

# Local Development Finance Authority

## Regular Meeting Minutes

Monday, February 11, 2013  
4:00 p.m., Council Chambers  
South Haven City Hall



City of South Haven

### 1. Call to Order by Valentine at 4:00 p.m.

### 2. Roll Call

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

### 3. Approval of Agenda

Motion by Gawreliuk, second by Erdmann to approve the February 11, 2013 regular meeting agenda as submitted.

All in favor. Motion carried.

### 4. Approval of Minutes – January 14, 2013 Regular Meeting

Motion by Erdmann, second by Kerber to approve the January 14, 2013 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

None at this time.

### 6. Financial Report

VandenBosch gave an overview of the Financial Report and responded to a question posed at the last meeting. VandenBosch is working with the city attorney to clarify whether certain invoices have been paid. The answer to this question determines the actual budgets.

In response to a question by Kerber regarding what is included under “Other Investments” VandenBosch explained that the Finance Director would be better able to answer that question.

## **7. Invoices for Approval - LDFA 3**

### **Dewey Lane Water Main - Van Buren County Road Commission, Final Statement, \$8,519.29**

VandenBosch noted that this is the final payment on the Dewey Lane Water Main.

Motion by Gawreliuk, second by Varney to approve the final payment to the Van Buren County Road Commission in the amount of \$8,519.29.

All in favor. Motion carried.

## **8. Bohn Plant update, current work, closing statement overview, development options**

VandenBosch updated the board regarding site clean up and maintenance which McCloughan is handling; it appears that city staff will be able to accomplish much of this work. The request for a fence was brought before the board and an estimate.

VandenBosch also reviewed the funding sources and settlement statement. Varney asked about the delinquent property taxes, which VandenBosch related to be \$209,000 plus \$18,964 plus payoff of City Industrial Facilities tax of \$128,247.

Gawreliuk asked if the electric bills have been paid. \$700,302 has been paid towards delinquent utilities, VandenBosch noted, but pointed out that there may be more outstanding utility debt.

VandenBosch reminded that In 2007 the board had discussed what could be done with this parcel if the city owned it. Kerber asked what Parcel C is, to which VandenBosch responded that there is a driveway and a scale on that parcel. Kerber reminded that the board talked at the last meeting about having some commercial realtors to do a walk through. VandenBosch informed the board that he has a list of five or six realtors to contact.

Varney asked if electricity has been provided to the property yet, to which VandenBosch responded that a rough estimate of \$50,000 was obtained for providing lights and a couple of outlets but it has not been put out for bid yet. That improvement (addition of lights and outlets) would help in showing the building. VandenBosch noted that he should have more details for the board at the next meeting.

Kerber asked about the Wade Trim estimates included in the packet. VandenBosch explained that they are very old estimates so the prices are not relevant. Kerber asked how the new plans provided relate to the estimates from Wade Trim. VandenBosch said he only did the newer plans because the plans included with the estimates were rather difficult to read.

Erdmann asked what the next step is, to which VandenBosch responded that after budget meetings next month the board will be able to see what resources we will be available.

## **9. East Jordan Lease**

VandenBosch has asked the city attorney to draft a lease agreement for an amendment to the current lease allowing for a three month extension. The board discussed having the lessee sign a waiver of liability on behalf of the City that indemnifies the landlord and holds the City harmless. VandenBosch pointed out that If lights are provided the tenant will be

responsible for paying utilities. VandenBosch noted that this is a 3-month extension which allows them a little more time to remove their product.

Motion by Kerber, second by Varney to approve the three (3) month extension as an amendment to the current lease agreement between East Jordan Plastics and the City of South Haven, with the addition of a hold harmless clause.

All in favor. Motion carried.

#### **10. 220 Aylworth Avenue Rezoning Request**

VandenBosch reviewed some of the history of the various requests and approvals and zoning changes that were part of the history. VandenBosch would like to rezone the property back to light industrial. This will not include the Lovejoy storage parcel which is still owned by Larsen because this board should not be telling him what to do with his property. I-1B zoning would be similar to other properties in that area, once the rezoning of 220 Aylworth is complete.

Motion by Erdmann, second by Gawreliuk, to approve the rezoning request.

Erdmann asked if it would be spot-zoning if that storage property is still left at the light industrial and smelting. VandenBosch informed the board that the original rezoning at Larsen's request was spot zoning. Kerber noted that the storage property is not properly zoned for the use.

Kerber asked what would be a good process to approach the owner of that property to rezone. VandenBosch stated that he would like to see that suggestion go through the Zoning Administrator.

All in favor. Motion carried.

#### **11. Budget Preparation**

VandenBosch said there has been a budget meeting; however the state is looking at removing the personal property taxes. That would help the industrial sector and it will affect the LDFAs. VandenBosch pointed out that it does not look like removal of the personal property tax will happen very quickly.

#### **12. Economic Development Report**

McCloughan gave an overview of economic development activities of the past month.

#### **13. General Comments**

None at this time.

#### **14. Adjourn**

Motion by Erdmann, second by Varney to adjourn at 4:45 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom  
Recording Secretary