

**CITY OF CHELSEA
DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
7:30 A.M., THURSDAY, MAY 19, 2011
McKUNE ROOM – CHELSEA DISTRICT LIBRARY**

Present: Flintoft, Finger, Frisinger, Heydlauff, Lindauer, Merkel, Morrel-Samuels, Myles, Pierce, Winans, Hanifan

Absent: Cleary, Schwarz

Others Present: Bill Harmer, Chelsea District Library; Cheri Albertson, Ann Feeney, City Council; Howard Flintoft, Cathie Clark, Lisa Allmendinger

President Flintoft opened the meeting at 7:30 a.m.

1. **Motion by Morrel-Samuels, second by Winans to approve the minutes of the April 21, 2011 Board of Directors meeting. Motion carried.**
2. **Motion by Winans, second by Heydlauff to approve the agenda as presented. Motion carried.**
3. **Budget Discussion – Heydlauff (a)** City Council reviewed the proposed policy to provide financial assistance for the cost of increased REU fees. Council wants language added that would include the purpose for which the financial assistance would be extended. Council adopted the plan subject to agreements and would be effective 7/1/11. **Motion by Morrel-Samuels, second by Heydlauff to include this language in the plan. Motion carried.** Discussion continued regarding who retains obligation if a business closes. If only a portion of the allocation is used in a year, how to handle the balance. The opportunity to take advantage of this grant will be publicized and projects evaluated. **Motion by Myles, second by Morrel-Samuels to adopt the REU Plan subject to inclusion of an application form and the project for which this grant would be extended. Motion carried, Frisinger voting No. (b)** There is available cash to transfer for the Police Station project. It will help to fund land acquisition, site improvements, and parking lot improvements, taking the pressure off the library lot, There is \$837,000 cash reserves. **Motion by Heydlauff, second by Lindauer, to transfer \$500,000 to the Police Station project. Motion carried.** Morrel-Samuels stated his support because the core reason for TIF is to prevent and reverse decay and since the REUs are so high that a potential Longworth developer, backed away.
4. **Palmer Ford Lease** – Flintoft distributed a copy of the lease, which was signed by owner Donna Palmer. It is for one year and gives the DDA 90 days to develop a new access plan. It is like the lease with Chelsea Milling and includes a right of first refusal before a future sale. A copy will be in the record book at the City office. **Motion by Frisinger, second by Lindauer to authorize the DDA Board President and Secretary to sign the Palmer Ford Lease. Motion carried.** The lease will allow for reasonable wear and tear. It will give the DDA a year to study the site. Morrel-Samuels inquired about the reason for a lease instead of a purchase. Heydlauff responded that the DDA needs the time to study the site to make sure if any plan is workable and will produce the result hoped for.
5. **Accessibility Committee Report – Frisinger** Cleary's will purchase a portable ramp for its front door, which will be put out at a customer's request. The cost is approximately \$300.

Frisinger hopes it will serve as a model for others.

6. **Chamber of Commerce Update – Pierce (a)** Chelsea & Dexter are co-sponsoring the June 7th Golf Outing at Reddemen Farms **(b)** Business Breakfast is at Reddemen May 22; **(c)** Gateway team met with “Pure Michigan” leaders, Dave Lorenz and Mark Lance who were complementary of group developing outdoor recreation destinations. Gateway is formalizing the organization and has the goal of having a brand\logo, with help from Lance, by year's end, and start marketing the region as a destination.**(d)** With a lot of support from Chrysler, State Special Olympics cycling event will be held at Chrysler Proving Grounds Sept.10. There will be 150-200 participants together with families and supporters. It will generate 25-30 hotel room nights. It is the fastest growing Special Olympics events
7. **Library Update – Bill Harmer** June 18, 19 the Library will hold a Comic Book Convention. It will focus on kids and education. It is the brain child of ~~(CCA)~~Chelsea District Library Artist in Residence Jerzy Droze, Many businesses will take part and have activities, including 40-50 artists conducting workshops. Harmer expects the event to draw 1,000 people
8. **Chelsea First** – No Report
9. **Public Participation** - None
10. **Long Term Development Plan Reviewing – Prioritizing: RECAP OF DISCUSSION:**
Deardorff provided a 4 page summary of comments from the 13th meeting which Flintoft will distribute to the board via email.
 - Heydlauff – pleased with ideas, especially looking at whole Palmer\Post Office block; the ramp on Park St. must be done; smaller projects, which can have a big impact, can be included, but no control over FSW; once more placing Longworth on the market to see if private investment comes.
 - Winans – A decision needs to be made on Longworth property. DDA owes it to the community to move on it in spite of stepping on some toes. DDA has spent \$400,000 already. He asked what the deadline will be for a developer to present a plan.
 - Hanifan – reported that Federal Screw will demolished in the next couple of months. No matter what use is made of the Longworth property, there are 8 pages of removal requirements which must be compiled. The Down River Consortium is a funding source for pollution remediation.
 - Frisinger – Longworth has sat there too long, DDA owns it and is responsible for it.
 - Myles – the bottom line is money, prioritizing based on available funds. Revisit Plan B. Project what can be done; have a vision.
 - Merkel – DDA will lose inertia. Longworth needs to be resolved asap.
 - Finger - Take action soon on Longworth by early fall.. Parking continues to be a problem. Cost structure affects priorities.
 - Morrel-Samuels – Palmer property should be first priority, 2nd should be Longworth. DDA is the steward of the buildings, which contains contaminants and should also be viewed from a historical perspective. Leave it on the market for a year.“DDA doesn't actually own the building. The public owns it.”
 - Heydlauff – apologized for getting involved in the Longworth property. It makes no sense to deal finally with prioritizing until after public meeting. The original plan to demolish two of the buildings is still consistent with the plan. It could be sold for \$1 to someone who comes along with the \$1M to invest in the property. Heydlauff emphasized that his vote has been consistent for the past three years regarding the property.
 - Pierce – Follow the process. Until the costs are known, cannot set priorities.
 - Flintoft – Looking at the list, Palmer development will accommodate private parties who want to do something with the post office and Hughes building. The DDA can easily do the ramp in

the parking lot and can do some signage, alleys, but no control over FSW, but can move on Longworth.

11. **Old Business** –(a) Myles reported that the National Register plaque is in process and should be ready by June 1st, but there is no site yet determined. Invitations to the unveiling and opening of the Chelsea Historical Society Museum on June 11th were sent to the Board. (b) Morrel-Samuels asked about the by-laws, which have been adopted by City Council.
12. **New Business** –(a) Morrel-Samuels suggested that the DDA District be expanded so that streetscape lighting, signage could be extended north and south. Hanifan said it cannot be done. (b) **Motion by Morrel-Samuels, second by Myles to allocate up to \$300 to replace glass in the Longworth showroom.** (There will need to be 3 formal quotes first.) **Motion defeated 8 to 2(PMS & Myles).** (c)Morrel-Samuels thinks there should be a new sign for The Teddy Bear Factory with electric lines buried for a better appearance.
13. **Motion by Lindauer, second by Pierce to adjourn at 8:45 a.m.**