

**PROCEEDINGS OF VILLAGE OF FRANKLIN
SPECIAL WORK SESSION
VILLAGE COUNCIL
PLANNING COMMISSION
TUESDAY, SEPTEMBER 30, 2008, 6:00 P.M.
FRANKLIN VILLAGE HALL - BROUGHTON HOUSE
32325 FRANKLIN ROAD, FRANKLIN, MICHIGAN 48025**

I. MEETING CALLED TO ORDER

The meeting was called to order by President Gallasch at 6:13 p.m. at the Franklin Village Hall, Franklin, Michigan.

The meeting was called to order by Chairman Hansen at 6:14 p.m.

II. ROLL CALL

Village Council

Present: Mark Jahnke, Bill Lamott, Amie Saltzman, Dominick Schiano, Fred Gallasch

Absent: Brian Coyer, Alan Harnisch

Planning Commission

Present: Al Beke, David Goldberg, Mary Hepler, Brian Hughes, Dean Moenck, Pam Hansen

Absent: Bruce Blanton, Joe Roisman, Jim Stevens

Also Present: Eileen Pulker, Clerk
Jon E. Stoppels, Administrator
Christopher J. Doozan, McKenna Associates, Inc., Village Planner
John Staran, Hafeli Staran Hallahan Christ & Dudek, P.C., Village Attorney

III. REVIEW OF THE DOWNTOWN REVITALIZATION STRATEGY GOVERNANCE

Doozan reviewed the summary report, as provided below, and he and Staran responded to questions throughout the presentation.

**OUTLINE FOR A PRESENTATION TO THE
VILLAGE OF FRANKLIN REGARDING
CORRIDOR IMPROVEMENT AUTHORITIES**

Strategy to Revitalize Franklin's Village Center

Three-Pronged Approach

1. Participation in the Mainstreet Program
2. Appointment of a half-time coordinator
3. Creation of a Corridor Improvement Authority (CIA)

CIA Alternatives Considered

- Downtown Development Authority (PA 197 of 1975)
 - Similar powers as a CIA

- Must be able to demonstrate property value deterioration
- Ability to levy a 2 mill ad valorem tax in the district
- Principal Shopping Districts and Business Improvement Districts (PA 120 of 1961)
 - Oriented toward larger downtowns
 - Funding would come largely from the Village
 - May only be available in cities, according to State website
- Nonprofit Corporation (PA 162 of 1982)
 - Not specifically tailored to economic development
 - Lacks defined structure
 - No specific funding mechanisms

What is a Corridor Improvement Authority?

- Established under State Law (PA 280 of 2005)
- Intended to correct and prevent deterioration in commercial corridors
- Encourage historic preservation

Why Is Creation of a CIA so Important?

1. Provides legal structure and organization
2. Focuses planning and economic development efforts
3. Takes downtown revitalization to the next level
4. Demonstrates that the Village is serious
5. Provides a small, but worthwhile, funding mechanism
6. Achieves success through public-private partnership
7. Taps into the leadership available in retail community

How Does the Village Council Maintain Control Over the CIA?

1. Appointment of CIA Board
2. Village President is voting member on CIA Board
3. Village Council approves Development and Tax Increment Financing Plans
4. CIA can only work on projects in the Development Plan

Examples of Projects the CIA Can Work On

- General Mainstreet operations
- Streetscape
- Pathways
- Kreger farmhouse relocation
- Parking

Logistics – Establishing and Making the CIA Operational

Two Phase Process:

1. Village Council Creates Authority by Ordinance Resolution – *recent revision corrected at meeting*
 - a. Village Council approves appointment of Board members
 - b. Village Council approves rules of procedure
2. Village Council Approves Development Plan and Tax Increment Finance Plan by Ordinance

How Does Tax Increment Financing Work?

A few key facts. . .

- Involves no tax increase.
- Does not affect school taxes at all.
- Does not affect debt millage.
- Depends on increase in property value in the district.

How Does Tax Increment Financing Work?

1. When TIF plan is adopted, base taxable value in the district is recorded.
2. Every year thereafter, the increase in taxable value within the district is determined.
3. The taxes generated on this increase is the tax increment that gets funneled to the CIA

Generators of Property Value Increase

- New investment and major renovation
- General increase in property values in revitalized district
- Increase in surrounding areas due to desirability of living near Village Center.

What Taxes Are Affected by the Tax Increment Capture?

- Oakland County General Property Tax Millage
- Oakland County Parks & Recreation Millage
- Village of Franklin General Property Tax Millage
- Huron-Clinton Metropark Authority
- Oakland County Community College Millage
- Oakland County Public Transportation
- *Southfield Township Millage- added at meeting*

TOTAL: 13.4554 mills

Next Steps

If the Village Council is ready to consider establishing a CIA. . .

then the next step is adoption of a **Resolution of Intent**.

Discussion ensued regarding the composition of the necessary board, and how the Corridor Improvement Authority (CIA) would function within the Mainstreet Oakland County (MSOC) framework. The review required by Oakland County for their acceptance of the CIA was also discussed.

Gallasch noted that three (3) items would need to be prepared for the October 13, 2008 Regular Village Council meeting, as follows:

1. A Resolution of Intent, for the CIA
2. A Timeline of the implementation requirements
3. A description of the possible composition of the Board for both the MSOC and CIA.

Gallasch also requested that Village Council and Planning Commissioners begin to compile lists of possible candidates to serve on the board.

IV. ADJOURNMENT

Motion by Hepler supported by Beke to adjourn the meeting.

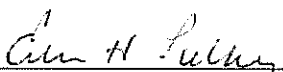
Ayes: Beke, Goldberg, Hepler, Hughes, Moenck, Hansen
Absent: Blanton, Roisman, Stevens
Nays: None
Motion carried

Motion by Lamott supported by Schiano to adjourn the meeting.

Ayes: Jahnke, Lamott, Saltzman, Schiano, Gallasch
Absent: Coyer, Harnisch
Nays: None
Motion carried.

There being no further business, the meeting adjourned at 7:21 p.m.

Respectfully Submitted,



Eileen H. Pulker, Clerk

H. Frederick Gallasch, President