-498-6272 fax  
248-613-1463 cell  
[www.foremostdevco.com](http://www.foremostdevco.com)  
[tbailey@foremostdevco.com](mailto:tbailey@foremostdevco.com)

**From:** Michelle Aniol [mailto:maniol@dextermi.gov]  
**Sent:** Thursday, February 12, 2015 11:09 AM  
**To:** 'John Heiss'; 'Trevor Bailey'  
**Cc:** cnicholls@dextermi.gov; 'Justin Breyer'  
**Subject:** Dexter

John and Terry,

Thank you for your interest in Dexter and our downtown redevelopment site at 3045 Broad Street. As promised, attached you will find an aerial photo map of the site. I've also included the assessors property profile for 3045 Broad Street, and the 3 adjacent parcels (8077-8087 Forest and 8090 Grand St), which the City/DDA own, for your information.

3045 Broad Street is 1.35 ac in area  
8077 and 8087 Forest St are .40 ac in area  
8090 Grand St is .30 ac in area  
Total, not including any road ROW is 2.27 ac

8080 Grand St is an adjacent property, but is privately owned and currently on the market. I've attached the broker's flyer for your information.

Let me know if you have any questions or comments.

*Michelle Aniol*

Community Development Manager

City of Dexter  
8140 Main Street  
Dexter, MI 48130-1092

734-426-8303 ext. 15 (o)  
248-721-5076 (m)

[maniol@dexfermi.gov](mailto:maniol@dexfermi.gov)  
[www.dexfermi.gov](http://www.dexfermi.gov)



OFFICE OF COMMUNITY DEVELOPMENT

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

## Memorandum

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** DDA Annual Report

**Date:** February 10, 2015

Washtenaw County has invited us to apply for a Local Economies Economic Development Mini-Grant. This grant program is offered to non-profit groups (including municipalities) to assist in project and events that:

- Help to grow local businesses and local jobs
- Increase awareness and purchasing of local products and services
- Enhance the economic vitality of downtown areas
- Promote the agricultural and industrial advantages and products of the county or state; and other projects that result in increased economic vitality within Washtenaw County.

The guidelines and application are attached to this memo. This is the same program the Village of Manchester used to fund a recent Retail Market Study of its downtown. The maximum grant amount available through the mini-grant is \$10,000. The mini-grant can be used for a variety of projects/events.

### Background & Discussion

The DDA had a retail market analysis conducted in 2006, as part of its DDA Development and Tax Increment Financing Plan. There were at least two factors that impacted this study:

- **Factor 1: The retail market study and subsequent analysis was done prior to the Great Recession.** The impact of the Great Recession on the economy is widely recognized; significant job loss occurred and, directly proportional, disposable income was dramatically reduced and in many cases eliminated. Even now, consumer confidence continues to lag behind what it was in 2006.
- **Factor 2: The study occurred at the same time the Harvest Valley proposal was being considered.** The Harvest Valley proposal called for a wide range of potential land uses, including up to 575 single and multiple family residential units, neighborhood commercial, limited industrial and research and development. The amount of acreage and square footage to be developed for the non-residential uses was not defined. However, the potential impact on retail in the City (then Village) at that time could not be ignored.

Consequently, staff wondered if the DDA would consider updating the retail market study. If so, the next steps would be:

- Develop an Request For Proposals (RFP) for a Retail Market Study
- Identify a preferred proposal and vendor
- Apply for a Mini-Grant

If the mini-grant application is successful, a contract would be awarded. If the application is rejected, the DDA would need to decide whether or not to proceed with the updated study.

A copy of the current Market Analysis is available online at:

[http://dextermi.gov/sites/dextermi.gov/files/client\\_files/plans/dda\\_strategic\\_plan\\_tab\\_3.pdf](http://dextermi.gov/sites/dextermi.gov/files/client_files/plans/dda_strategic_plan_tab_3.pdf)



## Act 88: Growing the Local Economy of Washtenaw County

### Washtenaw County Local Economies Economic Development Mini-Grant

#### What is the Economic Development Mini-Grant program?

Washtenaw County Government is offering Washtenaw County non-profit groups the opportunity to apply for mini-grants related to economic development. The purpose of this program is to assist in projects and events that:

- help to grow local businesses and local jobs
- increase awareness and purchasing of local products and services
- enhance the economic vitality of our downtown areas
- promote the agricultural and industrial advantages and products of the county or state; and
- other projects that result in increased economic vitality within our County.

Grants of up to \$10,000 will be considered. They are intended to provide one-time funding and not for ongoing operational costs.

Applications will be evaluated on a first-come, first-serve basis. Fund availability is based on the County's annual budgeted allocation for this purpose. Once the fund is depleted there will be no additional funding that calendar year.

#### Who is eligible?

Non-profit organizations within Washtenaw County.

#### What application information is required?

Please fill out and submit the attached application. Once your request has been reviewed by the Local Economies Grant Review Committee you will be notified on their decision. If your project is chosen for funding, you will be required to sign and submit an agreement.

For more information, contact Tony VanDerworp at 734.891-8449 or at [vanderworpa@ewahtenaw.org](mailto:vanderworpa@ewahtenaw.org).

# Washtenaw County Local Economies Economic Development Mini-Grant Application

Please complete the following form in full with all relevant information.

## PROJECT / EVENT NAME

- Name

## PROJECT/ EVENT SPONSOR

- Name
- Address
- Phone
- E mail address

## PROJECT/ EVENT DESCRIPTION

- Description of proposed product, service or research
- Deliverables
- Timeframe for completion
- Project Lead and Partners

## PROJECT/ EVENT FUNDING & REVENUES

- County funding requested
- Other funding (*including source and amount*)
- Plan for sustaining project/product/service without ongoing county investments/subsidy
- Will the proposal generate a revenues stream? If so, what portion of that revenue will be returned to the County and over what time period?

## PROJECT / EVENT OUTCOMES

Describe how the proposal will result in one or more of the following outcomes:

- Increases local product and services purchasing
- Increases local company formation or expansion
- Increases jobs for county residents
- Increases private investment in local companies
- Increases the promotion of local agricultural and industrial advantages or products

## Qualifications of Sponsor and Partners

- Experience, previous work etc.



*downtown market*



## *downtown market*

Located just 7 miles west of Ann Arbor, Michigan, the Village of Dexter has easy access to area shopping, dining, hospitals, universities, and amenities. Overall, the village had a substantial rate of population growth between 1990 and 2000 (56.2% growth for the decade), due to the successful use of Public Act 425 Land Transfer Agreements, and the population continues to grow at a healthy rate of 2.2% annually.

With a quaint downtown, existing client base, and strong traffic flow generated by northern Washtenaw County residents accessing I-94 via downtown Dexter, the village faces a number of challenges to maintain a vibrant downtown, while maintaining its small town charm. The proposed bypass around the downtown area, the relocation of Busch's from its downtown location to a site south of downtown closer to I-94, and the need for significant repair to the Mill Creek Bridge will all threaten the longevity of downtown businesses. In addition, the strong retail offerings in Ann Arbor and Chelsea create a very competitive environment for retail spending in Washtenaw County. The proposed Harvest Valley development poses an additional future retail threat to the Village of Dexter, but it will likely be a long-term concern as the most optimistic projections have this development taking a minimum of 15 years to complete. Further, there is some opposition to Harvest Valley, which may delay it even further, and the village has the opportunity to strengthen its retail market position and may be able to influence the mix of this development in order to remain vibrant over the long term. Residential development at Harvest Valley can be beneficial to supporting retail in Dexter.

Supportable Retail Square Footage for Dexter Primary Trade Area Market  
 Conservative and Aggressive Market Scenarios

Category	2005 Expenditure Potential	Conservative Scenario			Aggressive Scenario		
		2005 Supportable Sq.-Ft.	2010 Supportable Sq.-Ft.	2005-2010 Supportable Sq.-Ft.	2005 Supportable Sq.-Ft.	2010 Supportable Sq.-Ft.	2005-2010 Supportable Sq.-Ft.
Department Stores	\$294,156,437	0	0	0	0	0	0
General Merchandise	\$234,824,192	0	0	0	0	45,000	45,000
Discount Department Stores	\$0	0	0	0	0	0	0
Warehouse Club	\$0	0	0	0	0	0	0
<b>Total Department Stores</b>	<b>\$528,980,629</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45,000</b>	<b>45,000</b>
Women's Apparel	\$33,998,061	0	0	0	0	3,500	3,500
Men's Apparel	\$20,780,648	0	0	0	0	1,700	1,700
Unisex Apparel	\$34,812,384	3,000	2,000	5,000	3,000	2,000	5,000
Children's Apparel	\$6,126,446	0	0	0	0	0	0
Men's Shoes	\$0	0	0	0	0	0	0
Women's Shoes	\$0	0	0	0	0	0	0
Athletic Shoes	\$2,654,265	0	0	0	0	0	0
Shoes and Accessories	\$15,880,978	0	2,500	2,500	0	2,500	2,500
<b>Total Apparel/Accessories</b>	<b>\$114,252,781</b>	<b>3,000</b>	<b>4,500</b>	<b>7,500</b>	<b>3,000</b>	<b>9,700</b>	<b>12,700</b>
Restaurants	\$76,462,257	10,000	0	10,000	10,000	7,000	17,000
Family Restaurants	\$62,231,454	4,000	3,500	7,500	0	3,500	3,500
Fast Food Restaurants	\$65,488,799	0	0	0	0	3,200	3,200
Grocery Stores	\$148,761,497	0	0	0	4,000	0	4,000
Meat & Fish Markets	\$0	0	0	0	0	0	0
Fruit & Vegetable Markets	\$0	0	0	0	0	0	0
Specialty Food Stores	\$14,191,312	0	0	0	0	1,500	1,500
Retail Bakeries	\$0	0	0	0	0	0	0
Liquor Stores	\$16,187,714	0	0	0	0	0	0
Bar/taverns	\$8,699,245	0	0	0	0	0	0
<b>Total Food</b>	<b>\$392,022,277</b>	<b>14,000</b>	<b>3,500</b>	<b>17,500</b>	<b>14,000</b>	<b>15,200</b>	<b>29,200</b>
Appliances/Electronics	\$25,473,098	0	0	0	0	1,300	1,300
Art, Craft & Sewing Stores	\$4,771,642	0	0	0	0	0	0
Auto Supply Stores	\$29,391,828	0	0	0	0	0	0
Book Stores	\$39,994,743	0	4,500	4,500	0	4,500	4,500
Card/Gift Shops	\$12,698,006	0	0	0	0	0	0
Computers & Accessories	\$14,492,805	0	0	0	0	0	0
Convenience Stores	\$103,673,895	0	0	0	0	0	0
Copying/Printing	\$0	0	0	0	0	0	0
Dollar Store/Variety	\$0	0	0	0	0	0	0
Drug Store/Pharmaceutical	\$83,081,530	0	0	0	0	0	0
Florists	\$5,007,722	0	0	0	0	0	0
Furniture Stores	\$27,788,756	0	0	0	0	0	0
Hardware	\$12,986,254	0	0	0	0	0	0
Health & Beauty Stores	\$12,370,069	0	0	0	0	0	0
Home Décor & Accessories Stores	\$0	0	0	0	0	0	0
Home Furnishings Stores	\$83,357,974	3,500	0	3,500	3,500	4,000	7,500
Home Improvement	\$64,259,728	0	0	0	0	0	0
Jewelry Stores	\$11,576,907	0	0	0	0	0	0
Laundry/Dry Cleaning	\$2,624,624	0	0	0	0	0	0
Luggage Shops	\$0	0	0	0	0	0	0
Mailing/Packaging	\$0	0	0	0	0	0	0
Medical Supply Stores	\$0	0	0	0	0	0	0
Movie Theatres	\$0	0	0	0	0	0	0
Music Stores	\$6,081,480	0	0	0	0	0	0
Musical Instrument Shops	\$818,542	0	0	0	0	0	0
Office Supply Stores	\$41,956,269	0	0	0	0	0	0
Optical/Vision Care	\$5,582,394	0	0	0	0	0	0
Personal Services	\$11,175,444	0	0	0	0	0	0
Pet Supply Store	\$19,012,593	0	0	0	0	4,500	4,500
Photographic Supply Shop	\$4,312,610	0	0	0	0	0	0
Shoe Repair and Service	\$0	0	0	0	0	0	0
Sporting Goods Stores	\$15,348,209	0	0	0	0	0	0
Tobacco Shop	\$0	0	0	0	0	0	0
Toy & Hobby Shops	\$10,460,877	0	0	0	0	0	0
Video/Entertainment	\$2,151,911	0	0	0	0	0	0
<b>Total Other Retail</b>	<b>\$419,953,893</b>	<b>3,500</b>	<b>4,500</b>	<b>8,000</b>	<b>3,500</b>	<b>14,300</b>	<b>17,800</b>
<b>Total Retail</b>	<b>\$1,455,209,580</b>	<b>20,500</b>	<b>12,500</b>	<b>33,000</b>	<b>20,500</b>	<b>84,200</b>	<b>104,700</b>

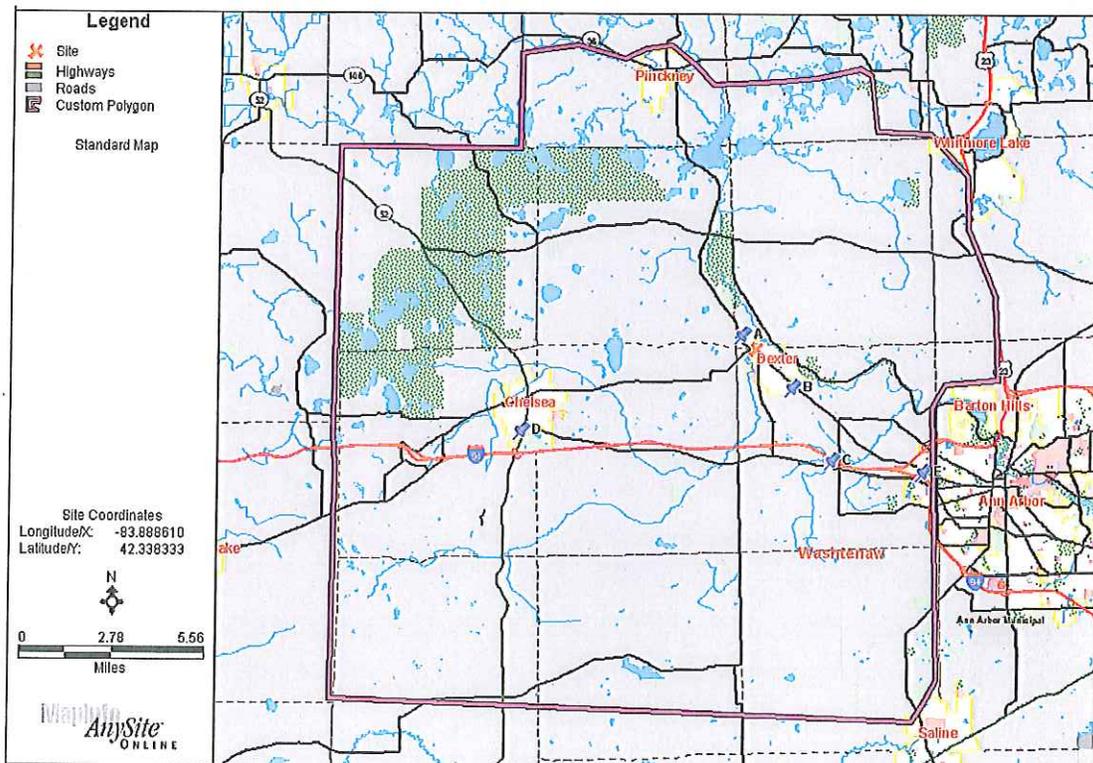
There are two potential courses of action for the Village of Dexter: a more conservative program and an aggressive approach. The conservative scenario assumes the current pace of housing growth, the necessary repairs to the Mill Creek Bridge and an otherwise status quo approach. Under this scenario, the Village of Dexter would need to add an additional 33,000 square feet of retail development to the downtown area including 7,500 square feet of apparel-related categories; 17,500 square feet of restaurants; and 8,000 square feet of miscellaneous retail that includes a 4,500-square-foot book store and a 3,500-square-foot home furnishings store.

