

Local Development Finance Authority

Regular Meeting Minutes

Monday, July 14, 2014
4:00 p.m., Council Chambers
South Haven City Hall



City of South Haven

1. Call to Order by Valentine at 4:03 p.m.

2. Roll Call

Present: Erdmann, Gawreliuk, Kerber, Klavins, Valentine, Varney
Absent: Henry, Herrera, Rainey, Bolt

3. Approval of Agenda

Motion by Gawreliuk, second by Varney to approve the agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – April 14, 2014 Regular Meeting

Motion by Klavins, second by Varney to approve the April 14, 2014 regular meeting minutes as written.

All in favor. Motion carried.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

There were none.

6. Financial Report

VandenBosch reviewed the Financial Report.

Erdmann asked if we are going to have administrative costs in the future to which VandenBosch responded, "Yes, the administrative expenses cover staff time, finance department services. We stopped the administrative expense transfers that for a while when there were revenues were low, but added the transfers back in through the budget process."

Motion by Erdmann, second by Klavins to approve the financial report.

All in favor. Motion carried.

7. Stieve Drive Sign

VandenBosch noted there are two designs for signs in the packet. The current sign is looking aged and there will need to be landscaping work as well. Related the costs of the two designs. VandenBosch noted that the issue was brought to his attention by one of the companies in the industrial park.

Motion by Kerber, second by Erdmann to approve the sign replacement repair up to \$2,400.

Discussion regarding additional costs for tree removal and landscaping. Vanden Bosch will try to have that work done by Parks crews.

All in favor. Motion carried.

8. Executive Session

The Local Development Finance Authority will move to a closed session under Section 8(d) of the Open Meetings Act to discuss a potential real estate acquisition.

Motion by Varney to move into Executive Session. Second by Klavins.

A roll call vote was taken:

Yeas: Gawreliuk, Kerber, Klavins, Valentine, Varney, Erdmann

Nays: None

All in favor. Motion carried.

Executive Session was held.

Motion by Gawreliuk, second by Erdmann to go out of Executive Session.

All in favor. Motion carried.

Valentine: "Are we ready to discuss dollar amounts?" VandenBosch noted that we are trying to find financing to purchase a mortgage for the Overton building. In response to a question from Erdmann, VandenBosch stated that he does not believe the purchase will be covered by a Brownfield Plan. Kerber noted if the property were sold the money would be repaid. The board discussed offering \$125,000. Gawreliuk suggested an offer of \$80,000. Erdmann noted that then the city will have to come up with the difference and they are in no better shape than we are. Klavins agreed.

Valentine called the question.

All in favor. Motion carried.

Kerber noted that if the city purchases documents from the bank make sure we have indemnity from them on liability or counter claims that could be in the bank's documents. VandenBosch made note of that and Smith indicated he had also.

9. General Comments

Erdman stated he does not like to make that kind of decision.

10. Adjourn

Motion by Erdman, second by Gawreliuk to adjourn at 4:46 p. m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary