



CITY OF HILLSDALE

Tax Increment Finance Authority TIFA Regular Meeting March 16, 2021

Minutes

I. Call to Order at 7:35 am

- A. Members Present (in-person): Chair Andrew Gelzer, Cindy Bieszk, Councilman Greg Stuchell, Matthew McLain, Lance Lashaway
- B. Members Present (electronic): Mary Wolfram, Darin Spieth, Chris Bahash
- C. Others present (in-person): David Mackie, Alan Beeker, Penny Swan, Jack McLain, Tim Sullivan
- D. Others present (electronic): Nathan Watson, Brant Cohen
- E. Members Absent: Tim Dixon, Michael Clark, John Spiteri, Margaret Braman, Mary Spiteri

II. Consent Agenda – Greg Stuchell made a motion to approve the consent agenda as presented. Cindy Bieszk seconded, motion passed.

III. Public Comment

Tim Sullivan, owner of 71-75 N. Howell St., addressed a sidewalk issue on the west side of the buildings that have been tagged as a code enforcement issue due to settling. The sidewalk has a large void under it and could cost up to \$30,000 to repair. Mr. Sullivan is actively pursuing a solution and has been further frustrated because contractors are scheduled into July. He appreciates all that TIFA does for the district and hopes that they, the City and he can work together to resolve the problem.

Jack McLain said he could not find minutes for the Dawn Theater Governance Committee when they held the joint meeting with the Targeted Development Committee in February.

Penny Swan stated that she did not feel that CL Real Estate should be granted the requested extension since she did not see code enforcement repairs being granted extensions. She would like all entities to be equally accountable.

IV. Committee Reports

- A. Program Committee – Cindy Bieszk, Chair
 - 1. General Report – No report
- B. Targeted Development Committee – Mary Wolfram, Chair.

1. General Report – The Committee helped with the finalization of the purchase agreement along with negotiating the sale of the liquor license. They also discussed the stenciling for the Dawn Theater
- C. Beautification Committee – Margaret Braman, Chair
 1. General Report – Greg Stuchell reported that the committee is working on looking at creative measures the help improve the aesthetics of the downtown without costing the TIFA any funds in the next fiscal year.
- D. Dawn Theater Governance Committee – Mary Wolfram, Liaison
 1. General Report – The Committee discussed the stencil project at the Dawn Theater.

V. Old Business

- A. Dawn Theater Project – Alan Beeker updated the Board on the progress going on at the Dawn Theater. The drywall in half of the House is complete and painted and the scaffold will be removed next week.

VI. New Business

- A. Current FY Budget Amendment.
 1. The first payment for the Installment Purchase Agreement of \$20,860 is due on May 1, 2021 and the Legal Services budget has been expended and should be doubled to \$4000 due to anticipated legal fees.

Greg Stuchell moved to amend the budget to include \$20,860 for the SMBT payment and \$2000 increase to the Legal Services budget, Cindy Bieszk seconded, motion passed 7-1.

- B. Proposed 2021-22 FY Budget.
 1. The proposed FY budget includes funds to complete the Dawn Theater, Legal Services and repayment of debt.

Lance Lashaway moved to accept the proposed budget as, Greg Stuchell seconded and motion passed 8-0.

- C. Keefer Hotel Purchase Agreement Extension.
 1. Due to MEDC delays in gaining gap funding, CL Real Estate is requesting that the May 25, 2021 completion date be extended and additional 18 months to November 25, 2022.
 2. Andrew Gelzer told the Board that after multiple discussions with CL, he supported of the extension request.
 3. Mary Wolfram gave a brief overview of the purchase, financing and project development of the Keefer with CL.
 - a. The building was purchased in May 2018
 - b. The project start date was amended in September 2019 to be January 2020. The project started with hazardous material abatement in December 2019.
 - c. Final Gap funding from MEDC was to be attained at the MSF Board meeting in the spring of 2020. MEDC placed a moratorium on any

project funding without a Letter of Interest (LOI) in March 2020 leaving the CL project on an indefinite waiting list.

4. Greg Stuchell listed the many benefits of having the Keefer returned as a full service hotel in the downtown.
5. Matthew McLain and Lance Lashaway have reservations about granting an extension.
6. Nathan Watson of CL spoke to the concerns of some of the Board members. Mr. Watson reviewed the financing involved in the \$12 million Keefer project, most of which is private investment which is currently in escrow. He also asked that the rumor mongering cease. CL is being accused of “sitting” on properties for 10-15 years when the company has only existed for 5 years. The complexity of the project and the delays created by shutdowns during 2020 requires an adjustment to the schedule. The plan is to “break” ground in May with construction beginning immediately following.

Chris Bahash moved to grant CL Real Estate the requested purchase agreement completion date amendment, Greg Stuchell seconded, and motion passed 6-0.

D. Councilman Greg Stuchell Request.

1. Mr. Stuchell began his request by reminding the Board of the mission of TIFA and that all members of the board are to be of good character. He then accused Mr. Lashaway of displaying character contrary to that mission through his participation in public defamation of State Senator Shirkey. (Councilman Stuchell’s statement attached)
2. Mr. Stuchell requested Mr. Lashaway make a public apology to the Board, the City and Senator Shirkey for his participation in the defamation.
3. Mr. Lashaway denied his knowledge of the plan to defame the Senator.

VII. Adjournment – Chris Bahash moved to adjourn, Greg Stuchell seconded. Meeting adjourned at 8:28 a.m.

Next Regular Meeting: May 18, 2021 at 7:30 am.

Councilman Stuchell Comments - TIFA Board
March 16, 2021

TIFA's mission is business, economic & infrastructure development. Communications with private individuals, organizations, including local and state officials, is a necessity. All communications from TIFA Board Members must be honest and respectful. It has always been imperative that each TIFA Board Member conducts themselves in this manner, always displaying respect, exhibiting good character while demonstrating honesty towards others. This good charter from TIFA board members has been upheld, until recently.

Two newspaper stories, one by the Hillsdale Daily News, the other by the Detroit News, reported that TIFA Board Member, Lance Lashaway, along with two others, attended a meeting with Michigan's Senate Majority Leader, Mike Shirkey. It was reported that Senator Shirkey was secretly recorded during this meeting. This secretly recorded conversation was also released to a TV news outlet, which aired a portion of Senator Shirkey's comments. Further, the entire discussion with Senator Shirkey was posted on a YouTube video. This video revealed that Senator Shirkey was not only secretly recorded, but was also called a vulgar name as well as a liar. Please note, this is not an endorsement for or against Senator Shirkey; this is entirely about Mr. Lashaway's conduct.

This behavior, Mr. Lashaway, does not display the character of the good principles that represent this board. This behavior, does not display respect or honesty towards others. Secretly recording a conversation is a dishonest act. Calling someone a vulgar name, and a liar, is entirely disrespectful.

The members on this board have always conducted themselves in an honest and respectful matter. There are times during discussions when members will disagree. Regardless, of any disagreement, each board member has always held to the principles of respect and honesty for others. The treatment Senator Shirkey experienced from Mr. Lashaway and his associates was simply inexcusable.

We know that we cannot control people's behaviors. However, as an elected official to the City of Hillsdale, plus a member of this board, I believe that Senator Shirkey along with this board deserve an apology for the improper treatment that Senator Shirkey received and the for poor reflection casted on this board by Mr. Lashaway.