In a more aggressive scenario, it is assumed that the Village of Dexter will take measures to increase the level of residential development in and around the village to increase the customer base, will implement an aggressive marketing campaign, and will strive to increase the regional draw of the village by adding more activities and non-retail uses that will attract residents and visitors to downtown (including, but not limited to, entertainment uses, trails along the river, and other traffic generators). Only by taking these measures can the village take a more assertive approach and add more retail.

Under this scenario, the village can add a total of 104,700 square feet of retail including the retail discussed above and adding 45,000 square feet of junior specialty department store (e.g., SteinMart, T.J. Maxx, Marshall's, etc.); an additional 5,200 square feet of apparel (12,700 square feet total); 29,200 square feet total for restaurants (11,700 square feet more than the conservative scenario); and 17,800 square feet of miscellaneous retail (adding 1,300 square feet of appliances/electronics, an additional 4,000 square feet of home furnishings, and 4,500 square feet of pet supplies).

In order to get a junior anchor to go in downtown, away from regional access, it will be necessary to have a plan in place to keep and increase traffic flow through downtown. These types of retailers will typically prefer a more regional location and there will need to be some creativity involved to develop other related downtown traffic generators.

**Downtown Dexter Primary Trade Area Market**





**OFFICE OF COMMUNITY DEVELOPMENT**8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

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**Memorandum**

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** Memorandum of Understanding (MOU) for Target Market Analysis (TMA)

**Date:** February 13, 2015

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Attached you will find a draft Memorandum of Understanding (MOU) between Dexter and Chelsea, Saline and Ypsilanti for the TMA Grant. MSHDA strongly suggests we enter into this type of agreement since there is a requirement to have commenced a project within 3 years. The agreement ensures that no one community is left holding the bag for another communities grant dollars. We are each responsible for the amount of grant dollars we would receive. The document does not have to be executed until after we are awarded the grant.

## MEMORANDUM OF UNDERSTANDING RESIDENTIAL TARGET MARKET ANALYSIS

The City of Dexter ("Dexter"), City of Chelsea ("Chelsea"), City of Saline ("Saline") and City of Ypsilanti City ("Ypsilanti") agree to assist each other with developing a residential Target Market Analysis ("TMA") for specified areas in the County of Washtenaw.

To assist in the TMA, the Michigan State Housing Development Authority ("MSHDA") has provided a grant to Dexter, a copy of which is attached as Exhibit 1, for up to one half of the cost of the TMA, but not to exceed \$20,000. Dexter, Chelsea, Saline, and Ypsilanti have committed varying amount of monies, as specified below, toward the TMA.

1. City of Dexter Obligations. Dexter shall under take the following:

- 1.1 Dexter has executed the Housing Development Grant Agreement, Grant #HDF-283, which is attached as Exhibit 1, and shall administer the Grant. Dexter shall retain an individual or entity to perform a residential TMA. The TMA shall identify opportunities for specific housing products and price ranges based upon an in-depth assessment of housing needs in specified areas of Dexter, Chelsea, Saline, and Ypsilanti.
- 1.2 The focus of the TMA in Dexter shall be on the historic downtown area, which includes a 10-15 acre area that once supported Dexter's manufacturing industry, and the originally platted "village" neighborhood, circa 1830, which is adjacent to the downtown.
- 1.3 Dexter shall contribute \$5,000 towards the TMA. To the extent that Dexter asks for any additional work from the individual or entity hired to perform the TMA, such additional work shall be paid for by Dexter alone.
- 1.4 Dexter commits to advertise the results of the TMA relating to Dexter.
- 1.5 If the TMA determines a market for a particular housing type, Dexter commits to complete a development project aligned with the results of the TMA within three years of issuance of the TMA. Failure to satisfy this provision, in the sole discretion of MSHDA, shall result in Dexter being obligated to pay to MSHDA 0.25% of the amount of the MSHDA Grant.

2. City of Chelsea Obligations. Chelsea shall undertake the following:

- 2.1 The TMA for the Chelsea shall concentrate on our Downtown Development District (DDA) for housing opportunities. In particular, the areas alongside M52 (Main Street) through our downtown area and also, the Chelsea Clocktower Development which has residential development potential in the empty, three story Rockwell Building.

- 2.2 Chelsea shall contribute \$5,000 towards the TMA. To the extent that Chelsea asks for any additional work from the individual or entity hired to perform the TMA, such additional work shall be paid for by Chelsea alone.
- 2.3 Chelsea commits to advertise the results of the TMA relating to Chelsea.
- 2.4 If the TMA determines a market for a particular housing type in Chelsea and a development project aligned with the results of the TMA has not been within three years of issuance of the TMA, in the sole discretion of MSHDA, Chelsea shall be obligated to pay to MSHDA 0.25% of the amount of the MSHDA Grant.

3. City of Saline Obligations. Saline shall undertake the following:

- 3.1 The focus of the TMA in Saline shall focus on three primary locations in need of development: 600 Maple which was the former Department of Public Works site; our core downtown which includes a vacant lot at 147 West Michigan Avenue that was formerly a dealership and a gas station; and a parcel located on the southwestern edge of town at 207 Monroe Street..
- 3.2 Saline shall contribute \$5,000 towards the TMA. To the extent that Saline asks for any additional work from the individual or entity hired to perform the TMA, such additional work shall be paid for by Saline alone.
- 3.3 Saline commits to advertise the results of the TMA relating to Saline.
- 3.4 If the TMA determines a market for a particular housing type, Saline commits to complete a development project aligned with the results of the TMA within three years of issuance of the TMA. Failure to satisfy this provision, in the sole discretion of MSHDA, shall result in Saline being obligated to pay to MSHDA 0.25% of the amount of the MSHDA Grant.

4. Ypsilanti Obligations. Ypsilanti shall undertake the following:

- 4.1 The focus of the TMA in Ypsilanti shall be on the Water Street area in its downtown.
- 4.2 Ypsilanti shall contribute \$5,000 towards the TMA. To the extent that Ypsilanti asks for any additional work from the individual or entity hired to perform the TMA, such additional work shall be paid for by Ypsilanti alone.
- 4.3 Ypsilanti commits to advertise the results of the TMA relating to Ypsilanti.
- 4.4 If the TMA determines a market for a particular housing type, Ypsilanti commits to complete a development project aligned with the results of the TMA within three years of issuance of the TMA. Failure to satisfy this provision, in the sole

discretion of MSHDA, shall result in Ypsilanti being obligated to pay to MSHDA 0.25% of the amount of the MSHDA Grant.

5. Miscellaneous.

- 5.1 Refund of Monies: If the full \$40,000 is not used for the TMA, MSHDA shall be obligated to pay only 50% of the actual cost and shall be refunded any amount MSHDA has paid in excess of the 50%. The balance of any excess monies shall be returned to Dexter, Chelsea, Saline and Ypsilanti in the same proportion that it was contributed.
- 5.2 Document Delivery. Chelsea, Saline and Ypsilanti shall provide Dexter such information and documents that it requests, at no cost to Dexter, in furtherance of Dexter's obligations to administer the Housing Development Grant Agreement, Grant #HDF-283.
- 5.3 Execution of Housing Development Grant Agreement, Grant #XXX-XXX. After the execution of the Housing Development Grant Agreement, Grant #XXX-XXX by Dexter and MSHDA and after execution of this Memorandum of Understanding, but prior to the disbursement of Grant funds from MSHDA, each signatory to this Memorandum shall execute an acknowledgement of the conditions of the Housing Development Grant Agreement, Grant #XXX-XXX and shall pay Dexter its portion of the local match, as specified above.
- 5.4 Counterparts. This agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 5.5 Termination. Either party may terminate this contract on or before December 15 of each year. If not terminated by that date, both parties are obligated to comply with this contract until the following December 15, at which point it may be terminated.
- 5.6 Entire Agreement/Amendments. This agreement and attached Exhibit 1 sets forth all of the promises, covenants, agreements, conditions, and undertakings between the parties with respect to the subject matter of this agreement and supercedes all prior and contemporaneous agreements and understandings, inducements, or conditions, express or implied, oral or written, relating to this matter, except as contained within this agreement. This agreement may not be changed orally, but only by an agreement in writing, duly executed by or on behalf of the party or parties against whom

enforcement of any waiver, change, modification, consent or discharge is sought.

5.7 Effective Date. This agreement shall be effective immediately upon execution.

Dated: \_\_\_\_\_

**CITY OF DEXTER**

By: \_\_\_\_\_  
Shawn Keough, Its Mayor

And: \_\_\_\_\_  
Carol Jones, Its Clerk

Dated: \_\_\_\_\_

**CITY OF CHELSEA**

By: \_\_\_\_\_  
Jason Lindauer, Its Mayor

And: \_\_\_\_\_  
Laura Kaiser, Its Clerk

Dated: \_\_\_\_\_

**CITY OF SALINE**

By: \_\_\_\_\_  
D. Brian Marl, Its Mayor

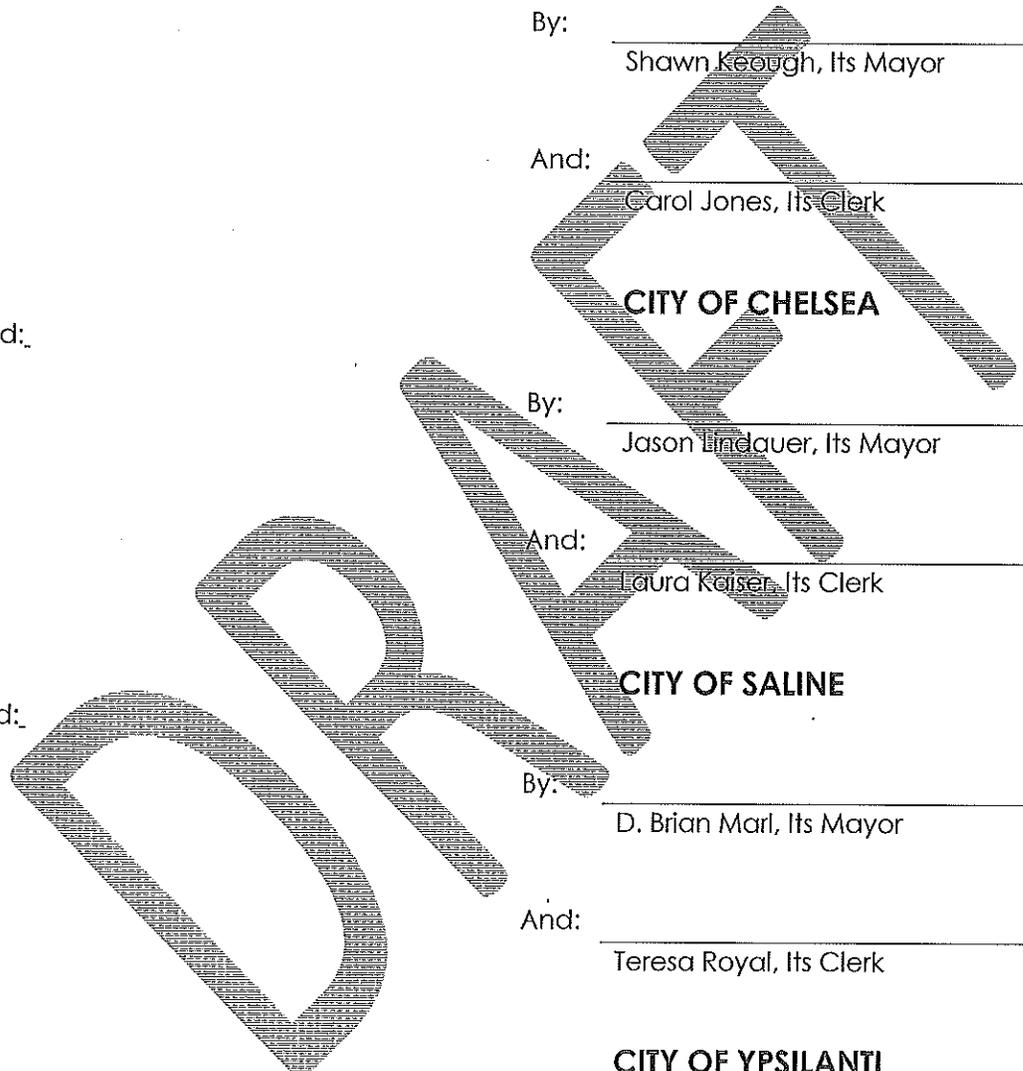
And: \_\_\_\_\_  
Teresa Royal, Its Clerk

Dated: \_\_\_\_\_

**CITY OF YPSILANTI**

By: \_\_\_\_\_  
Amanda Maria Edmonds, Its Mayor

And: \_\_\_\_\_  
Frances McMullan, Its Clerk





**OFFICE OF COMMUNITY DEVELOPMENT**

8140 Main Street • Dexter, Michigan 48130-1092 • (734) 426-8303 • Fax (734) 426-5614

**Memorandum**

**To:** Chairman Brouwer and Board of Directors  
Courtney Nicholls, City Manager

**From:** Michelle Aniol, Community Development Manager

**Re:** Report for February 19, 2015 DDA Meeting

**Date:** February 16, 2015

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**3045 Broad Street**

- Staff met with Nathan Voght from Washtenaw County, Marilyn Crowley from MEDC and Jeff Hukill and Dan Hamel from the MDEQ (via phone) to review and obtain information regarding brownfield grant and loan programs. Pertinent points were:
  - Even though the City has done its own environmental assessments, any new owner (i.e. a developer) will need to conduct his/her own environmental assessments. The County's Brownfield Authority and Downriver Community Conference (DCC) have funding mechanisms to help offset costs associate with the developer's environmental assessment requirements.
  - Dexter is not a core community, so we aren't eligible for funds to help with non-environmental improvements (i.e. public infrastructure needed to serve new development site). However, if there is a job creation component to the redevelopment of 3045 Broad Street, MEDC has funds available to off-set cost City would incur for public infrastructure improvements.
  - Additional assistance from MEDC could be tapped to if the City is able to make the case that redevelopment of 3045 Broad Street won't happen without funds. For example, costs incurred to move the existing DTE building or possibly the overhead power lines.
  - MDEQ has grants and loans to deal with soil and water contamination for mixed-use projects. Thus, if 3045 Broad Street was a mix of residential and office, it may qualify for MDEQ assistance. Additional response activity is highly supported, especially when dealing with ground water.
  - MDEQ offers up to \$1,000,000 in loans and \$1,000,000 in grants, for a total of \$2,000,000 max in potential funding assistance on the 3045 Broad Street project. Term on loan is 15 years with the first 5 years no interest and no payment (i.e. a grace period to allow value to build before repayment starts). The process would be that once we have our RFP back, we need to do a one page summary to MDEQ, which Tom Wackerman could help with, and then if MDEQ finds the project favorable, we would be invited to apply for funding. Washtenaw County could help us manage the grants/loan.
- Staff received a call from our local Michigan State Housing Development Authority (MSHDA) outreach specialist, Nicol Brown. MSHDA provides community development representatives to each region (see attached map). Dexter is located in region 9. Staff is scheduled to meet with Nicol, who will present information regarding funding options/programs available through MSHDA for residential/mixed-use developments. Our application for a Joint Target Market Analysis Grant prompted her call.
- Good news! DTE requested a meeting to discuss next steps in the decommissioning of the Dexter Sub-station (a/k/a Broad Street sub-station). The meeting has been scheduled for February 23,

2015 with the Economic Development Preparedness Committee (Mayor Keough, Jim Carson and Donna Fisher), and administration/staff.

