

**CITY OF CHELSEA  
CHELSEA DOWNTOWN DEVELOPMENT AUTHORITY  
SPECIAL BOARD OF DIRECTORS MEETING  
7:30 A.M., THURSDAY, May 1st, 2014**

DRAFT

**Present:** Cleary, Finger, Flintoft, Heydlauff, Holman, Lindauer, Martinson, Merkel, Sanville, Schwarz

**Absent:** Patrias

**Others Present:** City Manager Hanifan, Bob Pierce Chelsea Chamber of Commerce, City Council Members Albertson & Anderson, Lisa Allmendinger Chelseaupdate.com, Ashley Miller Helmboldt Farmers Market, Dana Beehr The Sun Times

President Flintoft called the meeting to order noting a quorum of the Board at 7:30 a.m.

At this special meeting of the Chelsea Downtown Development Authority of the City of Chelsea, County of Washtenaw, State of Michigan (hereinafter referred to as "DDA"), held on May 1, 2014 the following resolution was offered by Member/President Flintoft and supported by Member Lindauer; and after discussion and upon unanimous roll call vote was duly adopted:

Whereas, the DDA finds that:

- a. The proposed McCoig 20 yearlong gravel extractive project proposed in Lyndon Township with a haul route through the City of Chelsea on M-52 would result in very serious consequences to the DDA including the noise, dust, dangerous highway conditions, and long term disruption and damage to the DDA properties, the businesses and persons therein.
- b. It is a legitimate purpose and use of DDA monies to support opposition to this proposal as led by the Chelsea City Council.
- c. The DDA has designated in its budget for 2014-2015 fiscal year items which are discretionary expenditures and listed therein that these monies may be used to defray the City of Chelsea's costs in its opposition to the proposed extractive operation and the haul route.
- d. Such use of these discretionary monies is of the highest priority for the DDA.

Be it Resolved, that:

1. The DDA adopts its 2014-2015 Budget as stated and modified by the forgoing findings.
2. These discretionary line items will be paid with the prior approval of the City Council or City Manager in accordance with these findings and in consultation with the DDA, and shall not exceed 50% of the defined discretionary line items from the 2014-2015 Budget.

Adjournment – Motion by Lindauer, 2<sup>nd</sup> by Merkel to adjourn the meeting at 8:30 a.m. Motion carried.

