



*City of Hart, Michigan*

TIFA Board

**June 17, 2025, 1:00 PM**

**Hart City Hall Community Center, 407 State Street, Hart, Michigan**

## **NOTICE OF PUBLIC MEETING**

### **TIFA Agenda**

1. Call to order
2. Roll Call; B. Hegg, G. Goldberg, Tracey Lipps, Deborah Windell, S Hegg, Amy Trudell, Caleb Griffis, Maria Rosas
3. Approval of Agenda
4. Public Comment
  - a. Cindy Beth Davis-Dykema 408 & 412 S State St Update
5. Approval of June 2025 Minutes
6. Approval of June 2025 Financials
7. Action Items
  - a. Authorize terms of Purchase and Development Agreement with Cindy Beth Davis-Dykema for signing between TIFA Administrator and Cindy Beth Davis-Dykema
8. Discussion Items
  - a. City Council's Response to TIFA Streetscape Funding Conditions
  - b. TIFA Board Members
  - c. Pocket Park Update
9. Public Comment
10. Member Comment
11. Adjournment - *next regular meeting September 16, 2025 unless agenda items require an August meeting.*



## 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

The proposed facility would be designed for:

- Roasting & Packaging Operations: A modern, efficient space to handle increased production volume with room for equipment expansion.
- Training & Education: A small tasting lab and brewing education area, offering classes and experiences for locals and visitors alike – mirroring what companies in cities like Grand Rapids offer but with a distinctly Hart Identity.
- Community Employment: We anticipate hiring local team members in the first 12-18 months of operation, with roles in production, fulfillment, and education.
- Destination Appeal: The artisanal nature of specialty coffee roasting and our open-door philosophy means the facility could serve as a micro-destination within Hart – offering tours, classes, and more.

### **Request from the City of Hart**

We are requesting:

- Information on available property parcels on Industrial Park Drive
- The process and timeline for consideration of sale
- Any applicable incentives or support programs for businesses expanding or relocating within Hart

We are open to discussion on flexible arrangements and eager to work alongside City leadership to ensure our development aligns with the goals of Hart's economic and community development plans.

### **Conclusion**

We are proud to call Hart our homes – personally and professionally. Our roots are here, and we're committed to growing in a way that honors this community. We see this facility as a milestone not just for Dark Water Coffee Roasters, but for Hart's thriving network of small businesses and future workforce.

We would welcome the opportunity to discuss this vision further with the City of Hart and are happy to provide business plans, financial statements, or meet in person at your convenience.

### **CONSENT AGENDA:**

- Approval of minutes from June 10<sup>th</sup>, 2025
- Bills, Claims, Payroll
- Reports of Boards, Commissions, and Committees
- Department Reports – Police/BioPure/Public Works/Energy/C&E Dvlp
  - J. Cunningham motioned to approve Consent Agenda and supported by B. Root
    - Ayes: 6 Nays: 0 Absent: 1

### **ACTION ITEMS:**

- Resolution 2025-19 Adopt FY25 End-of-Year Budget Amendments  
WHEREAS, the City Council may amend the annual budget to reflect changes in purchasing patterns or revised objectives; and  
WHEREAS, the City Council desires to secure the benefits of efficient self-governance and to promote and protect our common interests and welfare; and  
NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL:  
*Amends the FY2025 Annual Budget as follows:*