### RRC Updates

- Staff met with MEDC representatives to review and discuss MEDC Technical Assistance programs in conjunction with the RRC Evaluation. During our meeting we identified two steps that need to be completed before sending out an RFP to select a developer for the 3045 Broad Street project:
  1. Target Market Analysis. The TMA will provide valuable information to assist the City in the development of policies and the developer RFP in terms of appropriate housing product types, their marketability, absorption, and the price point per square foot that make different product types financially viable in Dexter. Anticipate completion in April 2015.
  2. Property Information Packet. Prepare a property redevelopment information packet that identifies and prioritizes a list of redevelopment sites, such as 3045 Broad Street and articulates the community's vision, provides background information, and available resources/incentives. This step could be completed before the TMA is finalized, and then revised accordingly.

Following completion for the TMA and Property Information Packet, we should be ready to prepare and distribute an RFP. NOTE: The MEDC and Professor Allen have offered to help us with the RFP process and a developer networking forum. I have asked both to submit a written proposal that I can review and report on to Council and the DDA. Each would need to identify the scope of services being offered, details regarding joint listing services/arrangements and any costs to be incurred by the City/DDA.

### Business Update

- Staff met with Jack Savas, the new owner of 3441 Broad Street and his architect to review design and layout, parking and stormwater standards for developing a European style café before meeting with the pre-application committee again. A second meeting with the pre-application committee is currently being scheduled for either Thursday, Jan 19<sup>th</sup> or Fri, Jan 20<sup>th</sup>. For consistency, the committee for this meeting includes, the Mayor, Councilmen Tell and Carson and Planning Commissioners Schmid and Stewart. To accommodate member's schedules, a meeting after normal business hours may be necessary.



- The 139 acres of vacant land adjacent to the southern boundary of the City (pictured below) was recently put up for sale. Staff discovered this after receiving calls from a developer and an appraiser inquiring about utilities to serve a potential "intense residential development." These inquiries surprised staff, since it was common knowledge that Scio Township was actively trying to purchase the property through its land conservation program. A call to the listing agent confirmed that the property owner had decided to put the property on the open market after deciding not to accept the Township's purchase offer.



- Huron Camera (8060 Main Street) was closed following a civil court action. It's anticipated the property will be listed with a local agent in the near future - for sale only.
- Adair Printing has listed its property at 7850 Second Street for sale or lease. Staff had a brief conversation with the owner before the holidays and was told the company was not sure if it would sell or just lease a portion of the building/property, but the building was larger than the company needed. Council grant approval of a request to establish an Industrial Development District (IDD) for this property last summer. Having the IDD in place could be a tool to encourage new business investment at this site. The reason for this is, in order to be eligible for tax relief on existing real property; a business would need to make significant investment either through the construction of an addition or significant **permanent** improvements to the existing building.

### Planning Commission Update

- The Planning Commission considered a Revised Ordinance Update proposal from Carlisle Wortman Associates (CWA) to amend regulations for landscaping, exterior lighting, definitions and development review process, procedures and regulations, and to reformat the Zoning Ordinance at its meeting on Monday, February 2, 2015. Following a review and discussion, the Planning Commission recommended that City Council approve the revised CWA proposal to in an amount not to exceed \$19,355.

The MEDC offers technical assistance grants to communities in its Redevelopment Ready Community (RRC), and Dexter is eligible to apply for funding to help off-set the cost of amending the Zoning Ordinance. CWA has a contractual relationship with MEDC to provide technical assistance to RRC communities. Therefore, the City could apply for a Technical Assistance Grant, with a 1:1 match from the City, to complete amendments to the zoning ordinance.

Attached to this memo is the proposal from CWA in an amount not to exceed \$19,355. The proposal sets forth a detailed scope of work, which includes 12 meetings with staff, the Ordinance Committee and/or the Planning Commission; and it contains a provision for other sections of the Zoning Ordinance to be identified for review and analysis, upon a recommendation of the Ordinance Committee. Prior to any additional working commencing, CWA will provide a separate cost estimate for review and approval.

For FY 2014-15, \$8,000 was budgeted for Professional Services. Currently, \$6,700 remains unspent. A portion of the remaining budget could be used to fund this project; however, it may be necessary to tap into our reserves to complete the project, even with the funding assistance from MEDC.

- The Planning Commission scheduled the public hearing to consider the CIP for Monday, March 2<sup>nd</sup>.
- The Planning Commission was informed of Northern United Brewing Company's (NUBC) desire to expand its business operations by setting up a product development and production kitchen with a dining area at its facility at 2319 Bishop Cr E. This expansion would allow NUBC to produce all their fermented products, such as pickles, kimchi, etc., all of its pizza dough and other bakery products, including bread, curry potato chips, etc. In addition to on-site eating and drinking, NUBC would distribute these products to their other locations. The desired dining area would be separate, but connected to the current tasting room.

The following background and history was provided to the Planning Commission:

In spring 2012 NUBC announced it needed a larger facility to accommodate current and further growth plans. After considering its option and in consultation with the City, NUBC decided to relocate its manufacturing operations and headquarters from 3115 Broad Street to 2319 Bishop Circle E, in the Dexter Business and Research Park (DBRP). As part of its remodeling plans, NUBC indicated a desire to have a tasting/sampling room at its new location.

Property in DBRP is zoned RD Research Development District. Principal permitted uses in the RD District included manufacturing, compounding, processing, packaging or treatment of such products as, but not limited to: bakery goods, candy, cosmetics, pharmaceuticals, toiletries, food products, non-animal agricultural products, hardware and cutlery, tools, die, gauge and machine shops. Uses such as, smelting or other similar processing of raw ores and metals, petroleum products and products with petroleum bases, from asphalt to perfume, and slaughtering and/or processing of animals and animal parts are not permitted.

NUBC's brewery operation is consistent with manufacturing of non-animal agricultural products, hence a principal permitted use. It could also be considered food product, another principal permitted use, since the State requires micro-breweries to obtain a food processors license before it will grant a liquor license.

The City (then Village) informed NUBC that a tasting/sampling room was not a use that was permitted in the RD District, and therefore the Planning Commission would need to determine the compatibility of the use (i.e. tasting/sampling room) and whether the use should be a permitted land use or a special land use, in accordance with Section 3.07 Uses Not Otherwise Included within a District.

On June 4 2012, the Planning Commission determined the tasting/sampling room was an accessory use, and as such, was similar to testing that would be associated with product manufacturing. The Planning Commission further determined a tasting/sampling room required special use approval.

On July 10, 2012 NUBC applied for an Interior Remodel/Change of Tenant or Use permit to relocate its brewery operations to 2319 Bishop Circle E. The Interior Remodel Permit was issued on July 30, 2012, but did not include a tasting/sampling room.

On August 6, 2012, the Planning Commission recommended special use approval of NUBC's tasting/sampling room to Council, upon determining the use was compatible in accordance with the provisions set forth in Section 8.03, General Review Standards for all Special Land Uses, with the following conditions:

1. Hours of operation are limited to 10 am to 10 pm;
2. A temporary use permit must be filed requesting an extension of hours of operations for special events;
3. Provide a detailed floor plan for the tasting room and retail sales to verify compliance with the Village Zoning Ordinance requirements; and
4. Payment of a tap fee as required by Village ordinance and resolution.

On August 22, 2012, City Council granted NUBC special use approval for the tasting/sampling room, subject to the conditions recommended by the Planning Commission and with an additional condition that such approval was contingent upon the proposed definition of a tasting room being passed by Planning Commission and Village Council.

On September 10, 2012 City Council adopted the following definition of a tasting room, as recommended by the Planning Commission:

*A tasting room is an establishment that allows customers to taste samples of wine, beer or other alcoholic beverage manufactured on site or that has a State of Michigan issued liquor license as a tasting room. A tasting room may include wine, beer, or other alcoholic beverages and related item sales, marketing events, special events, entertainment, and/or food service. Establishments that are classified by the State Liquor Control Board as bars, nightclubs, taverns, restaurants or Class C liquor licenses are not included within this definition."*

Following approval of the tasting room definition, NUBC received permits to construct a 2,790 square foot tasting/sampling room, and a 1,920 square foot addition to the tasting room.

Staff explained it's logical to conclude that product development is consistent with research, and a production kitchen consistent with manufacturing/food production; both are principal permitted uses in the RD District. The issue is not about the types of food products that can be made in the industrial park. The issue is post-production food service.

- What is it?
- How should it be regulated?
- How is it different from a restaurant?
- Etc.

As stated previously, the term, "food service" in our definition of a tasting room, is understood and/or interpreted differently. Therefore, staff developed a list of questions for the Planning Commission to consider:

- What does the term "food service" mean, in the definition of a tasting room?

- Since it was determined that a tasting room is not a tavern or a bar, but an accessory use to the principle use (i.e. brewery), could a dining area be an accessory use to product development and a production kitchen, which are also permitted uses?
- If so, would a dining area for eating and drinking be compatible within the RD District?
- What's the difference between a micro-brewery and a production brewery?

This is by no means an exhaustive list of questions. They were provided to get the conversation started.

Comments/questions from the Planning Commission included the following:

- What would be the impact of food production on public infrastructure (i.e. water and sewer)
- It's not NUBC fault we can't figure out the definition (of food service);
- PC was clear it didn't want a bar or restaurant when NUBC came in for special use approval of the tasting room.
- Would food products other than those manufactured on site be offered?
- Rezoning to PUD is an option.
- Industrial Park was not intended to have restaurants and/or bars.
- Food service isn't defined in the ordinance, so new Commissioners don't know what it means.
- Would like to explore options for uses in Research Park in the long term; go through process in Section 3.07 for dining area as an accessory use to production kitchen and product development.
- Would consider ordinance revisions, but it (the dining area) needs to be a special use.
- It's permitted; apply for zoning compliance.
- We may need to clean up ordinance and decide what uses we want in the industrial park.
- In favor of better definition.

#### Next Steps:

Consensus of the Planning Commission is to determine the compatibility of the use (i.e. dining area for eating and drinking) in the research park and whether the use should be a permitted land use or a special land use, in accordance with Section 3.07 Uses Not Otherwise Included within a District.

The Commission also asked staff if there were examples of regulations for microbreweries in industrial parks elsewhere in Michigan. At that time staff was not aware of any. Since then staff has discovered that Bell's Brewery has a brewhouse that is located in the Comstock Commerce Park in Comstock Township. The Brewhouse is a manufacturing facility. Tours of the brewhouse are offered, however samples of the beer or food are not. Staff will research examples from elsewhere across the country and provide results to the Planning Commission.

Side note: Staff was reading through the latest edition of APA's Planning magazine and came across the attached article regarding the rise of the craft beer industry. The article briefly touches on the issues surrounding tap rooms and restaurants, and the burden microbreweries impose on small town wastewater treatment facilities. Low and behold, Dexter/Jolly Pumpkin is the example cited for wastewater treatment issues. Ron Jeffries is quoted. The passage is highlighted for your convenience.

**ZBA Update**

ZBA #2014-06 Dexter Crossing Commercial has been withdrawn. You'll recall Dexter Crossing Associates, LLC/Oxford Management applied for an interpretation to determine if ground signage was permitted by Section 7.03, sub-section (1)A and D; and depending on the interpretation, a variance from sub-section (1) D to allow 1 additional ground sign. The ZBA postponed action on the request and directed the applicant to clarify its request, because the request as stated on the application form was different from the information presented by the application during the meeting.

The applicant has informed staff that ground signage is still desired. Section 7.03 sets forth the standards for ground signage. Both Staff and the City's Planning Consultant, Carlisle Wortman Associates share the opinion that either sub-sections 7.03(1)A or 7.03(1)D could apply to the Dexter Crossing Commercial Shopping Center, but not both.

- Sub-section (1)A states that within all non-residential zoning districts, only one (1) ground sign **shall** be permitted per zoning lot. This section goes on to allow two ground signs if the frontage of the zoning lot exceed four hundred (400) linear feet, and one (1) additional sign could be allowed at a secondary entrance provided it is not located on the same street as the primary entrance. The maximum sign area under this sub-section could not exceed 42 square feet per side, and the maximum height could not exceed 6 feet. Refer to the following table:

7.03(A)	No. Permitted	Height	Area/side	Total Area (both sides)
Dexter-Ann Arbor Rd	2	6 ft.	42 sq. ft.	84 sq. ft.
Dan Hoey	1	6 ft.	42 sq. ft.	84 sq. ft.

- Sub-section (1) D states that one freestanding identification sign stating the name of a business center and major tenants therein **may be** erected for a shopping center, office park, industrial park or other integrated group of stores, commercial buildings, office buildings or industrial buildings. The sign area shall not exceed one (1) square foot per front foot of building or buildings for which it is erected; however, such signs shall not exceed sixty (60) square feet in area. Such signs may be up to ten (10) feet in height. If the lot fronts on two (2) or more collector or arterial streets one (1) such sign may be permitted for each frontage. Refer to the following table:

7.03(D)	No. Permitted	Height	Area/side	Total Area (both sides)
Dexter-Ann Arbor Rd	1	10 ft.	60 sq. ft.	120 sq. ft.
Dan Hoey	1	10 ft.	60 sq. ft.	120 sq. ft.

