



MINUTES

Call to Order: Goldberg called the meeting to order at 1:15 pm after waiting for enough members to form a quorum. Voice rollcall was then taken.

Members Present: Gale Goldberg, Tracey Lipps, Scott Hegg, Caleb Griffis, Maria Rosas

Members absent: Amy Trudell, Deborah Windell, Bill Hegg

Others present: Nichole Kleiner, Andrew Mullen, Hannah Juhl, Noble Graham-Lattin, Tammy Carey, Chad Gale

Approval of Agenda: Motion by S Hegg, supported by Lipps, to approve the agenda. Motion carried.

Public Comment: Chad Gale – Ceres Solutions Co-op discussion – Chad Gale shared with the board that he intends to present a proposal for 3 E Main St to continue using the back half of the mill building for pallet merch storage and turn the front into a retail bin store. Across from that, the building with open bays he would rent for a flea market in the summer. He knows a landscaping business interested in storing equipment in one of the block buildings. He would create more parking and work with the city to install trees and a bike/walking path as shown in the proposed drawings. Gale mentioned he has future plans to work with an investor to build housing as proposed in the development plan. S Hegg asked if he was hoping to acquire the entire property and Gale said yes, Hegg asked if he would keep his retail store downtown and Hegg said yes. Goldberg asked if he was interested in buying or leasing and Chad stated he would entertain all ideas but prefers to purchase the property. Chad also mentioned that the third building proposal was for a freezer/cooler for another owner/leaser. Chad concluded that before he left, he wanted to express his support for the streetscape proposal.

S Hegg offered to run the meeting for Goldberg, who agreed. S Hegg asked if there were any other public comments. Hannah Juhl spoke in regards to the streetscape project noting that if the lead pipe lines have to get replaced, and downtown will be tore up regardless, then why wouldn't we take advantage of \$1 million in grant funding to offset the cost. Juhl further mentioned that she is okay with the loss of parking and that the short term inconvenience of the project is worth the long term benefits. Andrew Mullet, a business owner in Hart expressed support for the project and encouraged the board to lean on creative solutions in order to make the project happen, for example, temporarily moving the chalets to add parking and open traffic flow. Tammy Carey from the Community Foundation shared her support letting the board know that they chose to purchase a building for the foundation in downtown Hart because they have seen the investments Hart has been making in the community and they want to support the winners.

Hearing no further public comment, S Hegg closed public comments.

Approval of May Minutes – motion by Lipps, supported by Maria, to approve the minutes. Motion carried.

Financials – Nichole reviewed the financials reporting that TIFA's combined account balances total \$183,900. There was conversation regarding when TIFA's funding for this term officially ends in 2027 – fiscal year or calendar year. It was decided that since TIFA was formed in 1983, they would expire at the end of FY 27-28 since our financials run on a fiscal year. Motion by Tracey, supported by Maria to accept May financials. Motion carried.

Action Items:

FY25-26 Budget Review – Nichole shared the FY 25-26, 26-27, 27-28 budget proposal with the board noting that the budget allots for \$660k towards streetscape thru end of FY 27-28. Other change requests include increasing the Administrator's salary to \$22k and reallocating 100% of the event coordinator funds to Lindsay Brown who provided a summary of the work she has completed regarding event planning since coming on in August 2024. Regarding the streetscape project funding, Goldberg asked Nichole to breakdown where the rest of the required \$1.2 million match would be coming from. Nichole provided the breakdown given from Manager Splane as follows:

- 29% City of Hart TIFA - \$660,000, funds available now
- 55% City of Hart - \$1,207,867 in municipal bonds
- 2% Hart Economic And Redevelopment Team - \$50,000
- 3.6% Hart Energy – \$80,000 (electric infrastructure)
- 2% Hart Water Department - \$45,000 (water infrastructure)
- 2% Hart BioPure - \$45,000 (sewer infrastructure)
- 3.2% Major Streets Fund - \$70,000
- 1.4% Local Streets Fund - \$30,000
- 1% City of Hart Parks and Recreation - \$20,000

\$1million of the above funding to get reimbursed upon project completion from the MEDC RAP Grant.