| Fund          | GL Number            | DESCRIPTION                             | Activity     | Original Budget | Amended Budget |
|---------------|----------------------|-----------------------------------------|--------------|-----------------|----------------|
| General       | 101-301.000-702.900  | OVERTIME                                | \$ 55,813    | \$ 40,000       | \$56,000       |
| General       | 101-441.000-702.800  | WAGE Reg Employee                       | \$ 235,091   | \$ 231,000      | \$241,000      |
| General       | 101-441.000-970.000  | Dump Truck Purchase                     | \$ 49,515    | \$ 15,000       | \$21,700       |
| General       | 101-441.000-970.000  | Outfit Dump Truck for Salter use        | \$ 15,000    |                 |                |
|               | fund 202 to fund 203 | Transfer \$90,000                       |              |                 |                |
| Major Streets | 202-970.000-801.000  | West Main Resurfacing                   | \$ 2,172,346 | \$ -            | \$315,555      |
| Local Streets | 203-970.000-801.000  | Engineering & Contactor for Dryden proj | \$ 2,172,346 | \$ 18,250       | \$0            |
| Park          | 208-751.000-801.000  | Professional Services                   | \$ 48,286    | \$ 22,500       | \$34,886       |
| HEART         | 244-728.000-818.000  | Contractural Service                    | \$ 26,538    | \$ 4,800        | \$26,538       |
| Energy        | 580-537.300-740.000  | Operating Supplies                      | \$ 410,710   | \$ 205,000      | \$415,000      |
| Energy        | 580-537.300-801.000  | Professional Services                   | \$ 48,457    | \$ 20,000       | \$49,000       |
| Energy        | 580-537.300-818.000  | Contractural Service                    | \$ 51,656    | \$ 15,000       | \$52,000       |
| Energy        | 580-537.300-818.500  | Tree Trimming Contractual               | \$ 40,000    | \$ 102,395      | \$105,000      |
| Energy        | 580-537.300-818.661  | Motor Operations                        | \$ 158,721   | \$ 25,000       | \$16,000       |
| Energy        | 580-537.300-970.661  | Vehicle/EquipPurchases                  | \$ 104,743   | \$ -            | \$248,437      |
| BioPure       | 590-527.100-801.000  | Professional Services                   | \$ 334,235   | \$ 75,000       | \$1,400        |
| BioPure       | 590-527.100-983.200  | Sludge Removal                          | \$ 752,377   | \$ 480,000      | \$752,377      |
| BioPure       | 590-527.400-970.598  | SewerSystemImprovements/SRF repay       | \$ 211,888   | \$ -            | \$211,888      |
|               | Fund 591 to 590      | Transfer 2,632,140                      |              |                 |                |
|               | Fund 591 to 590      | Transfer 407,185                        |              |                 |                |
| Water         | 591-547.400-801.002  | 2200777 - DWAM Grant expenditures       | \$ 93,688    | \$ 20,000       | \$96,500       |

- A. Mullen motioned to approve Resolution 2025-19 and supported by K. Thomson
  - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2025-20 Approve TIFA Streetscape funding conditions  
 WHEREAS, the Michigan Economic Development Corporation (MEDC) has tentatively offered grant assistance to The City of Hart to revitalize and develop public space through the Revitalization and Placemaking (RAP) program; and  
 WHEREAS, proposed funding for the project includes a contribution from the City of Hart Tax Increment Finance Authority in the amount of \$660,000; and  
 WHEREAS, the City of Hart TIFA Board has met multiple times to discuss funding the project; and  
 WHEREAS, the TIFA Board has stipulated that their approval of the fund allocation will be contingent on three conditions; and  
 WHEREAS, the City Council now considers the stipulations as set forth by the TIFA Board; and  
 NOW THEREFORE BE IT RESOLVED THAT THE HART CITY COUNCIL

*Approves and authorizes the TIFA imposed grant funding conditions as follows:*

1. The Main Street Market Chalets are to be permanently removed from the parking lot
2. The renewed parking will become ADA compliant
3. TIFA is to be renewed for an additional 15-year term so that TIFA can support continued downtown development.

*Authorizes and directs the City Manager or TIFA administrator to sign MEDC RAP grant documents on behalf of the City of Hart.*

- B. Root motioned to approve Resolution 2025-20 and supported by A. Mullen
  - Ayes: 6 Nays: 0 Absent: 1

- Resolution 2025-21 Approve Streetscape design and funding commitment

**VOIDED**

- Resolution 2025-22 City Manager Recruitment firm selection

WHEREAS, pursuant to the City Charter, the City of Hart operates under a Council-Manager form of Government; and

## AGREEMENT TO PURCHASE REAL PROPERTY

This Agreement is made this 15th day of July, 2025, by and between the City of Hart Tax Increment Finance Authority (TIFA) ("Seller") and Cindy Beth Davis-Dykema ("Buyer") *or LLC owned and operated by Cindy Beth Davis-Dykema*.

### 1. Property

Seller agrees to sell and Buyer agrees to purchase the real property located at 408 & 412 State Street, Hart, MI, including all buildings, improvements, fixtures, furnishings, and personal property **listed in inventory** and located therein (the "Property").

### 2. Purchase Price

The total purchase price is One Dollar (\$1.00), paid in full at closing. No earnest money is required.

### 3. Closing

Closing will take place on or **before January 15, 2026**, at Oceana Land Title or at another mutually agreed location. Closing costs will be paid by the Buyer.