Sub-section (A) permits an increase in the number of signs for zoning lots within a non-residential district, but limits the sign area and height, when compared to sub-section (D), which permits an increase in sign height and sign area per side, but limits the total number of signs.

**Miscellaneous Updates**

- Local Investor Training - As you will recall, Washtenaw County Department of Economic Development and reConsider launched **ventureLocal**, a local investing awareness, education and engagement campaign design to accelerate investment in locally-owned businesses across Washtenaw County. The next step in the education process is Local Investing Training. You are invited to attend this training on February 28, 2015 from 10:00 am to 3:30 pm at Maker Works in Ann Arbor. Click the following link for registration details: <http://www.eventbrite.com/e/local-investing-training-for-washtenaw-county-residents-tickets-14880089749>. There is a nominal fee to attend (\$10). Attached to this report you will find a brief report explaining crowdfunding/investing.

- Mill Creek Sports - Staff was contact by the listing agent of Mill Creek Sporting Goods on Tuesday, January 20, 2015, about setting a meeting to discuss the potential to market the Mill Creek Sport site to residential developers. The property is currently zoned commercial by Scio and Webster. Council prefers that any meeting to discuss the Mill Creek Sports site include representative from both Scio and Webster Townships.

**Village of Dexter**  
**1<sup>st</sup> Quarter Report 2014-15**  
**July 1, 2014 through September 30, 2014**

**Downtown Development Authority**

ASTI Environmental, Inc. studied and analyzed 6 development scenarios for the 3045 Broad Street.

The first 4 scenarios included the following assumptions, with estimated cost ranges from each scenario based on low, medium and high density options recommended in the UM RRSites Study:

**Scenario 1:** All residential units are for sale with residential on the ground floor. This scenario will require compliance with residential clean-up criteria or installation of engineered, institutional or administrative controls that achieve residential clean-up criteria. Estimated costs, of both the recommended and option tasks, ranged from \$405,193 (min low density) to \$1,015,208 (max high density).

**Scenario 2:** All residential units are for rent with residential on the ground floor. This scenario will require compliance with residential clean-up criteria or installation of engineered, institutional or administrative controls that achieve non-residential clean-up criteria. Estimated costs, of both the recommended and option tasks, ranged from \$404,193 (min low density) to \$1,013,888 (max high density).

**Scenario 3:** All residential units are either for sale or rent, and are constructed above ground floor parking (no residential on ground floor). This scenario will require compliance with residential clean-up criteria if for sale, and non-residential criteria if for rent, and the installation of engineered, institutional or administrative controls, but it is assumed that it will not require installation of a sub-slab vapor collection system. Estimated costs, of both the recommended and option tasks, ranged from \$140,687 (min low density) to \$617,078 (max high density).

**Scenario 4** estimates were based on clean up criteria for below grade parking with low, medium and high residential density development above. The cost range is \$490,651 - \$1,355,404. This scenario will require compliance with residential clean-up criteria or installation of engineered, institutional or administrative controls that achieve residential clean-up criteria. The analysis assumed that some of the contaminated soil would be removed, but not all source material would be removed. The report also noted that this scenario may not be practical for those portions of the site where groundwater could be encountered.

Scenarios 5 and 6 cost ranges were based on additional remediation for temporary parking.

**Scenario 5** would limit site usage to public parking or events. The assumption was made that the top layer of soil would be removed for the placement of a concrete surface. Due to a deed restriction on the property, the new concrete cover must replace existing cover in all areas of the site, including a temporary barrier to limit rain water infiltration. This scenario was not discussed in the Due Care Plan completed by the then Village. Consequently, the Due Care Plan must be updated.

The estimated costs range from \$327,373 - \$473,467. The estimated cost range does not include storm water or utilities that may be needed, or the installation of curbing. Additional sampling may be required for off-site soil disposal.

**Scenario 6** limits site usage to public parking or events too, but the existing concrete building foundation would be covered with clean fill and seeded. This scenario assumes the top layer of soil would be removed and new asphalt installed. Storm sewer is not included in this scenario. This scenario assumes the soil place over the concrete

foundations will be a sand/clay mixture to facilitate compacting and limit erosion. As is the case in Scenario 5, an update to the Due Care Plan would be necessary.

- The estimated costs ranged from \$97,021 - \$180,685 and do not include engineering cost to determine if fill material could be placed over the concrete foundations will be needed and are not including in the estimated cost range, or costs that could be incurred if the foundations are damaged.

#### **Redevelopment Ready Communities**

- The MEDC Redevelopment Ready Communities (RRC) team submitted its draft Evaluation Report. The RRC team conducted research, observation and interviews, and obtained consulting advice and technical expertise from the RRC Advisory Council, in order to measure a community to the best practices. The team analyzed the city's development materials, including, but not limited to the following:

- master plan;
- redevelopment strategy;
- capital improvements plan;
- budget;
- public participation plan;
- zoning regulations;
- development procedures;
- applications;
- economic development strategy;
- marketing strategies; and
- website.

The evaluation report contained recommendation actions for Certification and provided an estimated timeline for completion. The Final RRC Evaluation Report will be presented to Council on February 23, 2015.

- MEDC informed the City that it had technical assistance grants to help offset the cost of updates to the City's Zoning Ordinance.

#### **Planning Commission**

- Updates to the CIP began in October, with sections of the CIP being distributed for individual department and staff assessment.
- The Planning Commission decided to undertake a systematic, step-by-step approach to amending and reformatting sign regulations in the Zoning Ordinance.

#### **Business Development News**

- Red Brick Kitchen purchased the former Bits N Pizza building and began an expansion of its restaurant.
- Dexter Riverview Café opened at 8128 Main Street; serving breakfast and lunch seven days a week.
- Mill Creek Sports closed and the property was put up for sale.
- Payroll Vault, as full-service payroll company grew from being a home occupation on Second Street to having an office at the Blue Water Building.
- Northern United Brewing Company announced plans to add a kitchen to its tasting room.

**Miscellaneous News**

- Project Tracking Software was installed and training provided to staff. The new software system tracks permits and planning and zoning processes.
- Dexter shared a display table at SEMCOG's membership meeting in the Big House, with Huron River Watershed Council (HRWC) Trail Towns program. The HRWC produced video; *The Making of Mill Creek Park* was unveiled. The video highlighted this outstanding accomplishment, which was made possible through enduring partnerships, unwavering vision, strong leadership and community involvement. Not only does this video highlight the beauty of the Mill Creek and Mill Creek Park, but it carries with it the message that Dexter is truly a great place to live, work and play! The video has been posted on the City's website.
- Washtenaw County Department of Economic Development launched **ventureLocal** with reconsider. **ventureLocal** was a local investing awareness, education and engagement campaign design to accelerate investment in locally-owned businesses across Washtenaw County.

The **ventureLocal** campaign included several elements that will rolled-out at the end of the year. Community Gatherings were planned in major Washtenaw County cities/villages. Dexter was been tapped for a Community Gathering took place in the large meeting room in the Dexter District Library. It was well attended.

- Dexter Schools submitted conceptual designs for 13 wayfinding signs that would be located at key intersections. School officials explained that the plan was the result of complaints and suggestions that have been received by visitors. The plan is currently being revised to demonstrate the signs satisfy the requirements of the Michigan Manual of Uniform Traffic Control Devices (MMUTCD).

**Dexter Crossing – Blackhawk Development/Signature Home Traditions/Deputy Homes**

VICTORIA CONDOMINIUMS

Preliminary Zoning Compliance	4 MF Bldgs with 15 units at Victoria Condos;
Final Zoning Compliance	0
Units Not Sold (Total Units)	44 (44)

DEXTER CROSSING SINGLE FAMILY RESIDENTIAL

Single Family Homes Preliminary Zoning Compliance	1
Single Family Homes Final Zoning Compliance	0

CONDOS

- Village Council granted conditional approval of the Combine Site Plan for Victoria Condominiums at Dexter Crossing on July 14, 2014.
- One building permit has been issued for Building A, the one with the existing foundations. Building A will have 6 units.
- Four building permits have been issued for Buildings B, C, I, and J.
  - Bldg B has 4 units
  - Bldg C has 4 Units
  - Bldg I has 4 units
  - Bldg J has 3 units

SINGLE FAMILY

- 26 units (lots) remaining.

COMMERCIAL

- Oxford Companies received approval to amend the Final Site Plan for Dexter Crossing Commercial, to add 6 parking spaces for the new clinic.
- Oxford Companies received approval for an extension of the Approved Area Plan for Dexter Crossing Commercial, which would allow a 15,000 sq. ft. retail building on an outlot.
- Oxford Companies received approval to complete an interior build-out of unit 7061 at Dexter Crossing for Mathnasium, a math tutoring and learning center. Permit closed out.

**Dexter Crossing (Phases 6-8) - Peters Building Company**

Preliminary Zoning Compliance	1
Final Zoning Compliance	0
Vacant Lots (Total Lots Phases 6-8 = 76)	26

**West Ridge of Dexter - Peters Building Company, Norfolk Development, B & H Properties, Iconolast Homes, Jim Binder & Trowbridge Homes**

Preliminary Zoning Compliance; Iconolast, Norfolk, Peters and others	1
Final Zoning Compliance	0
Units Remaining (sales house)	0
Vacant Lots	4

**Plan Reviews/Approvals**

- Land division finalized at 3616 Central Street to facilitate completion of the B-2-B Trail connection and DPS driveway.
- Area Plan Approval Extension granted for 7061 Dexter Ann Arbor Road, Dexter Crossing Commercial PUD.
- Site Plan Approval Extension granted 8140 Forest Street, Mill Creek Terrace.
- Zoning Ordinance text amendments to Section 8.11, Sub-section 19 regarding group day care homes, Section 11.02, to allow family day care homes and family foster care homes as principal permitted uses in the Village Residential District, and Section 11.03 to delete public and private day care center for children and add group day care homes in the Village Residential District.
- ZBA granted a 5-foot 6-inch variance from the 15-foot required rear yard setback set forth in Section 20.01 Schedule of Regulations for property at 3677 South Downs Drive.
- ZBA granted a conditional waiver of the requirements of Section 7.09 (3)A.4 to allow the re-erect a new non-conforming ground sign that would cost more than fifty percent (50%) of the replacement cost of the original non-conforming sign, for the property located at 2425 Dongara Drive (Walkabout Creek).

City of Dexter 2nd Quarter Activity	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	14-15 YTD	13-14 YTD	12-13 YTD	11-12 YTD	10-11 YTD
October 1 - December 31, 2014	July-Sept	Oct-Dec	Jan-March	April-June	Total	Total	Total	Total	Total
<b>Prelim. Zoning Compli. Permits</b>	<b>19</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>54</b>	<b>87</b>	<b>80</b>	<b>49</b>	<b>41</b>
(New Construction)*	7	4			11	44	38	17	6
Condominium Units	6	15			21	0	0	0	18
(Commercial/Office)	1				1	5	2	6	8
(Additions/Remodels/Build outs)	1	13			14	6	15	2	9
(Accessory structure)	2				2	5	2	9	2
(Decks)	2	2			4	27	23	15	11
(Other)		1			1				
<b>Final Zoning Compli. Permits</b>	<b>15</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>49</b>	<b>35</b>	<b>24</b>	<b>46</b>
(New Construction)	10	4			14	31	23	11	7
(Additions/Remodels/Build Outs)		3			3	1	6	5	9
(Decks)	4	1			5	1	1	1	3
(Accessory structure)	1				1	1	3	0	1
(Commercial/Office)		1			1	4	2	2	11
(Condominium Units)					0	11	0	14	18
INTERIOR REMODEL (Prelim./Final)	17	8			25	36	29	31	
EXTERIOR REMODEL (Prelim./Final)	5	1			6				
FENCE PERMITS	1				1	6	9	12	
<b>PERMITS/OTHER</b>	<b>34</b>	<b>61</b>	<b>0</b>	<b>0</b>	<b>95</b>	<b>175</b>			
Temporary Uses/Structures					0	3	3	3	4
Land Division / Combination	1	1			2	1	1	1	0
Ordinance Amendments	1	3			4	0	2	8	9
Rezoning or Conditional Rezoning					0	0	0	0	0
Special Use Permits	1				1	2	2	0	0
Preliminary Site Plan Approvals					0	0	0	1	0
Final Site Plan Approvals					0	0	0	1	1
Combined Site Plan Approvals	1				1	1	2	1	2
Administrative Site Plan Approvals					0				
PUD Area Plan	2	1			3	1	1	0	0
PUD Amendment					0	2	1		
Sign Permits	13	19			32	19	16	13	11
Temporary Signs/Sandwich/Use		17			17	47	41	36	37
Outdoor Seating Permits					0	0	4	4	11
(ZBA Cases) Non-Residential	2	1			3	3	4	1	2
(ZBA Cases) Residential		2			2	1	1	1	1
Variances Granted	2	2			4	2	5	2	2
Demolition Permits		1			1	2	1	6	2
Right-of-way permits	7	10			17	31	5	10	2
Park Use		4			4	3	13	19	8
Home Occupation Permits	2				2	0	0	0	0
Freedom of Information Requests					0	0	0	2	0
Hawkers & Peddlers Permits	2				2	6	9	7	6
Requests for service/Correspondence					0	10	2	11	0
Resident/Merchant/Business Communic.					0	41	25	24	36
Enforcement	4	5			9	67	0	0	
Initial Notice	4	5			9	62	95	166	287
Second Notice	0				0	5	2	15	17

\* General Code Amendment : None

\* Zoning Ordinance Amendment Pending: None

\* Zoning Ordinance Amendments: Articles 8, Special Land Use and 11, Village Residential

\* Site Plans: Mill Creek Terrace

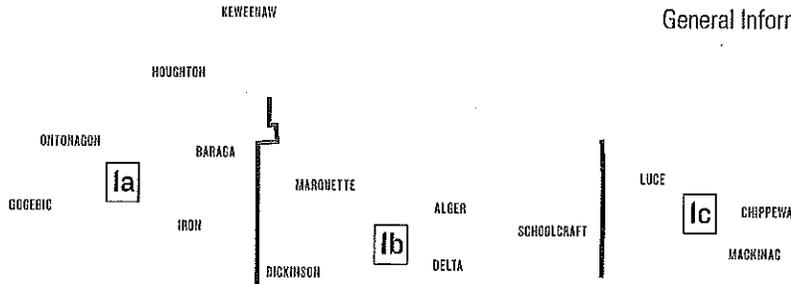
- \* Sign Permits: Mathnasium, Edward Jones
- \* Rezoning: None
- \* Special Use Permits: None
- \* Communication - None
- \* Resolutions/Support : None
- \* Enforcement : 1 Dogs, 2 Political Signs, 1 Property Maintenance/Nuisance, 1 Basketball Hoops in ROW
- \* ZBA : 3677 S. Downs Dr./2425 Dongara Dr
- \* PUD Amendment/Modification requests: Dexter Crossing Associates, LLC;

