

Special Meeting of the Common Council and TIFA Board, City of Iron Mountain, County of Dickinson, Michigan held on Wednesday, June 11, 2008 at 3:00 p.m. in the Council Room:

Presiding: Mayor VanLaanen and Chairman Brinker
Present: Council Members Burke, Peterson, Caudell, Rosen, and Farragh
Absent: Council Member Tchokreff
Present: TIFA Member Haglund and O'Donnell

Public Comment

Jane Santini – 1317 Hemlock St. – commented on the efforts and accomplishments of a TIFA in Marquette to beautify their district.

Old Business

Hydraulic Falls Rd. Update

Mayor VanLaanen updated the Council and TIFA Board on the status of the Hydraulic Falls Rd. realignment. He said the Access Management Board does not feel a realigned Hydraulic Falls Rd. connecting to Stephenson Ave. would be feasible. He stated that this led to the idea of Hydraulic Falls Rd. connecting to a frontage road that runs parallel to Stephenson Ave. from the K-Mart Plaza to Jackson Ave. Chairman Brinker asked about design changes request by property owners and thinks the property owners should pay for the additional work. Member Haglund was concerned about the money spent to find the original realignment was not feasible. Mayor VanLaanen felt the original design should have gone to Access Management first because STS worked with MDOT and MDOT may not have been aware of the restrictions. Member Peterson asked if there was a time limit for use of the \$400,000 Safety Grant. Mayor VanLaanen said the grant was available until March of 2009.

Chairman Brinker said that TIFA has never seen plans but will end up paying the bills. He stated that prior to the last six months engineering services were completed without TIFA authorization. Chairman Brinker said in past years TIFA was involved in the planning of projects and now it seems things come after the fact. Member Peterson is concerned that the procedures of TIFA have changed where TIFA gets a bill after the fact instead of being involved in the planning. Member Caudell agrees that TIFA should be aware of projects prior to any expenditure.

Member Rosen feels a recent letter from Miller Canfield is contradictory in that it says in one paragraph that TIFA must amend its' plan for new projects but the final paragraph says the TIFA Board has discretion to pursue projects. He feels the letter contradicts itself. Chairman Brinker believes that will be addressed at the next meeting.

Mayor VanLaanen started a discussion of extending Bellagomba Rd. through to Stephenson Ave. Chairman Brinker stated the TIFA Board is in favor of the road extension because of the projects planned for Pine Mountain. Mayor VanLaanen discussed the idea of TIFA purchasing all the smaller parcels at once near the former Khoury Property to aid in it being developed. Member Peterson asked if Phase 2 and 3 involve the 17 acres. Chairman Brinker believed Phase 2 was the 17 acres and Phase 3 was the 17 acres and some of the smaller parcels. Member Peterson asked if there was any agreement on the 17 acres and if there is no agreement would the City offer a comparable deal to other developers. Chairman Brinker said the TIFA Board would have to look at the concept of another developer. Mayor VanLaanen said the additional 17 acres would be necessary to extend Bellagomba Rd.

New Business

Budget Discussion

Chairman Brinker is concerned with the General Fund budget. He believes TIFA has enough money to complete projects and make a pass-through to the General Fund. Member Rosen said that he had proposed a one million dollar pass-through with the latest budget proposal that would have a net affect of \$500,000 for the General Fund. Member Caudell agrees with a pass-through because this could be used for a development that could increase the future tax base. Member Rosen said there is \$5 million earmarked toward business development in the TIFA budget.

Member Caudell discussed having the parking lots reconstructed to create a downtown gathering place for the community. She feels there are many things that TIFA funds could be spent on to better the community. Member Rosen feels that the pass through would be a great start to repair the streets. Member Peterson feels that a \$1 million parking lot will not make the Farmer's Market better. She said we need to repair the parking lots in a frugal way and use the money to fund basic services. Mayor VanLaanen thinks the City needs a nice downtown to attract people. He is in favor of allowing TIFA to capture the full amount and allow TIFA to create economic development with the opportunities. Mayor VanLaanen feels the City is better off doing what it can with the streets for a couple years and allow TIFA to spend the money for development. Member Haglund believes that TIFA is a once in a lifetime chance to take advantage of the opportunities available. Member Rosen feels it is businesses place to make a vibrant downtown and spending \$750,000 on the parking lot would be a waste of money. Member Caudell does not think a pass-through is enough to correct everything that needs to be fixed. Member Peterson feels that the developer should put more of their own money into a project.

Chairman Brinker stated the TIFA could help with the Mariucci Project and still pass through capture to the general fund. He said there have been many studies on improving the downtown and believes a million dollars on the parking lots would be a waste of money. He feels that money could be used for paving. Member Caudell said an improved parking lot would be a destination, not just a parking lot. Member Peterson asked about using pass-through to improve City Park because that is a gathering place for families.

Member Haglund believed that a committee from the Council and a committee from TIFA were supposed get together to compromise on the parking lots. Chairman Brinker would like to see this meeting happen. He stated that TIFA was upset with the parking lot because the City Council was approving designs and contracts and then having TIFA pay for it. Member Caudell reiterated that she would be against a TIFA pass-through.

Member Peterson discussed purchasing property for the Events Center and then selling it to the developer for a loss. She believes the County could have claim to lost taxes if the property is sold at a loss. She is concerned about the legality of such a transaction.

Member Farragh asked if TIFA received a letter about remodeling the Police and Fire Department. Chairman Brinker said he hasn't received the problem but is aware of the issue there.

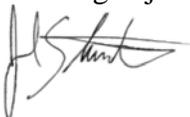
No Action Taken

Public Comment

Marsha Bonicatto – 738 East A St. – asked about the cost of paving all of the City streets.

Kristine Leonard – 102 S. Pine St. – believes a pass-through would be foolish and a bad thing for the City in the long run.

Meeting adjourned at 4:55 p.m.



Jordan Stanchina
Clerk-Treasurer