

**CITY OF CHELSEA
DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
7:30 A.M., THURSDAY, January 16th, 2014**

Present: Finger, Flintoft, Heydlauff, Holman, Lindauer, Martinson, Merkel, Pierce, Sanville

Absent: Cleary, Povlich, Schwarz

Others Present: City Manager Hanifan, Bob Pierce Chelsea Chamber of Commerce, City Council Members Albertson, Anderson & Pachero, Janet Wamboldt & Mary Randolph Chelsea Area Garden Club, Lisa Allmendinger Chelseupdate.com, Ashley Miller Helmboldt Farmers Market, Howie Flintoft

1. President Flintoft called the meeting to order with a quorum of the Board at 7:30 a.m.
2. Public hearings on matters under consideration – none
3. Public Comment:
 - Janet Wamboldt (President, Chelsea Area Garden Club succeeding Susan Moore) reported that the club has agreed to continue the city plantings for the 2014 season, and she read their proposal and request for a budget allocation of \$2,500 for flowers with additional funds needed to cover the continued watering by city staff (Hanifan to determine this portion of the cost). Funds for flowers will be needed by the later part of May or 1st of June.
 - Ashley Miller Helmboldt commented on the desire to keep the discussions going regarding the farmers market move to Main Street.
4. Approval of the consent agenda – no items
5. **Motion by Lindauer, second by Sanville to approve the regular agenda with the addition of a Budget Discussion under Reports from Board Committees. Motion carried.**
6. **Motion by Martinson, second by Holman to approve the minutes of the December 19, 2013 Board of Directors meeting with a correction to add Martinson as present and to correct the streetscape budget estimated cost to \$50-\$75K. Motion carried as amended.**
7. Submission of bills – No bills submitted
8. Communications to the Board – none
9. **Reports from Board Committees**
 - Chelsea First** – no report
 - Budget Discussion** – Treasurer Heydlauff presented a 2-page handout and reviewed the cash position of the DDA for the current budget year 7/1/13-6/30/14 (estimated operating cash 1/1/14 is \$148,728, and by the end of the June 2014 it will be \$6,729). Heydlauff also presented a revenue projection for the next budget year 7/1/14-6/30/15 (estimated operating cash for projects \$115,770). He indicated the DDA has had a very positive impact on the property values within the district and that the values have grown from \$6M to over \$15M. The DDA also needs to keep doing projects to make the downtown district more desirable to support existing businesses and pull in new businesses. He further noted that the proposed Bond payment will impact the 2014-2015 budget, and that when the Palmer Lot Purchase Payment

drops from \$150K to \$100K next budget year this would be enough to fund the bond payment.

10. Reports from Officers and City Manager:

--Hanifan reported that the \$995M Bond Resolution presented to City Council for 3 proposed DDA projects did not get approved; the council vote was 5-2 after a 1 hour debate not to move forward without additional detail. (The proposed projects: Streetscape work \$50K-\$75K; Longworth/Jackson Corridor \$250K-\$260K; and Palmer Lot Phase 1 \$500K-\$600K - building, buffer, circulation and parking.)

After some discussion with DDA and Council members present a Joint Work Session to discuss the projects and bond in greater detail was scheduled for Monday, January 27, 2014 at 7:30 p.m. (evening).

There was also some discussion about splitting the Bond Proposal from one bond to two in order to move forward spring 2014 with the following projects, placing the Palmer Lot Phase 1 project on a separate bond.

Longworth/Jackson Corridor \$250K-\$300K
Streetscape work \$50K-\$70K
Depot fending (required by the RR) \$40K

11. Unfinished Business:

--Marketing Plan Longworth Building – nothing new to report.

--DDA will need to review all projects and proposals including the REU Program funding, parking lot maintenance issues after such a hard winter, timing of the conversion of street lights to LED as part of the Budget Review process for the upcoming 2014-2015 budget year.

12. New Business - none

13. Announcements

--Pierce announced the Chamber and City are hosting a Small Business Personal Property Tax session 1/23/14 at the Library, and the Chamber and Palmer Service are hosting Business After Hours also on 1/23/14 (5-7 pm). Maple Sugaring Festival is scheduled for March 8th with various events through the day including a fund raising breakfast at Chelsea Alehouse.

--Sanville announced the start of previews of the new Purple Rose play “Red Curtain”.

--Hanifan received direction to have the City take down the garland now and leave up lights.

14. Adjournment – Motion by Lindauer, 2nd by Merkel to adjourn the meeting at 8:15 a.m. Motion carried.

Minutes respectfully submitted,

Kathy Dunn Finger, Secretary

DDA Board of Directors approved Minutes February 20, 2014

DDA Budget Discussion

as of 1-1-2014

Current (Dec)

Operating Cash account bal.	\$12,410	
Project Cash account bal.	\$36,319	
Winter TIFA	\$100,000	
Total Funds thru 6-30-14	<i>\$148,729</i>	
Due to Chelsea First	(\$20,000)	
Due to Debt Svc	(\$35,000)	
Due to Sights & Sounds	(\$15,000)	
ave. monthly transfer to City (ave. monthly transfer) 6 months x \$12,000	(\$72,000)	
Operating Cash Balance	<i>\$6,729</i>	<i>Thru June 2014</i>

Outstanding payment due to
ET McKenzie \$15,000

Outstanding REU program

DDA Budget Discussion

Projected 2014-2015

Revenue 7-1-2014 thru 6-30-2015	\$450,000
	<u>\$450,000</u>
Salaries & Wages	(\$44,000)
Professional Services	(\$1,000)
General R&M	(\$12,000)
Palmer Installment Pymt	(\$150,000)
Debt Service	(\$70,230)
Chelsea First	(\$30,000)
Sights & Sounds	(\$15,000)
Sculpture Walk	(\$12,000)
Operating Cash Balance	<u>\$115,770</u>
Available for Projects	

DDA Board Mtg
1-19-14

Jan. 16, 2014

Chelsea Downtown Development Authority
Peter Flintoff, President
305 S. Main Street
Chelsea, MI 48118

Dear Mr. Flintoff and DDA Members,

In 2013 the Chelsea Area Garden Club took on the responsibility of planting the flower beds in the newly constructed streetscape project on Main Street.

I am happy to report that all went well and our members have agreed to continue the planting again this year.

The city also took on watering all the Main Street flower beds. We are extremely grateful and hope the DDA will continue to fund these projects.

Last year the DDA allocated \$6,000 for flowers and watering for Fiscal Year 2013-2014. We were reimbursed \$1,954. The total amount spent included club members' donations and sale items.

For FY 2014-2015 we request \$2,500 for flowers (spring and fall) with additional funds to cover the watering by city staff. Mr. Hanifan can best determine the exact amount needed.

Sincerely,



Janet Wamboldt, President
Chelsea Area Garden Club

Cc: Jason Lindauer, Mayor
John Hanifan, City Manager