Revenue -			
Through September 30, 2014	Zoning Compliance Permits:	\$950	101.000.000.477.000
	Site Plan Review Fees:	\$3,200	101.000.000.608.000
<hr/>			
Through December 31, 2014	Zoning Compliance Permits:	\$2,940	101.000.000.477.000
	Site Plan Review Fees:	\$4,175	101.000.000.608.000
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Through March 31, 2015	Zoning Compliance Permits:	\$0	101.000.000.477.000
	Site Plan Review Fees:	\$0	101.000.000.608.000
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Through June 30, 2015	Zoning Compliance Permits:	\$0	101.000.000.477.000
	Site Plan Review Fees:	\$0	101.000.000.608.000
<hr/>			
	Total ZCP:	\$3,890	101.000.000.477.000
	Total SPRF:	\$7,375	101.000.000.608.000



# Community Development Division Map

Michigan Prosperity Regions  
 General Information, Lansing Office: 517.373.1974



**1.** 1a, 1b 1c UPPER PENINSULA REGION  
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**3.** NORTHEAST MICHIGAN REGION  
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**4.** 4a WEST MICHIGAN REGION  
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**Diane Karkau, Grant Specialist**  
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4b WEST MICHIGAN REGION  
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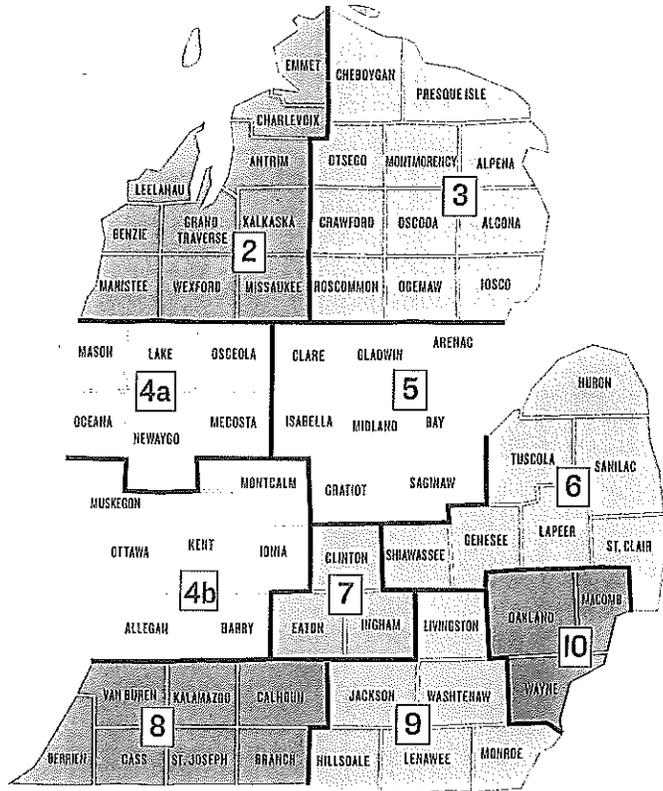
**6.** EAST MICHIGAN REGION  
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**Esther Haugabook, Grant Specialist**  
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**7.** SOUTH CENTRAL MICHIGAN REGION  
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**Louis Vinson, Grant Specialist**  
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**10.** DETROIT METRO REGION  
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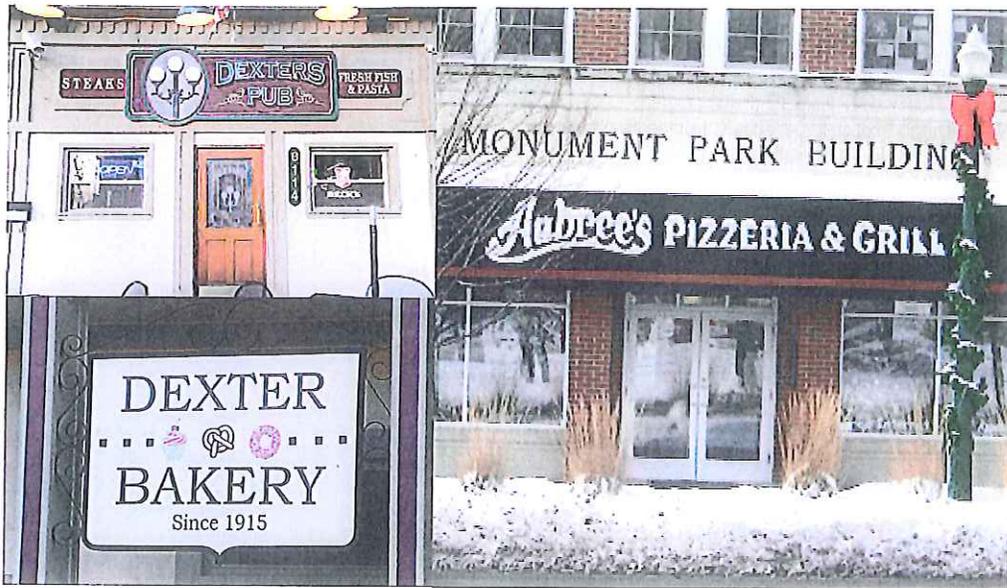




CARLISLE | WORTMAN ASSOCIATES, INC.

# REVISED ORDINANCE UPDATE

CITY OF DEXTER



PROPOSAL  
FEBRUARY 2015



Carlisle|Wortman Associates, Inc. has extensive experience in developing new and innovative ordinances including sign regulation language. We are well-versed in the latest and legally defensible zoning techniques.

As the City planning consultant, we are aware of the concerns and issues regarding the current sign, PUD, landscaping and exterior lighting ordinances. Through a collaborative effort of City officials, residents, and business owners, we believe we can come to a lasting solution resulting in a fair and enforceable ordinance.

We will work closely with the City through the development of the new regulations. Regular interaction and communication via telephone, e-mail, and face-to-face meetings will help facilitate updated regulations tailored to the City.

The following work program outlines the suggested approach our firm would undertake in revising the City's zoning regulations as outlined in the following sections. As a result of the city's participation in the Redevelopment Ready Communities® (RRC) program, funding support for this proposal is being provided by the Michigan Economic Development Corporation. The scope of work aligns with action items proposed in the RRC Report of Findings.

## **TASK 1.0 EXISTING ASSESSMENT AND REPORT (MEETINGS 1 & 2)**

- 1.1 Review existing ordinance with City staff including Community Development Director, Ordinance Officer, and others as needed. Purpose of the meeting is to identify problem areas of the following sections of the City Zoning Ordinance:
  - Article VII Sign Regulations
  - Article VI Landscaping Standards
  - Section 3.19 Exterior Lighting
  - Article XIX Planned Unit Development Districts
  - Article II Definitions (Revise and update as needed)
- 1.2 Review all aspects of the above regulations including applicable definition sections. Create report of findings based on task 1.1 above as well as our own review of these sections.
- 1.3 Present results of tasks 1.1 and 1.2 to City staff and Ordinance Committee. Results report will provide a clear picture of current issues and a direction moving forward. Determination of persons and groups to participate in the amendments. We anticipate this to include City stakeholders as identified by the Ordinance Committee.

## **TASK 2.0 SIGN PREFERENCING EXERCISE AND PRESENTATION (MEETING 3 & 4)**



- 2.1 Review and revise sign regulations
  - 2.1.1 Prepare sign preferencing presentation. Provide draft presentation to Community Development Director for comment and revision.
  - 2.1.2 Complete sign preferencing exercise with Ordinance Committee, and others as determined in Task 1.3.
  - 2.1.3 Compile results of exercise.
- 2.2 Review preferencing results - Broad recommendations (meeting 4). Meet with Ordinance Committee to discuss results and recommendations.
  - 2.2.1 Review/discuss results
  - 2.2.2 Regulatory preferences
  - 2.2.3 Enforcement preferences

### **TASK 3.0 REVIEW AND REVISE ARTICLE 6 LANDSCAPING STANDARDS (MEETING 5)**

- 3.1 Review existing landscaping ordinance, as well as tree replacement standards.
- 3.2 Conduct landscaping exercise with subcommittee and other stakeholders as identified in task 1.1.
- 3.3 Compile results of exercise and provide for review of subcommittee meeting (5).

### **TASK 4.0 REVIEW AND REVISE SECTION 3.19 EXTERIOR LIGHTING**

- 4.1 Review existing exterior lighting standards and prepare amendments and/or modifications as necessary.
- 4.2 Exterior lighting standards will be prepared in conjunction with landscape standards (see tasks above - 3.1 and 3.2) and presented as provided above.



**TASK 5.0 REVIEW, PROVIDE RECOMMENDATION & ANALYSIS OF DEVELOPMENT REVIEW PROCESSES (MEETING 6)**

- 5.1 Review Article 19, Planned Unit Development standards and procedures and prepare recommendations for streamlining as necessary.
- 5.2 Review Article 8, Special Land Use standards and procedures and prepare recommendations for streamlining as necessary.
- 5.3 Review Article 21, Site Plan Review standards and procedures and prepare recommendations for streamlining as necessary.
- 5.4 Present recommendations to subcommittee for review (meeting 6).

**TASK 6.0 DRAFT LANGUAGE (MEETINGS 7 & 8)**

Provide recommendations and receive comments on the following draft sections:

- 6.1 Sign Regulations
- 6.2 Landscape Standards
- 6.3 Exterior Lightings
- 6.4 Planned Unit Development Standards
- 6.5 Definitions (as needed for each section)
- 6.6 Zoning districts will be considered for each of the above.
- 6.7 Other sections as identified

**TASK 7.0 DRAFT LANGUAGE (MEETING 9)**

- 7.1 Full draft for review and comment (two (2) meetings).
- 7.2 Complete one (1) full revision of each section.



### **TASK 8.0 DRAFT LANGUAGE TO PLANNING COMMISSION (MEETING 10)**

- 8.1 Provide full draft for review and comment (including other parts of the Ordinance that require amendment based upon proposed changes.
- 8.2 Complete one (1) full revision for public hearing of each section.

### **TASK 9.0 UPDATE ARTICLE 2 DEFINITIONS (WHERE NEEDED)**

- 9.1 During the review of the ordinance as outlined above, we will review and revise current terminology and applicable definitions. These changes will occur concurrently during the review of each section. Task 9.0 is not intended to be viewed as a separate distinct step, but rather as an ongoing task.

### **TASK 10.0 REFORMAT ZONING ORDINANCE (MEETING 11 & 12)**

- 10.1 Reformat remaining Zoning Ordinance Articles in web-ready document with applicable hyperlinks. The existing Ordinance will have to be reformatted from the current Word document into an InDesign file in order to provide a web-ready document. A PDF version will be made available to the City in web-ready format. Present to Planning Commission.
- 10.2 Full draft for public hearing and meeting attendance.

### **TASK 11.0 REVISION TO OTHER SECTIONS**

- 11.1 Upon direction of the subcommittee, other sections of the Zoning Ordinance may be identified for review and analysis. Upon indemnification, separate cost estimates will be provided for the completion of the sections.



Based on the work program, we propose the following cost estimate for your consideration.

Task	Principal Doug Lewan	Associate Laura Kreps	CAD/GIS	Support Staff
1.0	4	6		
2.0	5.5	18		
3.0	8	15	10	10
4.0	4	8	4	5
5.0	8	20	8	10
6.0	4	8	5	
7.0	8	10	5	5
8.0	4	10		5
9.0	8	10	8	5
10.0	--	10	--	50
11.0**				
Hours	53.5	115	40	90
Average Hourly Rate	\$80 per hour	\$75 per hour	\$60 per hour	\$45 per hour
Subtotal	\$4,280	\$8,625	\$2,400	\$4,050
<b>TOTAL</b>	<b>\$19,355</b>			
MEDC FUNDING 50%	\$9,677.50			
CITY OF DEXTER 50%	\$9,677.50			

Any additional meetings will be billed at the above hourly rates.

\*\* Costs for task 11.0 to be determined.



DOUG LEWAN, AICP, PRINCIPAL-IN-CHARGE received his Masters of Urban Planning from Wayne State University and a Bachelors Degree in Community Planning from Northern Michigan University. He acts as Managing Director of CWA, and was made a shareholder of the firm in 2002. Doug has more than twenty-five years of professional practice experience in the public and private sector, and has worked in site plan review, zoning ordinance amendments, corridor studies, land use planning, and recreation planning. He has also written zoning ordinances and master plans for numerous communities in Michigan. Additionally, he has acquired extensive experience with zoning questions and interpretations while working with the Zoning Board of Appeals in various communities. He leads the firm's Municipal Services Division, and is a Certified Zoning Administrator. Doug is a trainer and regular speaker for the Michigan Association of Planning and has taught several of the sections of the MSU Citizen Planner program.



## PROFESSIONAL AFFILIATIONS AND CREDENTIALS

American Institute of Certified Planners License No. 013020

Professional Community Planner, State of Michigan, Registration No. 654

American Planning Association

Michigan Association of Planning

Certified Zoning Administrator  
Planning & Zoning Center - MSU

## EDUCATION

Masters of Urban Planning, Wayne State University

Bachelors of Science, Community Planning, Northern Michigan University

## EXPERIENCE

Principal, Carlisle|Wortman Associates, Inc.  
Ann Arbor, MI, 2002-Present

Community Planner, Carlisle|Wortman Associates Inc.,  
Ann Arbor, MI, 1993 - 2002

Associate Planner, McKenna Associates., Farmington Hills, MI, 1992 - 1993

Planning and Economic Development Coordinator,  
Charter Twp. of Springfield, Davisburg, MI, 1988 - 1992

CAD Operator/Construction Inspector, Hubbell, Roth and Clark,  
Bloomfield Hills, MI, 1984 - 1988



LAURA K. KREPS, AICP is a community planner with over thirteen years of experience working as a professional planner both in municipal government and consulting. Mrs. Kreps has extensive experience in zoning, land use, site plan review, and comprehensive planning. Mrs. Kreps is also proficient in Tax Increment Financing, economic development, capital improvement project programming, downtown development, and grant writing/administration. Prior to joining Carlisle|Wortman Associates in 2007, Mrs. Kreps worked for the City of Monroe in the capacities of land use planner, grant writer/administrator, Downtown Development Authority staff planner, and assisted in program planning for CDBG.



In 2011, Mrs. Kreps completed the "Wayne County Housing Needs Assessment" in coordination with Wayne County EDGE and Hennessy Engineering. She currently serves as planner in numerous communities in Monroe, Wayne, and Washtenaw Counties. Mrs. Kreps is also a certified Main Street Manager.