### 4. Existing Leases

Buyer agrees to accept assignment of the following existing lease "as-is" with the option to extend the current lease which ends in October, 2025 should Buyer choose to:

- Lease with Robert Hambright for the church at 408 State Street.

Copies of the current lease agreement shall be provided prior to closing.

### 5. Inspection Period

Buyer shall have 30 calendar days from the date of this Agreement to inspect the Property. All inspections shall be at Buyer's sole expense. Buyer may terminate this Agreement for any reason within the inspection period by written notice to the Seller.

### 6. Developer Agreement

A Developer Agreement (Exhibit A) outlining the required use and development timeline of the Property shall be finalized and signed at closing.

### 7. Deed Restriction

The deed shall include a restriction prohibiting resale of the Property for five (5) years from the date of closing without the written consent of the City of Hart, TIFA.

### 8. Signatures

This Agreement shall be signed in person by both parties. Electronic copies of this Agreement may be used to facilitate execution, but original signatures shall be presented at closing.

## 9. Entire Agreement

This Agreement, including referenced documents, constitutes the entire agreement between the parties. No oral statements or prior agreements shall have any force or effect.

---

### **SELLER:**

City of Hart Tax Increment Finance Authority

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

### **BUYER:**

\* Cindy Beth Davis-Dykema or her LLC (*likely the sale will go through being formed to embody the three-site business at THE MONARCH at 408 and 412 S State Street*)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **EXHIBIT A**

### **Development Agreement – The Monarch Project**

This Development Agreement (“Agreement”) is made between the City of Hart Tax Increment Finance Authority (TIFA) and Cindy Beth Davis-Dykema, Developer of *The Monarch ~ Arts, Culture and Community Wellness Center*, for the property located at 408 & 412 S. State Street, Hart, MI.

For the purposes of this Agreement, “operations” means that the space is open to the public or in active use according to the descriptions above.

#### 1. Project Scope, Uses, and Milestones

Developer agrees to rehabilitate and operate the site as a 3 venue community and event center according to the following milestones, to offset the \$40,000 estimated in annual operating costs of the three buildings at The Monarch site, 408/412 State Street:

- The Sanctuary (Church Building): Wedding, events and performing arts venue hosting up to 150 guests. Operation start date: January- April, 2026
- The Studio (Nursery Building): year-round yoga studio. Operation start date: October, 2025 at earliest, January - April 2026, depending on renovation timeline.
- The House (Parsonage Building): Co-working space, offices, first floor retail. Operation start date: immediately, this site will serve as our administrative offices.

## 2. Ownership & Use Restrictions

- The property shall not be sold, transferred, or leased for a period of 5 (five) years without written approval by the City of Hart.
- Developer must maintain active operations consistent with the submitted proposal throughout the restriction period.

## 3. Right of Reversion

- If redevelopment is not completed within the agreed timeframe, or rescheduled with prompt updates and supporting documentation on the timeline and funding for the project, or if the project is abandoned by The Buyer prior to the above timeline, the City retains the right to reclaim ownership of the property via a reversion clause. All efforts will be made by both parties to support this project as long as it continues to move forward and effective communication is kept up.

## 4. Reporting & Communication

- Developer shall provide the City with annual progress updates during redevelopment and upon project completion for a period of 5 years, along with an operational plan for public programming and building use.

## 5. Existing Leases

Developer acknowledges that certain portions of the property are subject to existing lease agreements at the time of closing. Developer agrees to honor the terms of any such leases for their remaining duration, unless otherwise renegotiated by mutual consent between the Developer and the tenant(s). Developer may choose to allow leases to expire, or to engage in new terms with the contracted parties.

The City of Hart shall provide the Developer with a list of current lease agreements, including copies of lease documents and a property inventory, prior to closing. Any

leasehold interests shall be disclosed and transferred as part of the sale, and Developer shall assume landlord responsibilities effective upon the date of transfer.

#### 6. Public Benefit

Developer acknowledges the intent of this project to serve as a long-term community asset that contributes to downtown Hart's vitality, offering public programming, cultural engagement, wellness services, and creative placemaking.

#### **SIGNATURES:**

##### **SELLER:**

City of Hart Tax Increment Finance Authority

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Date: \_\_\_\_\_

##### **BUYER/DEVELOPER:**

Cindy Beth Davis-Dykema (*or LLC formed for The Monarch*)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_