Tracey Lipps, in response to the feedback at the public hearing, is still concerned with the elderly having to walk so far with the loss of parking, as well as concerns about deliveries. Lipps suggested making a contingency to the allocation of TIFA funds that the city is to move the chalets and make the new parking where the chalets were, all handicap. Goldberg thought there might be regulations on how many handicap you can have. After discussion and support from the public in attendance, motion by Gale Goldberg to, "approve the Hart Plaza Streetscape Design in support of \$660,000 allocated towards the \$2.2 million streetscape project. \$1 million to be funded by the MEDC RAP Grant, and the additional funds needed are to be supplied through city/budget funds. Chalets are to be permanently removed from the parking lot and the renewed parking will become ADA compliant. Also, TIFA is to be renewed for an additional 15 year term so TIFA can support continued downtown development. Roll call vote: Tracey Lipps - yes, Maria Rosas – yes, Scott Hegg – yes, Gale Goldberg – yes, Caleb Griffis – yes. Motion carried.

Before moving on Nichole was asked what is happening with the pocket park repairs – Nichole agreed to try and get an update for the July meeting.

TIFA Administrator and Event Coordinator Wages:

Nichole pointed out that the FY25-26 budget includes an increase in wages for the TIFA Administrator in the amount of \$4k for a total of \$22,000 annually to be paid monthly to Kleiner Management in the amount of \$1833. Erin Stotler no longer provides event coordinator services. That responsibility has been shifted to Lindsay Brown as of August 2024 who is doing an excellent job. Summary of Lindsay's work was shared with board. Nichole indicated that Lindsay was currently under contract for \$9,600/year but recommends that the full budgeted amount of \$12,500 be allocated to Lindsay for her time. This would increase Lindsay's pay from \$800/month to \$1,041 per month. S Hegg noted that since the budget reflects these changes and was approved by the board, another vote is not necessary.

Public Comments Support from the public for the TIFA board approving the streetscape design and allocating funds.

Communications From Members: Gale Goldberg asked for an update on the church since the Pitch Competition. Nichole reminded the board the Cindy Beth had provided an update at the May meeting and then read her last email correspondence which stated, *"I'm thrilled to say that I got the chance to meet with the city manager, Rob Sloane yesterday and he seemed excited about our plans for The Monarch. It seems as though he is willing to try and pitch my concepts to city council, both for creative reuse of the Parsonage during early stages of rehabilitation, and I am drawing up something for him to put before city Council at the next meeting in two weeks. Additionally, he said that, since I am planning to file my paperwork for the nonprofit that will run from The Monarch, that he would just assume into perpetuity that we would not be expecting taxes to come in, but that he thinks in the meantime, in order for me to get*

things started, he would suggest the following. I file my articles of incorporation on behalf of our nonprofit organization, which I am working to build the board for right now, and he said that would be enough as long as he keeps the city Council in the loop on things in order to let me move forward without any expectation of taxes being imposed in the near future. I also spoke with the folks at Borema -Hamm insurance agency and they expect it to be about two weeks before I get information back on the quote for both 408 and 412 State Street. Currently, I am diving deep into my nonprofit process and hope to have more information for you after the next City Council meeting. Goldberg expressed concerns about the city manager advising that he would “assume into perpetuity that we would not be expecting taxes to come in. Goldberg advised Nichole to reach out to Cindy Beth to let her know the city manager does not have this authority and that she needs to work with equalization and assessing. Nichole advised she had explained the process for an OPRA tax exemption and Cindy Beth is aware. Goldberg and Griffis both asked where we were at in the sale process and Nichole advised that a purchase and development agreement had been presented to the buyer who wanted to modify some of the terms, which is where it left off. Griffis urged something in writing within 30 days, supported by the rest of the board. Member of the public expressed concerns that the competition was scored based on the business being for profit and commented that this project appears to not be evolving as originally presented since it’s pursuing tax exemptions and non-profit status. Nichole agreed to work with Cindy Beth on a purchase/development to present to the board ASAP.

S Hegg mentioned addressing board members attendance. Trudell has been absent the majority of the last year. Support from the board for S Hegg to ask Mayor Klotz to remove Trudell from the TIFA Board.

Adjournment: Motion by Caleb, supported by Tracey to adjourn the meeting at 2:51pm. Motion carried.

Respectfully submitted Nichole Kleiner, TIFA Administrator