**EDUCATION**

BS, Urban and Regional Planning | Michigan State University

**EXPERIENCE**

Community Planner, Carlisle|Wortman Associates, Inc.  
 Ann Arbor, MI, 2007-Present

Community Planner/Land Use Planner, City of Monroe  
 Michigan, 2000-2007

Site Acquisition Specialist, Prudential Dickson Hughes  
 Michigan, 1999-2000

**PROFESSIONAL AFFILIATIONS**

American Planning Association

Michigan Association of Planning

**PROFESSIONAL CERTIFICATIONS**

AICP Membership No. 120124

Certified Zoning Administrator  
 Planning & Zoning Center - MSU

Michigan Municipal League Parliamentary  
 Procedure Training

Certified Main Street Manager

Michigan Economic Development  
 Association Practitioners Certification



LUCIE FORTIN, LLA, AICP is both a Landscape Architect and Planner. She has been a practicing professional since 1985 and has extensive experience in planning and design. Ms. Fortin is involved in a wide range of projects focusing on recreation planning, site and land use planning, natural resource management, and on preserving and enhancing community character. Her experience includes master plans, recreation plans, park plans/designs, trail plans/designs, design guidelines, corridor plans, streetscape design plans, feasibility studies, and parking studies for both private and public sector clients. Her abilities span the areas of public engagement, oral presentation, report writing, graphics, and Geographic Information Systems.



## EDUCATION

MSLA, Master of Science, Landscape Architecture | University of Wisconsin

BAP, Landscape Architecture | Université de Montréal

## EXPERIENCE

Landscape Architect, Carlisle|Wortman Associates, Inc.  
Ann Arbor, MI, 1991-Present

Landscape Architect, Atwell-Hicks, Inc.  
Ann Arbor, MI, 1987-1991

Landscape Architect, Environment Canada-Parks  
Ottawa, Canada, 1986

Landscape Architect, Poirier Cardinal  
Montréal, Canada, 1985

Teaching Assistant, Department of Landscape Architecture  
University of Wisconsin, 1983-1985

## PROFESSIONAL ACTIVITIES

Historic District Commission, City of Monroe, 1999-2002

Secretary, Michigan Chapter, American Society of Landscape Architects, 1998

Adjunct Professor, University of Michigan, Department of Landscape Architecture, 1996

Adjunct Professor, Lawrence Technological University, 1995

## CREDENTIALS

Registered Landscape Architect,  
State of Michigan

American Institute of Certified Planners,  
Membership No. 274319

## HONORS

Michigan Society of Planning Officials,  
Honor Awards: 1995

Outstanding Graduate Publication Award, 1988  
(Department of Landscape Architecture, University of Wisconsin-Madison)

Frederick Law Olmsted Scholarship, 1982 (Corporation  
Première Québec)

## PUBLICATIONS AND PRESENTATIONS

Co-author with Peter Jacobs, "L'histoire du paysage  
urbain au Québec" | Habitat, Vol. 27 No. 3, 1984

Author, "The Evolution and Persistence of Three  
Land Division Systems in the Green Bay Region of  
Wisconsin" | Landscape Journal, Vol. 7 No. 1, 1988

Author, "Community Parks and Recreation Master  
Planning" | Michigan Planner, Vol. 2 No. 10, 1998

Presenter, "How to Develop a Recreation Plan"  
SEMCOG University, 2010



## PLANNING

**RETAINER SERVICES:** Consulting support to local staff, officials, and planning commissions on a continuing basis. Such consultation includes attendance at meetings, interpretation of ordinances, training and education, and direction of staff on policies and procedures.

**DEVELOPMENT REVIEW:** Review of site plans, subdivisions, site condominiums, rezoning petitions, variance requests, and special use permits for conformance with ordinances and policies.

**MASTER PLANNING:** Preparation of community master plans, including demographic, land use, transportation, and environmental studies, as well as public visioning and input.

**RECREATION PLANNING:** Preparation of community recreation master plans, park master plans, greenway plans, and recreational facility design.

**HISTORIC PRESERVATION:** Preparation of historic district ordinances, historic district surveys and preservation strategies.

**WIRELESS + TECHNOLOGICAL PLANNING:** Communication tower and technology ordinance review, interpretation, and development. Objective review of tower proposals and plans. Master planning for wireless towers and technological infrastructure.

**COMMUNITY INPUT/VISIONING:** Coordination and facilitation of public input workshops, including visioning, goal setting and prioritization, data collection, and community buy-in.

**GEOGRAPHIC INFORMATION:** Land use analysis, mapping, presentation development, and computer-aided design services using GIS and CAD technology.

## ZONING

**ZONING + LAND USE:** Preparation of comprehensive zoning regulation ordinances, single purpose land use ordinances, and environmental ordinances to fit within the context of a community's current regulations. Modification and updates to existing ordinances to meet current legal requirements. Development of model ordinance language.



## ECONOMIC DEVELOPMENT

**ECONOMIC DEVELOPMENT:** Development of feasibility and market analysis. Preparation of industrial, commercial and waterfront development and redevelopment programs that consider labor characteristics, projected growth, and site and environmental characteristics, among others.

**DOWNTOWN DEVELOPMENT:** Preparation of downtown development and financing plans, streetscape plans, design guidelines, and other design improvements to enhance the economic and visual environment in downtowns and transportation corridors.

## GREEN DEVELOPMENT

**ENVIRONMENTAL CONSULTING:** Site visits, preparation of site surveys, and analysis of natural resources. Consulting support to local staff, officials and planning commissions regarding environmental issues such as wetland, woodland, steep slope impacts, and construction site issues, such as soil erosion and stormwater.

**ENVIRONMENTAL/OPEN SPACE PLANNING:** Preparation of environmental preservation and open space plans, including identification and evaluation of ecosystems, community input and visioning, goal setting, and development of action plans. Preservation plans strive to integrate people into the natural environment while preserving/restoring connections between landscape features.

**ENERGY PLANNING:** Integration of energy efficiency and conservation into community master plans, ordinances and engineering/design standards. Preparation of ordinances to assimilate renewable and alternative energy systems into the community. CWA has three community planners who have earned the LEED AP credentials on staff.

**WATERSHED PLANNING:** Development of water quality planning tools, including watershed group facilitation, watershed management plan preparation, and water resource planning.

**LOW IMPACT DEVELOPMENT:** Assist with the integration of Low Impact Development (LID) approaches and techniques into local planning documents, ordinances, and engineering/design standards.

**ENVIRONMENTAL ORDINANCES:** Preparation of ecologically-based ordinances that allow for development while preserving the site's natural features and ecological functioning. Ordinances range from preserving open space links and ecosystems through clustering and open space developments, to feature-specific regulations such as wellands protection, riparian buffers, and woodlands/tree preservation. Another area of expertise includes regulations pertaining to zoning design standards, such as setbacks, private roads, and parking areas.



## OTHER COMMUNITY SERVICES

**CAPITAL IMPROVEMENTS:** Development of various capital planning tools, such as capital improvement plans and building feasibility studies. Facilitation of group meetings involving different municipal departments, elected officials and public leaders.

**EMERGENCY MANAGEMENT:** Research and preparation of hazard analysis and pre-and post-disaster mitigation plans. Risk assessment, mapping, and ordinance development.

**PLANNING ADMINISTRATION:** Provide administrative services including management of day-to-day planning, building and code enforcement activities.

**ZONING + BUILDING CODE ENFORCEMENT:** Field inspection and follow-up to resolve zoning code infractions. Review of construction documents for compliance with the construction codes related to building, plumbing, electrical, mechanical, and fire suppression. Resolution of non-compliance issues to create plans acceptable for permit issuance.

**GRANT WRITING:** Research for and preparation of grant applications for a wide array of activities, including transportation, recreation, brownfield redevelopment, environmental preservation, and downtown development projects.

**EXPERT TESTIMONY:** Research and testimony in land use and zoning disputes and condemnation.

## MUNICIPAL SERVICE PARTNERS

**CODE ENFORCEMENT SERVICES (CES):** a division of Carlisle/Wortman Associates, Inc. assists communities through zoning ordinance and general code enforcement, construction plan review, consultation of construction code issues, and construction inspection services. CES also offers a full-service Building Department program.  
[www.cescode.com](http://www.cescode.com)

# Welcome to Beer Country

Small breweries are a **BIG DEAL**—and some cities are courting them. By ALLEN BEST





Raise a glass to Arrogant Bastard Ale or another of the cheekily named brews made by Stone Brewery in metro San Diego.  
COURTESY STONE BREWERY

# l m



the old mining town of Butte, Montana, economic stability in the red-brick downtown comes one craftily brewed mug of beer at a time.

Downtown Butte is called Uptown—because it literally is. It was erected on Butte Hill, once called the “richest hill on Earth” because of its vast deposits of copper and other precious minerals. Early in the 20th century, Butte had a population of 60,000 and maybe more. Then, in 1982, the mine closed, followed by a nearby smelter. Soon after, a Superfund cleanup was ordered.

“The 1980s was a tough decade,” says Jon Sesso, Butte’s planning director. The mine reopened after a few years and Butte’s population has stabilized at 35,000. It’s an ongoing challenge, however, to draw travelers from Interstate 90, which is located a mile away and several hundred feet lower, to Uptown’s historic charms.

Quarry Brewing has been one of those draws. Opened in 2007, it occupies the street level of the five-story Grand Hotel. It was the first new brewery in a long time in a city that once had four major breweries. Another recent venture is Butte Brewing Company. Together the two microbreweries play into the city’s efforts to develop tourist-drawing festivals. “It’s just as much part of our economic development strategy right now as anything else,” says Sesso.

Butte is part of a still-growing national trend: the proliferation of craft breweries and their close cousins, craft distilleries and small wineries. Nationally, the craft brewery sector has added 5,000 jobs annually in recent years, according to the Brewers Association.

In defining craft breweries, the trade group emphasizes traditional ingredients and smaller production. Julia Herz, the association’s craft beer program director, says 94 percent of the nation’s 3,200 breweries produce fewer than 15,000 barrels a year. She also points to local or at least domestic ownership as a distinguishing characteristic.

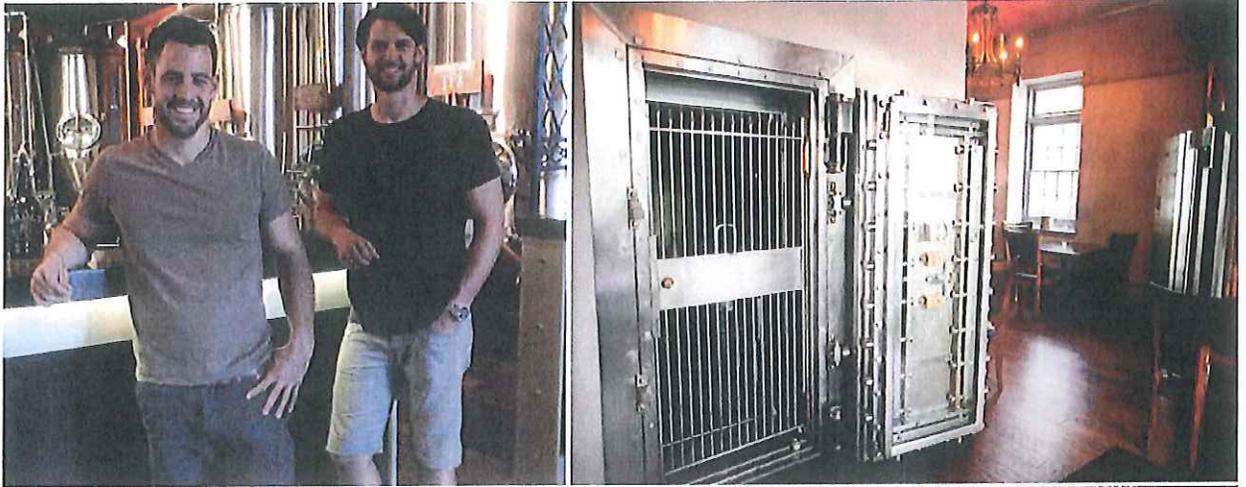
While overall beer consumption declined two percent in 2013, craft beer production grew 18 percent. Craft brewers now are responsible for 10 percent of all beer production by volume, and the trade group aims to double that to 20 percent by 2020.

In remaking the food-and-beverage landscape, craft brewers have been making it fun. Beer titles and the art created to package them often reflect local themes. Colorado’s Avery Brewery has an Out-of-Bounds Stout, with an image of a skier launched over a cornice, but also the whimsical Hog Heaven, billed as the first installment of the “Holy Trinity of Ales” series.

The settings can be as interesting as the brews. Doing field research one evening at Epic Brewery in Denver, I was sloshing Big Bad Baptist in my jowls, wondering if I was drinking coffee grounds or beer, when our waiter pointed toward the floor. I was astonished to see a set of rails in the concrete, leftovers from Denver’s more blue-collar days, when the building housed a factory serviced by a narrow-gauge railroad. Homogeneity is not a problem in the craft sector.

#### **Brewers (and drinkers) wanted**

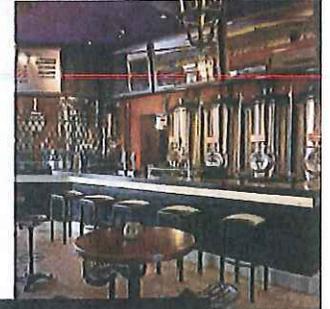
In 1975, there was just one microbrewery in the nation, San Francisco’s Anchor Steam. California continues to lead the way, with its small brewers responsible for nearly 20 percent of all craft beers sold in the U.S. Among the hotspots is San Diego, which as of December had 19 brewpubs and 24 breweries, with dozens more in the metropolitan area. Since 2010, the city’s economic development arm has actively promoted the breweries while serving as an



**VAULT BREWING**, in Yardley, Pennsylvania, is right at home in a former bank built in 1889. James Cain (right), who is Vault Brewing's co-owner with his brother John, says that the pair tried for six months to start up shop in an old golf ball factory but abandoned the plan because of significant zoning and other regulatory challenges.

"This was, of course, a blessing in disguise in that we were able to make our home in an historic bank building in the same town," Cain says, noting that new businesses such as his still face plenty of similar hurdles.

The brewery, launched in 2012, uses the old bank's 125-year-old vault to age, condition, and tap some of the beers that are created on the other side of the vault wall. "This wonderful piece of history has been integral in the creation of our brand as well as the operation of our business," Cain says.



COURTESY VAULT BREWING

intermediary between brewers and city planners in such issues as parking requirements and zoning districts.

Craft breweries have proliferated in San Diego because the entry-level costs can be relatively modest and the profit margins highest when beer is sold on-site, says Russ Gibbon, business development manager of the Mayor's Office of Economic Growth Services. "The profit level on the beer itself is highest when selling it by the glass at \$4 to \$6," he says. Most craft breweries start out this way, selling on-site in tasting rooms, where little or no food is served, or in conjunction with restaurants, called brewpubs.

Permits for craft breweries are relatively easy to come by in San Diego except downtown, says Gibbon. About 80 percent of craft breweries are in industrial zones, where brewing is a use by right. "Almost every city allows breweries, even with tasting rooms, by right, in industrial zones, whereas in commercial zones they may not be allowed because brewing is essentially manufacturing," says Gibbon, speaking of the San Diego metropolitan area.

