

**CITY OF CHELSEA
DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
7:30 A.M., THURSDAY, March 3, 2016
(Rescheduled from February 18, 2016)**

Present: Chair & City Staff Liaison Hanifan, Finger, Heydlauff, Merkel, Sanville, Schwarz, Weiser

Absent: Fairfield, Lindauer, Patrias

Others Present: City Council Members Albertson & Pacheco; Marcia White Planning Commission, Lisa Allmendinger ChelseaUpdate.com, Jan Bernath, & Bob Pierce Chamber of Commerce

1. Chair John Hanifan opened the meeting at 7:32 a.m. noting a quorum was present.
2. Public hearings on matters under consideration – none
3. Approval of the consent agenda – none
4. Public Comment - none
5. **Motion by Heydlauff second by Merkel to approve the regular agenda. All Ayes.**
6. **Motion by Sanville second by Merkel to approve the minutes of the January 21, 2015 Board of Directors meeting. All Ayes.**
7. Submission of bills – no bills submitted
8. Communications to the Board:
 - Hanifan reported he is continues working through the process with Joe Ziolkowski and MEDC towards a spring closing on the Mack Building LOI (email dated 3/2/16 from Marilyn Crowley MEDC). Joe is excited to start the project and will be invited to the March 17th meeting. City received grant for additional Environmental assessment work, which moves forward the due diligence item from Ronlon's LOI.
9. Reports from Board Committees – none
10. **Reports from Officers and City Manager**
 - City Manager Hanifan commented on the 2016-17 DDA Draft Budget: the City projects DDA may lose \$100K from the tax incremental funding due to 2016 Tax Reforms and the loss of Personal Property tax on many small businesses. In 2016-17 the Mack building will return to the tax rolls and depreciation (non-cash event) which rolls in to the Project Fund will also decrease in the next budget year. Palmer Lot was an installment purchase and will be fully paid in Sept 2018. Could possibly refinance some bonds (new bonds run 2-1/2 to 5% interest rates). A few maintenance projects like the repainting of light poles can be accomplished in the 2015-16 DDA Budget.
 - Much work went in to the City Council's Master Plan Work Session January 20, 2016 with support for the Palmer Lot plans.
11. **Unfinished Business**
 - Hanifan provided a draft DDA Budget (7/1/16-6/30/17), which was discussed. Things to consider: Railroad barrier project, finishing 2 stamped cross walks (\$18K/crosswalk +/-),

repair/repaint existing crosswalks, wayfinding signage updated (new color scheme), coordinate signage for parks and other areas of town to be consistent. Schwarz has 1 bid awaiting 2 others for banner updated. Historic building lighting in the past mentioned the court house, depot and parking new parking lot behind the Church (plan for and add to budget cycles).

- Heydlauff requested a DDA project list stay on agenda: maintenance of light poles, parking lots, alleys, fencing, crosswalks, lighting of historic buildings, updating of downtown trash containers and banners, and getting a work session set with City Council regarding the Palmer Lot.

12. **New Business**

- Weiser reported he expects to start construction on the old Teddy Bear factory building next week, and Los Tres Amigo plans to open a new restaurant where the old Mexican restaurant was located in the Clocktower factory building (before May 5th, pending liquor license).
- Hanifan reported that the City has approved (2) Developmental Liquor licenses for Los Tres Amigo & Zou Zou's, and two additional applications will go before Council Monday for downtown Wine Bars.

13. **Announcements**

- Bob Pierce, Chamber of Commerce – reported that the Chamber finished a good year, working on new membership and the Chamber had a 91% membership retention, 12 ribbon cuts, and store fronts are mostly full. Continuing to keep website up to date (keep sending community events to the website), wayfinding signs need updating, and the Kiosks are physically deteriorating. Chelseamich.com partners with Festivals on event billboards, Big 400 (March 12th to 19th) Maple Sugaring festival, and family bowling event is Saturday. Sounds & Sights has open auditions March 21, 2016.

Adjournment – Motion by Merkel, 2nd by Schwarz to adjourn the meeting at 8:05 am. All Ayes.

Minutes respectfully submitted,
Kathy Dunn Finger, Secretary

Minutes approved at the March 17, 2016 Board of Directors Meeting