



CITY OF HILLSDALE

Tax Increment Finance Authority TIFA Regular Meeting July 20, 2021

Minutes

I. Call to Order at 7:35 am

- A. Members Present: Chair Andrew Gelzer, Cindy Bieszk, Councilman Greg Stuchell, Lance Lashaway, Mary Wolfram, Darin Spieth, Margaret Braman, Tim Dixon, Mike Clark, John Spiteri
- B. Others present: Penny Swan, Jack McLain, Alan Beeker, Brant Cohen, David Mackie, Gary Wolfram
- C. Members Absent: Chris Bahash, Matthew McLain, Mary Spiteri

II. Consent Agenda – Chair requested amendment to the minutes from the May Board meeting; "Lashaway emailed a letter to board members proposing a motion to remove Councilman Stuchell from the Board due to conflict of interest, with the record of sale of the building adjacent to the Keefer Hotel included. When called upon to read the letter, Lashaway refused. The letter was read into record by City Staff". He also requested to add that David Mackie came and explained the City's social media policy.

Chair also requested that an update to the Keefer Hotel project be added to the "Old Business" section of the agenda.

Mary Wolfram requested that Board Member recommendations be added to the agenda during the "Membership Update".

Mary Wolfram moved to accept the consent agenda with the amendments, Tim Dixon seconded, motion passed.

III. Public Comment

Jack McLain asked about the previous meeting's minutes and about the amended budget.

IV. Member Appointment Review

Cindy Bieszk moved to re-elect the current Chair and Vice-Chair, Andrew Gelzer and John Spiteri. Margaret Braman supported, motion passed.

Chair Gelzer moved to appoint Lance Lashaway to the Targeted Development Committee. Mary Wolfram supported, motion passed.

Chair Gelzer moved to recommend to the Mayor: John Spiteri, Chris Bahash and Mary Wolfram for re-appointment. Councilman Stuchell seconded, motion passed with Mr. Lashaway voting against.

V. Committee Reports

- A. Program Committee – Cindy Bieszk, Chair
 1. General Report – No new grant applications received.
- B. Targeted Development Committee – Mary Wolfram, Chair.
 1. General Report – The Committee is reviewing bids for the stenciling at the Theater.
 2. Dawn Theater Project – Mary Wolfram and Alan Beeker updated the Board on the progress going on at the Dawn Theater.
 3. Andrew Gelzer requested by motion that the Board give Targeted Development authority to review and recommend a solution to the south entrance water infiltration issue. Tim Dixon supported, motion passed.
 4. Mary Wolfram requested by motion that the Board give Targeted Development authority to choose a stencil contractor for the stencil painting at the Dawn Theater. Greg Stuchell supported, motion passed.
- C. Beautification Committee – Margaret Braman, Chair
 1. General Report – Smith’s Flowers is sponsoring and maintaining flower on the “Point”. The Committee is planning on collaborating with the organizers of ‘Awesome Autumn’.
- D. Dawn Theater Governance Committee – Mary Wolfram, Liaison
 1. General Report – The Committee is discussing their long term responsibilities in the Dawn Theater as it transitions back into a downtown gathering space.

VI. Old Business

Keefer Hotel Project Update

- Nathan Watson of CL Enterprises informed the Board that the financing is in the final stage of completion. The Developer has already invested over a \$1 million for advance work. The remaining funds include \$6 million in escrow, \$2 million from MEDC and the remaining from \$3 million is from multiple investors.
- Title documentation for the closing of the remaining investors has been stalled due to a clause in the original purchase agreement re: TIFA’s ability to buy back the building. The investors are requiring that clause be removed and a 6 month extension be made to the Promissory Note prior to closing.
- The intent is still to commence construction this summer with a 15 month timeline.
- CL is asking that the buyback clause be satisfied upon finance closing and a Notice to Proceed to the Contractor’s. The Promissory note deadline of Nov. 2022 would also be extended 6 months through May 2023 or CL Enterprises would pay TIFA the remaining \$265,000 owed for the building.
- Board discussion raised concerns that TIFA would lose their interest in the building prior to completion of project and that there would be more requests to amend.

- Mr. Watson was confident but could not guarantee that this would be the last amendment needed.
- Mr. Lashaway moved to schedule a special meeting to decide. Mike Clark seconded.
- Chair opened discussion on the motion:
 - a. Ms. Wolfram wanted to take a vote during the current meeting that the Board would be approved with the addition of attorney review.
 - b. Councilman Stuchell wanted to be certain that TIFA's interests were protected.
 - c. Tim Dixon was confident that a vote to approve at the current meeting with the Attorney reviewing the documents would be satisfactory.
- Mr. Lashaway withdrew his motion
- Mary Wolfram moved to approve the proposed 3rd amendment to the purchase agreement and extension to the promissory note deadline upon legal review. Tim Dixon supported, motion passed.

VII. New Business

A. Information Meeting

- According to the recently amended TIF Act, all TIFs are required to hold two informational meetings annually. City Staff requested that the first one for 2021 be set.
- Chair Gelzer made a motion to hold the meeting on August 17 at 6:00 pm at City Hall, Tim Dixon seconded, motion passed.

B. 2021-22 FY Budget Amendment

- City Staff discovered errors to the fiscal year budget adopted by Council. Finance requested that TIFA approve the updated budget.
- Cindy Bieszk moved to approve and adopt the revised 2021-22 FY budget. Lance Lashaway supported, motion passed.

VIII. Economic Development Roundtable

- A. The National Trust for Historic Preservation has approved a \$15,000 matching grant for the completion of the stencil painting in the Dawn Theater.
- B. Councilman Stuchell informed the Board that a new mural in the downtown would begin work near the end of August.

- ## **IX. Adjournment** – Cindy Bieszk moved to adjourn, Tim Dixon seconded. Meeting adjourned at 9:00 a.m.

Next Regular Meeting: September 21, 2021 at 7:30 am.