Craft beer represents a chunk of San Diego's economy. A study conducted by the National University System Institute for Policy Research found that in 2011 craft breweries collectively generated \$300 million in economic activity in San Diego County. Part of this is the simple matter of locals quaffing their favorite brews. But there's icing on the cake or, if you will, froth on the brew: The breweries themselves have become tourist attractions.

Like wine connoisseurs at a vineyard, people who know beer will visit San Diego specifically because of the breweries' reputa-

tions, says Gibbon. Tour buses for years have shuttled visitors from brewpub to microbrewery to tasting room, giving them the opportunity to buy shirts, mugs, and growlers, the sealable containers that typically hold 64 ounces of fresh beer.

Metropolitan Los Angeles has half as many craft brewers as San Diego. Tom McCormick, executive director of the California Craft Brewers Association, attributes this anomaly, in part, to steeper regulatory challenges. In contrast, other California jurisdictions—Sacramento, Sonoma County, Rancho Cordova—have actually been soliciting craft brewers.

"Smaller breweries seem to stimulate economic development and revitalization and really create a vibrant economy around them," says McCormick.

**A refreshing brew**

This brewery-induced revitalization can be found in one-time parched Fort Collins, Colorado. A university town, Fort Collins banned alcohol in 1896, well before prohibition became U.S. law in 1920. But whereas prohibition ended in 1933, Fort Collins remained dry until 1969.

Since the late 1980s, Fort Collins has slaked its thirst with a spate of new breweries. First was Anheuser-Busch, with its giant bottling plant along Interstate 25, but in 1989 two home brewers established small facilities along the railroad tracks just north of downtown. It was a place of grain elevators, cheap rents, and sparse neighbors.

"When these guys first started to come out of the basement, we didn't know what to call them," says Ted Shepard, AICP, the chief planner in Fort Collins. "We just knew the beer was really good and we wouldn't shut them down. We decided to call them light industrial, and they just happened to locate in those areas zoned light industrial."

One of those first microbreweries was Odell Brewing Company, and soon after came New Belgium, the brewer of Fat Tire. New Belgium has expanded six times in Fort Collins and is now the nation's eighth largest brewery, with a second brewery under construction in Asheville, North Carolina.

The emergence of the microbreweries didn't transform Fort Collins' old industrial section overnight. As before, Fort Collins continued to grow southward. But the old part of Fort Collins now has a whole-grained vitality absent in the franchise-dominated look-alike suburbs.

"They did not want to be in the subdivisions. They did not want to be in the strip centers and in the mall," says Shepard. "They were hip, they were young, and they wanted to be where the action was and did not want to be confined by the folks who live under HOAs, surrounded by big-box retail with large evangelical churches. They wanted food with their drink, they wanted bluegrass bands, and they wanted a vibe that wasn't south Fort Collins."

In a fundamental way, brewpubs can serve as trailblazers, much as artists long have led the way in gentrifying decayed neighborhoods. At first, the breweries, their restaurants, and tasting rooms were quite basic. The breweries didn't have money. With success, they became more polished. Of late, more have relocated to residential areas, such as west of the university campus.

Fort Collins now defines 15,000 barrels a year as the upper limit for microbreweries, 100,000 gallons a year for microwineries, and 15,000 gallons for microdistilleries.

"We don't go out and count the gallons," says Shepherd. "But our experience has been that they self-select when they get too big and will move to industrial zones. They want the loading dock, the fermentation tanks, and the 24/7 forklifts."

**Drinking problems**

Can breweries create hassles, as conventional bars and taverns do? Alcohol consumption at craft breweries tends to be tempered. In Montana, tasting rooms have two-drink limits and earlier closings. "You rarely see somebody who is inebriated at a tap room, because you can only have a couple pints," says Butte's Sasso. Food served with beer dulls the effect of alcohol.

But in San Diego, Gibbon remains wary about the long-term effects of microbreweries. "I have my concerns that you won't necessarily revitalize a com-

PORTLAND, OREGON, has **58** breweries, more than any other city in the world.

Craft brews make up **38%** of all beer consumed there.

OREGON BREWERS GUILD

munity by pouring alcohol over it. It's not a coffee shop. There's still a possibility for people to get into fights and urinate and all the other things that come with alcohol."

Another possible concern, especially in smaller towns, is whether a microbrewery imposes burdens on wastewater treatment facilities. In Michigan, for example, Jolly Pumpkin Artisan Ales outgrew its 10,000-square-foot quarters in an old warehouse in Dexter. It's a village of 4,000 people near Ann Arbor. Jolly Pumpkin has added a second brewery in an industrial park. Rezoning was required, but more challenging were demands imposed upon the local wastewater treatment plant by microbrewery effluent.

"In that water, there is a lot of biochemical oxygen demand, a lot of suspended solids relative to other types of effluent," explains Ron Jeffries, the brewery founder and co-owner. Bigger municipalities have larger sewage treatment facilities that are not as easily beleaguered by one type of effluent. To address the problem, Jeffries invested in the equipment needed to pretreat his brewery's effluent.

**Craft central**

Some cities offer tax and other incentives to brewpubs, but not so Pendleton. It's a city of nearly 17,000 in central Oregon and home to the rodeo called the Pendleton Stampede. Few people make a stampede to the downtown district during daylight, though. "I think it's fair to say our downtown is busier after 5 p.m. rather than before," says Evan MacKenzie, senior planner for the city of Pendleton.

One new face in Pendleton's downtown is the Prodigal Son. Not surprisingly, the microbrewery is located in an old automobile showroom. Microbreweries need sturdy floors, which is one reason they are found so often in industrial areas.

In Pendleton, zoning was amended to allow microbreweries, plus wineries and distilleries. Now, brewpubs of less than 50,000 gallons a year are allowed by right in commercial areas, as long as a tasting room is included. Distilleries are capped at 12,000 gallons a year. "It does give us a little extra tourism," says McKenzie.

To truly wet your whistle, he advises a 210-mile journey west on I-84 to Portland. There, on the banks of the Willamette River, is perhaps the densest congregation of craft breweries on the continent. Craft brews comprise 38 percent of the beer consumption in Portland, which has more breweries, 58 within the city proper, than any other city in the world, according to the Oregon Brewers Guild. Calculated as number of breweries per 100,000 people, Oregon leads the nation, according to the Brewers Association.

The development commission provides some assistance to craft breweries and other alcohol produc-

**TALKBACK**

THIS MONTH: **WHAT'S THE BEST (OR WORST) THING ABOUT HAVING A CRAFT BREWERY IN YOUR CITY?**

**#PlanMag**

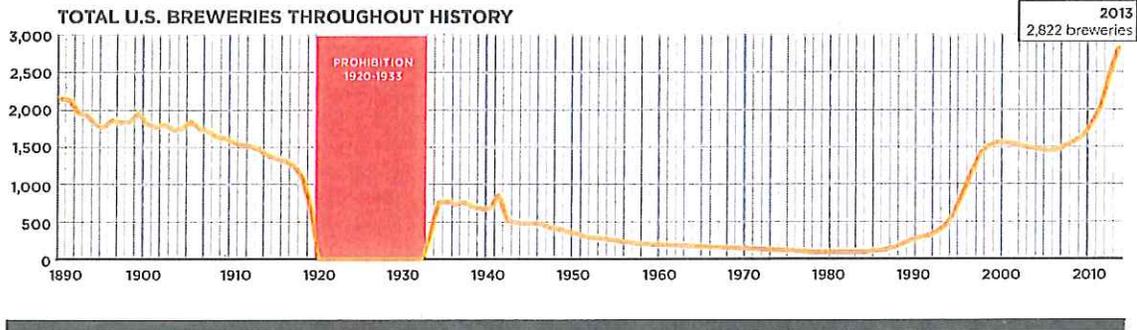
FOLLOW THE CONVERSATION IN FUTURE ISSUES OF **PLANNING**



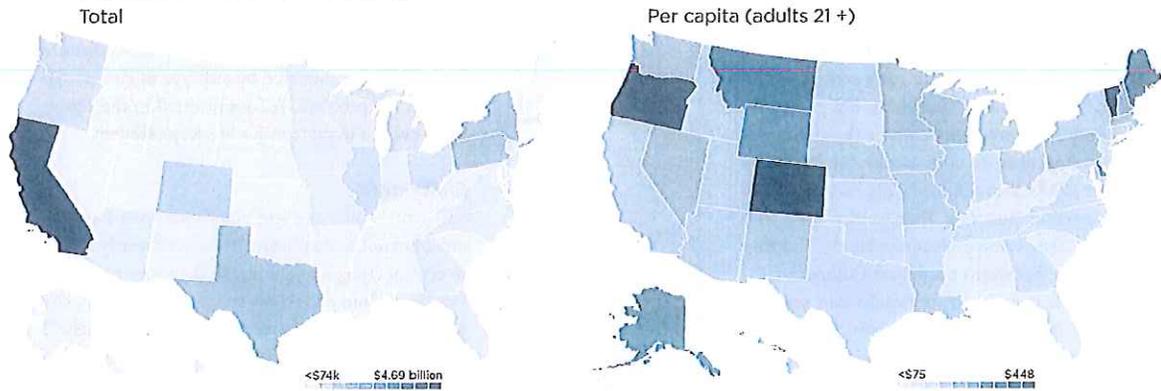
TWITTER.COM /APA\_PLANNING

PHOTO BY ELAINE MELKO

# Craft Beer By the Numbers



### ECONOMIC IMPACT BY STATE (2012)



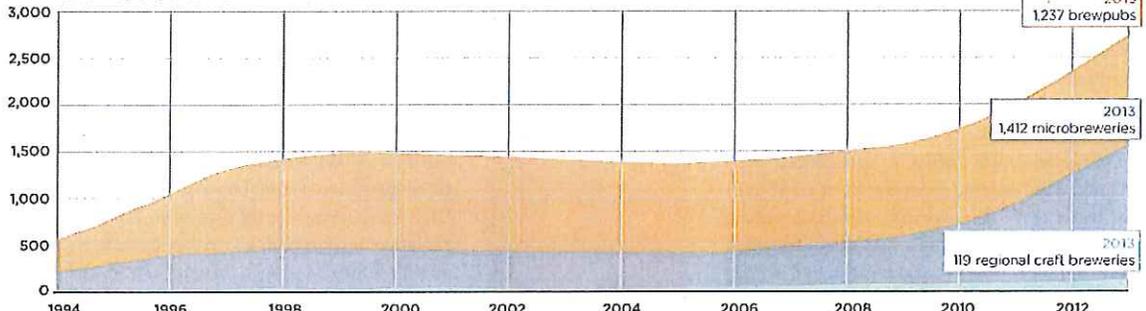
#### TOP 5 STATES

RANK	STATE	OUTPUT
1.	California	\$4.7 billion
2.	Texas	\$2.3 billion
3.	New York	\$2.2 billion
4.	Pennsylvania	\$2.0 billion
5.	Colorado	\$1.6 billion

#### TOP 5 STATES

RANK	STATE	OUTPUT
1.	Oregon	\$448.56
2.	Colorado	\$436.50
3.	Vermont	\$418.57
4.	Maine	\$324.36
5.	Montana	\$315.37

### U.S. CRAFT BREWERIES BY CATEGORY



**REGIONAL CRAFT BREWERY**  
An independent regional brewery with a majority of volume in "traditional" or "innovative" beers.

**MICROBREWERY**  
A brewery that produces less than 15,000 barrels of beer per year with 75 percent or more of its beer sold off-site.

**BREW PUB**  
A restaurant-brewery that sells 25 percent or more of its beer on-site. The beer is brewed primarily for sale in the restaurant and bar.

DATA SOURCE: BREWERSASSOCIATION.ORG

## ON A RELATED TOPIC

## GROWING THE RALEIGH FOOD CORRIDOR

By Sarah Barr

On the eastern edge of downtown Raleigh, a string of food-related community projects could help build a healthier city. The city's emerging "food corridor" is bookended by a hunger-relief organization's agriculture training center to the south and an urban farm two miles to the north. In between are restaurants, corner stores, farmers markets, and urban gardens.

It's a geography that a coalition of community groups sees as the backbone for a flourishing local food scene. "It's about energizing this two-mile stretch to bring the benefits of healthy food to these diverse communities," says Erin Sullivan White, the founder and principal of Community Food Lab, a design and consulting firm based in Raleigh that has led the corridor's development.

The corridor runs along Blount and Person streets, through communities with varying resources and needs. It touches Southeast Raleigh—where much of the neighborhood meets the federal government's definition of a food desert—but also passes by the governor's mansion and some of downtown's newest high-end development.

White sees the corridor's current and potential food projects as tools. Used collectively, the tools can help make interesting things happen in this and other neighborhoods, White says. A community garden could supply food to a restaurant, the chef could give a healthy cooking demonstration at the corner store, and a family shopping at the store could think about starting their own vegetable plot.

"If you cluster lots and lots of small- and medium-sized projects together in a city, then the connections are better," White says.

The food corridor idea grew out of early discussions about the city's plan for transportation improvements and economic development along the Blount-Person corridor, which was approved in July 2013.

White, who had previously worked on a minicorridor project along a single block in nearby Durham, and others interested in urban agriculture noticed how food defined the area. By the end of 2013, they had started gathering various stakeholders.

Then, last summer, the concept got another boost when the local Jamie Kirk Hahn Foundation became involved. The foundation collaborated with Community Food Lab to host a series of gatherings, such as tours of the corridor, that

ers for building renovation. One area of Portland seeing a large number of both is called the Central Eastside. Originally settled in 1845, the district is located along the Willamette River, across from downtown Portland, and continues to house warehouses and industrial companies. But the area is also home to an increasing number of architects and other creative sorts, points out Shawn Uhlman, public affairs manager for the Portland Development Commission.

Park City, Utah, drew breweries by offering incentives. A one-time silver mining town, it was reborn into a shiny ski resort. But the reinvention of Main Street remained a steep challenge—literally. The street has a grade of seven percent, and so visitors stayed lower on the street, conveniently close to the ski lifts.

The local government owned land at the top of Main Street, and in 1987 it made an attractive offer to a former journalist named Greg Schirf for sale of the land. Schirf wanted to buy but still had a major hurdle. A native of Milwaukee, he had to persuade state legislators to legalize brewpubs. He jokes that legislators didn't know the difference between a brewpub and a tavern, but in the end they approved the businesses, and 1989 he opened the Wasatch Brew Pub in Park City. It helped draw visitors up Main Street and bolster tax collections.

Despite its domination by the Church of Latter-Day Saints, which does not condone alcohol, Salt Lake City has more breweries than you might expect. Even Provo, home to the church-sponsored Brigham Young University, twitters with rumors of a planned brewery. But then, Utah has always had lots of breweries, some owned by church members.

"It's funny how the more things change, the more they stay the same," says Del Vance, who wrote *Beer in the Beehive*, a book about brewing history in Utah. The state had many breweries in its early years because beer, like food, had to be produced locally. Transportation was limited and refrigeration even more so. "Every little city, town, or whatever had its own brewery close by, if not several," he says. "Most beer was chilled in beer cellars."