Minutes respectfully submitted,  
Kathy Dunn Finger, Secretary

*Draft 4-10-14  
Approved 5-1-14*

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2013 NORMAL (AB)	2013-14 AMENDED BUDGET	YTD BALANCE 12/31/2013 NORMAL (AB)	% BDGT USED	2014-2015 Budget	
						LINE ITEM ESTIMATE	ASSUMPTION/DESCRIPTION
Fund 494 - DDA							
Dept 000-REVENUES							
494-000-402.000	TAX INCREMENT FIN. AUTHI.	411,636.05	412,575.00	304,561.00	73.82	427,734	
494-000-403.000	REAL PROPERTY TAXES	24,952.53	24,882.00	25,146.05	101.06	29,059	Based on assessor taxable value estimates following March Board of Review
494-000-403.001	REFUND RL PROP TX	(53.19)	0.00	0.00	0.00		
494-000-404.000	PERSONAL PROPERTY TAXES	12,066.62	12,525.00	11,550.45	92.22	14,101	Increase in industrial and commercial investments offset anticipated small business exemptions for 2014
494-000-404.001	REFUND PERSONAL PROPERTY TAX	(1.68)	0.00	0.00	0.00		
494-000-417.000	DELINQUENT PERS PROPERTY TAXES	0.00	600.00	411.97	68.66	1,500	Focused goal of collecting on highly delinquent businesses
494-000-531.000	MISCELLANEOUS GRANTS	19,136.00	0.00	0.00	0.00		2012-13 grant for Longworth asbestos abatement in 12-13
494-000-631.000	BANNER HANGING FEES	440.00	500.00	182.50	36.50	500	
494-000-664.000	INTEREST & DIVIDENDS	177.86	250.00	111.32	44.53	250	
494-000-694.000	OTHER INCOME	250.00	235,300.00	0.00	0.00	250	Contribution by Ann Arbor Bike Club for maintenance of ZouZou's racks
Net - Dept 000-REVENUES		468,601.99	686,632.00	341,963.29		473,395	
Dept 294-DDA							
① 494-294-702.001	SALARIES & WAGES - PARKING	27,654.78	34,880.00	15,219.13	43.63	24,000	Police Parking Officer wages
494-294-702.002	SALARIES & WAGES	26,436.99	16,926.00	14,082.33	83.20	25,567	DPW maintenance and 10% of deputy treasurer wages
494-294-715.000	EMPLOYER FICA & MEDICARE MATCH	2,660.69	3,198.00	1,414.89	44.24	2,938	7.65% of wage line items
494-294-740.000	OPERATING SUPPLIES	129.84	200.00	28.55	14.28	200	Routine expenses related to DDA operations such as paint, banner brackets, etc.
②* 494-294-801.000	PROFESSIONAL SERVICES	16,626.14	27,000.00	21,077.88	78.07	26,805	Annual audit expense (\$1,285), 10% of budgeted assessor wages (\$5,175), Sculpture Walk (\$5,000), videotaping of meetings (\$3,000), legal fees and contingency (\$2,345), Garden Club (\$5,000)
③ 494-294-801.001	MARKETING	20,000.00	15,000.00	0.00	0.00	15,000	Contributions to Sounds & Sights
494-294-801.002	MARKETING	25,000.00	30,000.00	10,000.00	33.33	25,000	Support of ChelseaFirst Marketing effort
494-294-920.000	PUBLIC UTILITIES	169.03	500.00	249.38	49.88	500	Utility expense for street lights in DDA district and Longworth building
④* 494-294-935.000	GENERAL REPAIRS & MAINTENANCE	18,802.42	12,000.00	9,831.14	81.93	20,000	Monthly garbage pickup, street light maintenance, parking lot maintenance
494-294-943.000	INSTALLMENT PURCHASE	0.00	150,000.00	150,000.00	100.00	150,000	Purchase of the Palmer Lot, paid in full Sept 2013
⑤* 494-294-958.000	MISCELLANEOUS EXPENSE	1,061.51	1,500.00	1,208.49	80.57	1,500	Chelsea Depot Association membership, DDA portion of MML dues, A. Fody contract for bike racks, stormwater expense for DDA
494-294-958.002	DDA - HOLIDAY LIGHTING	8,528.43	8,000.00	0.00	0.00		Ongoing holiday light maintenance
494-294-967.000	SPECIAL PROJECTS	0.00	50,000.00	0.00	0.00		REU Program
494-294-970.000	CAPITAL OUTLAY	114,774.11	150,000.00	140,000.24	93.33		
494-294-980.000	DEPRECIATION EXPENSE	119,432.61	120,000.00	64,328.07	53.61	88,000	Can go down by up to \$30,000 if Longworth is sold
494-294-991.000	BOND PRINCIPAL - NEW	0.00	0.00	0.00	0.00		Estimate for new DDA bond
494-294-991.002	BOND PRINCIPAL	0.00	30,000.00	18,205.00	60.68	35,000	Paid in full October 2013
494-294-992.000	DEBT SERVICE INTEREST - NEW	0.00	0.00	0.00	0.00		Estimate for new DDA bond
494-294-992.002	DEBT SERVICE INTEREST	36,353.00	36,065.00	18,739.00	51.96	35,230	Paid in full October 2013
494-294-993.002	BOND FEES	250.00	125.00	125.00	100.00	200	Includes estimate for new bond
Net - Dept 294-DDA		(417,877.55)	(685,394.00)	(464,509.10)		473,078	
Fund 494:							
TOTAL REVENUES		468,601.99	686,632.00	341,963.29	49.80	473,395	
TOTAL EXPENDITURES		417,877.55	685,394.00	464,509.10	67.77	473,078	
NET OF REVENUES & EXPENDITURES		50,724.44	1,238.00	(122,545.81)	9,898.69	317	

Discretionary @ 5-1-14 DDA Special Meeting

- ① Salaries + wages - parking
- ② Portion of Professional Services  
Sculpture walk  
Videotaping  
Legal fees  
Garden Club
- ③ Marketing  
Sounds & Sights  
Chelsea First
- ④ Portion of General Repairs
- ⑤ Portion of Miscellaneous Exp