Non-ice refrigeration began about 1900, but it was expensive and bulky. Then came prohibition, and about 80 percent of breweries didn't return, says Vance. By the mid-20th century, only a handful of mass-produced, mass-marketed beers remained.

Today, craft brewers continue to grow even as the older, more successful breweries sell their original equipment to a new generation of beer makers. Paul Gatzka, director of the Brewers Association, points to state laws that govern liquor production and distribution as important in deciding where brewers locate. Some states have more favorable climates to start a packaging brewery than others.

Craft brewing can be seen as parallel to the local food movement. In California, local food and local suds are coming together literally as a new law allows packaged craft beer to be sold at farmers markets. Too, says the Brewers Association's Herz, there's a feel-good element to the craft sector. "What they do is not just make beer, but they often enhance and help lift up the areas their breweries are based," she says. They celebrate passion and good causes.

Can this growth be sustained? With places like Asheville, North Carolina, and Richmond, Virginia, actively recruiting brewers, the economic landscape looks promising. The Brewers Association has knowledge of 2,000 new craft breweries planned on top of today's 3,200. Keep in mind that at the end of the 19th century, the U.S. had 4,000-some breweries but a much smaller population. As in so many things, the future looks an awful lot like the past. ■

Allen Best is based in metropolitan Denver, where he edits the e-zine *Mountain Town News*. He is a frequent contributor to *Planning*.

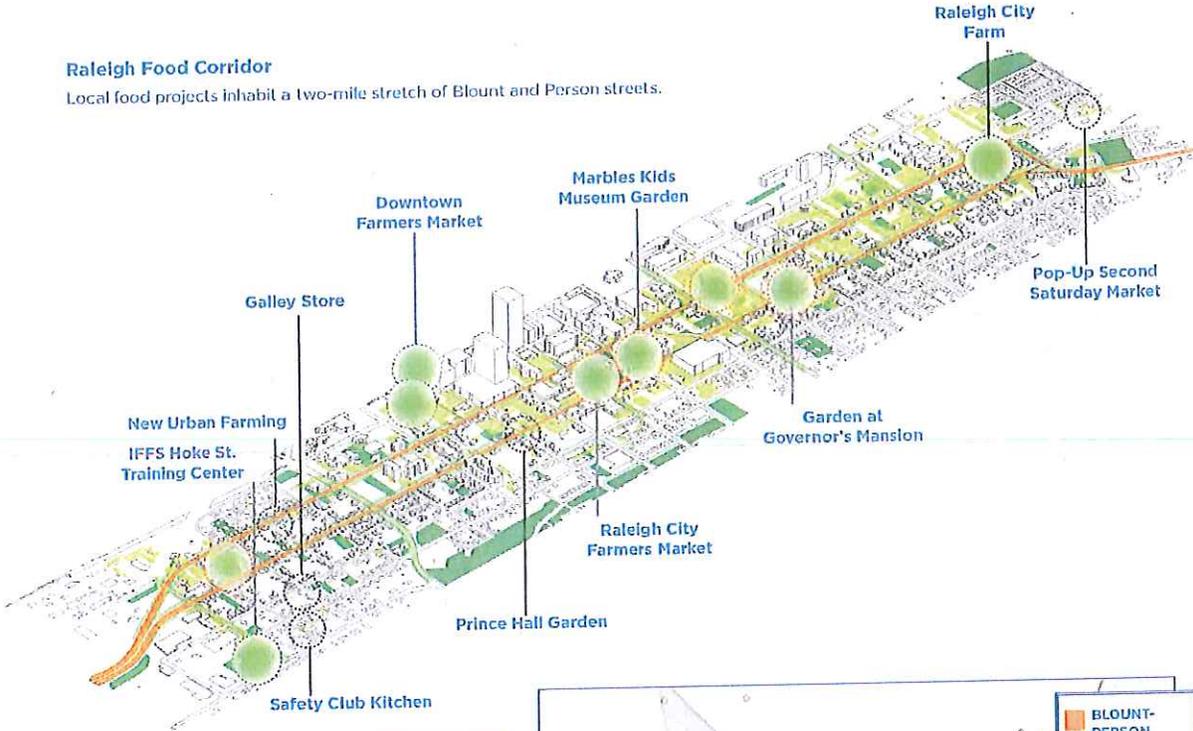
### RESOURCES

#### FROM APA

"Zoning for Small-Scale Alcohol Production: Making Space for Brewpubs, Microbreweries, Microwineries, and Microdistilleries," *Zoning Practice*, March 2014.

**Raleigh Food Corridor**

Local food projects inhabit a two-mile stretch of Blount and Person streets.



brought the concept to a wider audience.

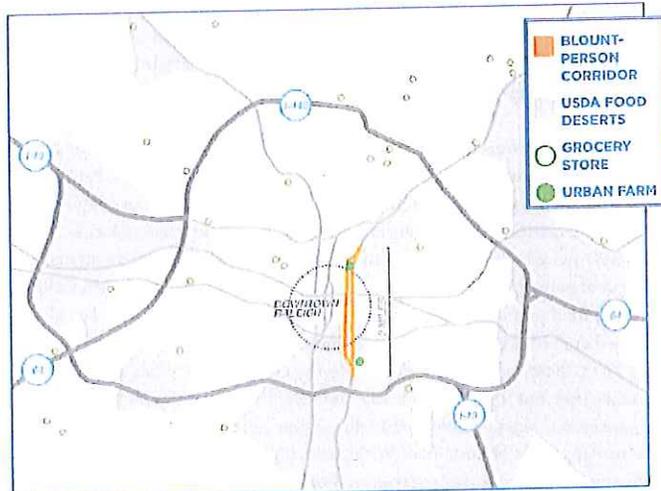
White says that the foundation has given about \$10,000 to help Community Food Lab run "Second Saturday" tours and other meetings. Next, the team is discussing how to fund a strategic plan for the corridor.

**Planners' role**

City planners have remained at the edges of the discussion about the corridor, watching to see what becomes of the concept. "They have an idea of their own, and I think the worst thing planners can do is force it," says Grant Meacci, planning and design manager at the city's Urban Design Center.

Meacci said it seems best for the groups working on the food corridor to remain nimble until they're sure of their vision and needs. That's when a strong partnership with the city could come into play. Until then, planners are valuable guides, sharing their expertise and even physical spaces, like the Urban Design Center, where groups can gather to hash out their plans, he says. "I think planners are great at helping people build capacity," Meacci adds.

The corridor has caught the attention of Advocates for Health in Action, a group that promotes healthy eating and physical activity in Raleigh and



GRAPHICS COURTESY COMMUNITY FOODLAB

Wake County. Director Sara Merz says that the corridor complements her group's work not just by supporting local food but also by encouraging people to get out and about, visiting interesting local destinations. "If we can make public spaces feel good, it reinforces people's desire to be in those places," she adds.

White suggests that a successful food corridor could help inspire change across the city by encouraging an even larger local food system, one

with economic, social, and ecological benefits. "My hope is that it helps drive a bigger conversation about food in Raleigh," he says.

Sarah Barr is a reporter in Raleigh, North Carolina.

## Securities Crowdfunding/Crowd Investing 101

### Step 1: What's the difference between Crowdfunding and Crowd Investing?

Crowdfunding can be split into two fairly broad categories: rewards crowdfunding and securities crowdfunding.

- Rewards crowdfunding is what most people think of when they hear about crowdfunding. Things like Kickstarter campaigns, for example, which allow people to raise money for a business or project in exchange for "rewards." Sometimes these rewards are a T-shirt, sometimes it's an advanced copy of the product being built.

The key take away with rewards crowdfunding is this, donors don't own any part of the business, and there is little to no recourse for them if a company fails to send the promised rewards.

- Securities crowdfunding or crowd investing (i.e. localvesting) is a funding model that allows backers to become investors in a business, not just gift givers or donors. This is a potentially valuable tool for second-stage companies and the communities in which they are located.

These types of deals are much more complex and typically involve selling equity in the company or revenue-sharing deals.

**Funderbuilt** is a crowdfunding platform based in Southfield that has gotten three companies funded under securities crowdfunding rules, which launched this past July. Other crowd investing platforms active in Michigan include Indianapolis-based **Localstake LLC**; Washington, D.C.-based **Fundrise LLC**; San Francisco-based **CircleUp**; and Ypsilanti based, **reVALUE**. reVALUE is owned and operated by Angela Barbash. Angela and her team conducted the Venture Local program in Dexter, on November 19<sup>th</sup>.

Here's how it works: Investors who fund projects through one of the crowdfunding platforms above agree to revenue-sharing, which is a type of loan. But instead of being paid back at set interest rates over definite time periods, investors receive a percentage of monthly revenue until they earn back their investment, plus an amount beyond that, usually 1.5 times the investment.

There's a catch: A business owner can't just go to a platform, such as reVALUEinvesting.com, and plant a campaign, as they would do on Kickstarter. State and federal laws require that a business plan and financials must be presented to the "crowdfunding platform", which must then review the documents and conduct background checks and references before it can approve a campaign.

### Step 2: Understand the legal limitations

There are nearly no legal limitations to rewards-based crowdfunding, but crowd investing is complex.

Laws like the Securities Act of 1933, along with decades of regulation behind it seek to protect investors from fraud or getting in over their heads. This is done by limiting how a security may be solicited and delineating between accredited and unaccredited buyers. (An accredited investor is defined by the **U.S. Securities and Exchange Commission** as having annual income exceeding \$200,000 or net worth greater than \$1 million.)

In order to offer securities, a company must register with the SEC. The SEC requires extensive public disclosure and reporting. As one can expect, this is expensive and time-consuming — and most small businesses find it way too complex.

Thankfully there were some visionary business owners who saw the need and potential for a less complex way to raise investment funds through their communities. So in 2012 the federal government attempted to make crowd investing less onerous through exemptions in the Jumpstart Our Business Startups (JOBS) Act.

The first exemption allows a business to solicit as openly as it wants, as long as it sells only to accredited investors. **Remember**, an accredited investor is one having annual income exceeding \$200,000 or net worth greater than \$1 million. The second exemption, which was written expressly for crowdfunding, to allow non-accredited investors to participate, but there are restrictions. Issuers can raise up to \$1 million in a 12-month period, but the issuer has to mind how much is sold to different investor classes. For example, investors whose annual income is less than \$100,000 can only invest up to \$2,000 or 5 percent of their income, whichever is greater.

Crain's reported that another problem is that no one can use it. The JOBS Act legislation instructed the SEC to come up with rules supporting the new exemptions by the end of 2012, but the SEC has not yet done that — and doesn't plan to until October at the earliest. Because of this, industry experts say crowd investing is still too new and uncertain to be a viable alternative to more serious capital fundraising needs for businesses.

So the question at this point in time is *will crowd investing live up to its expectations?*

### **Step 3: Introducing the MILE Act**

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As a result of the SEC dragging its feet, the Michigan Invests Locally Exemption (the MILE Act) was enacted at the end of 2013. The MILE Act allows non-accredited investors to buy crowdfunded securities.

Under the MILE Act, Michigan businesses can raise up to \$1 million every 12 months from non-accredited investors. If the issuer is willing to supply audited financial statements, it can raise up to \$2 million. In addition, non-accredited individuals can invest up to \$10,000 in a given business in a year, and can do that with as many businesses as it wants. There is no limit on the amount issuers can raise from accredited investors.

Other details:

- The law takes advantage of a Securities Act registration exemption for intrastate offerings. That exemption requires the issuer to be based in the state, derive at least 80 percent of its income from within the state and use at least 80 percent of the proceeds from the securities issue within the state. Buyers of securities also must be residents of the state.
- There are reporting and disclosure requirements under the MILE Act, including quarterly reports containing financial and management compensation information that must go to purchasers and the **Michigan Department of Licensing and Regulatory Affairs**.
- The federal rules on solicitation still stand. So while the MILE Act allows issuers to solicit to any Michigan resident, to stay in federal compliance an issuer still has to somehow keep those solicitations within state bounds. Tweeting about an upcoming equity offer could be tantamount to flirting with disaster.

Attorney Jeff Aronoff, outgoing executive director of **D:hive** in Detroit set up a consultancy called **Sidewalk Ventures** for businesses that want to raise money on Localstake under MILE Act rules. According to Aronoff, "if you're getting into the details on social media or any internet-based solicitation, it can be problematic, but it's possible to avoid stating specifics of an offering while still announcing one, and also to set up barriers against out-of-state website visitors."

Bottom line, according to Aronoff, the MILE Act "is definitely better suited for small businesses that intend to stay small. The best MILE candidates are not companies with business models to grow into a \$50 million company."

#### **Step 4: Decide if crowd investing is for you**

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Since the MILE Act was enacted, one company has been funded under its rules, Tecumseh-based **Tecumseh Brewing Co. LLC**, which raised \$175,000 last spring to launch a microbrewery. Localstake was the platform that funded the deal.

From the business end of things, small community businesses may stand the best chance of benefitting from securities crowdfunding. Small businesses aren't as dependent on sophisticated investors with deep pockets, as larger businesses with bigger capital needs.

Washtenaw County has teamed with Angela Barbash and her team at reConsider to educate local communities on crowdfunding and MILE and promote them as economic development tools.

For investors, training is the next step.

#### **Step 5: Local Investor Training**

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As you will recall, Washtenaw County Department of Economic Development and reConsider launched **ventureLocal**, a local investing awareness, education and engagement campaign design to accelerate investment in locally-owned businesses across Washtenaw County.

The next step in the education process is Local Investing Training. You are invited to attend this training on February 28, 2015 from 10:00 am to 3:30 pm at Maker Works in Ann Arbor. Click the following link for registration details: <http://www.eventbrite.com/e/local-investing-training-for-washtenaw-county-residents-tickets-14880089749>

##### **What is Local Investing Training?**

This adult learning course is designed to be interactive, participatory, and to appeal to different types of learning styles. You will learn the following things by coming to play with us:

- Setting a foundational framework for evaluation
- The power of crowdsourced due diligence
- Common mistakes, myths, and misconceptions
- Setting expectations after investing
- Where to go to learn more or to start investing locally now

Learning through play can be both fun and rewarding! Everyone, young or old, likes games -- it's also one of the easiest ways to get complex concepts to *stick*. In addition to learning how to evaluate a company and an investment offering, you'll also get to meet other peers in the community who are excited about investing locally.

##### **Why are we providing due diligence training?**

While investing locally is an exciting prospect for both investors and entrepreneurs, knowing how to determine a good opportunity from a less than good one can be difficult without education. Combining education with hands-on experience and community provides a great way to learn how to ask the right questions and then what to do with the information given -- in a fun and relaxed environment!

**Should entrepreneurs come to this training also?**

If you're an entrepreneur and you're getting ready to raise capital, it can be really helpful to know what investors will want to know. A word of caution though – the only company we'll be digging into will be the simulation company, which means *don't come expecting to pitch yourself*.

Lesson #1: Investors don't want to hear your pitch until they want to hear your pitch. :)