



City of Hart, Michigan

TIFA Board

October 21, 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, Tracey Lipps, Deborah Windell, S Hegg, Caleb Griffis, Maria Rosas, Mayor Klotz, Hannah Juhl
 - a. Accept Gale Goldberg's resignation and welcome Hannah Juhl (appointed on 10/14/25 by Mayor Klotz)
3. Approval of Agenda
4. Public Comment
5. Approval of Sept 2025 Minutes
6. Approval of Sept 2025 Financials
7. Action Items
8. Discussion Items
 - a. 3 E Main – Ceres Solutions
 - b. TIFA Members Attendance Summary
 - c. 15-year project plan discussion
9. Public Comment
10. Member Comment
11. Adjournment - *next regular meeting November 18, 2025*



MINUTES

Call to Order: Goldberg called the meeting to order at 1:00 pm. Voice rollcall was then taken.

Members Present: Present: B. Hegg, G. Goldberg, Tracey Lipps, Deborah Windell, S. Hegg, Caleb Griffis, Maria Rosas, Mayor Klotz. Absent: Amy Trudell (resigned August 20, 2025) – Goldber asked Mayor Klotz if she had anyone in mind to appoint to the board. S Hegg stated that as a paid city employee, Mayor Klotz cannot vote. Klotz stated there have not been new applications. S Hegg stated that if Mayor Klotz had recommendations, TIFA would like to hear them.

Others Present: Stacie Hegg, Andrew Mullet, Kristi Stariha, Dean Hodges, Chad Gale, Catalina Burillo, Marie Deruiter

Approval of Agenda: Motion by S Hegg to amend the agenda, to include discussion about the bylaws so that we all fully understand them as well as a motion to correct the minutes from the August meeting. Goldberg clarified that bylaws get discussed after public comments. Motion supported by Lipps. Motion carried.

Public Comment: Stacie Hegg quoted section D.11 from the 2024 TIFA bylaws clarifying that the August vote regarding the sale of 3 E Main St did carry. Mayor Klotz asked the board if it was appropriate parliamentary procedure to participate in board discussion, Goldberg stated she had no idea, S Hegg added that since she is a board member, she is allowed.

New Agenda Item – Bylaw Discussion – S Hegg asked when TIFA's bylaws expired. Goldberg recited the date/meeting where TIFA adopted the 2024 bylaws. S Hegg questioned if TIFA should have been operating under the previous bylaws on file. Nichole responded, bylaws don't expire. In 2024 TIFA was attempting to replace the 2010 bylaws titled: TIFA DBA Hart Main Street. Nichole shared that the attorney did not recognize the 2010 bylaws at a proper governing document since they were titled, DBA Hart Main Street and that no bylaws prior to 2010 could be found. Which could mean TIFA had been operating improperly according to S Hegg who stated that all TIFA votes would then come into question. Mayor Klotz added that the legal opinion is just an opinion and it is her opinion, that if TIFA recognizes that 2024 bylaws were the document they were working with that it may passable that those bylaws could be recognized. Klotz agreed that if there were no bylaws in place it would certainly muddy the waters on previous decisions. Motion by S Hegg that TIFA recognizes the 2024 bylaws (the document posted on the website) and as its governing document since approving them at the April 16, 2024 meeting. Motion supported by Lipps. Roll call vote B Hegg-yes, G Goldberg-yes. Tracey Lipps-yes, Caleb Griffis-yes, Maria Rosas-yes, Mayor Klotz-abstain for clarification of her right to vote. Discussion regarding where the Mayor cannot vote took place.

Approval of August Minutes – motion by S Hegg to accept the minutes with and amendment of the minutes to reflect the actual vote for the sale of 3 E Main as opposed to the way it was called. Maria questioned the process and Mayor Klotz and S Hegg explained the bylaws which state the vote carried. Roll call vote B Hegg-yes, Goldberg-yes, Lipps-yes, S Hegg-yes, Griffis-yes, Rosas-yes.

Financials – Motion by S Hegg, supported by Lipps to accept August financials. Motion carried.

Action Items:

- a. **Resolution 2025-01 Accept Agreement with West Shore Community College** – Nichole reviewed the agreement presented to allocate \$50,000 annually in FY25-26, 26-27, and 27-28 in accordance with the terms outlined in the agreement. Motion by Griffis, supported by Lipps to approve Resolution 2025-01. Motion carried
- b. **Resolution 2025-02 to Reconsider Proposals and Sale of Ceres Property, 3 E Main** – Nichole read resolution that outline the course of action taken by the TIFA board leading up to the action item to accept the proposal from S

Hegg Real Estate for \$30,000 with no contingencies or timeline. Nichole's administrative request was for the board to:

- a. Declares the prior vote regarding the sale of 3 E Main Street to be void of effect due to lack of clear governing bylaws at the time of action;
- b. Directs that all three proposals received — including the one submitted after the deadline — shall be reviewed and considered by the Board in order to ensure a fair and transparent process;
- c. Reaffirms its commitment to a redevelopment outcome that is consistent with the community-supported vision and redevelopment priorities; and
- d. Schedules reconsideration of this matter, with all proposals evaluated under the authority of the bylaws formally adopted by City Council on August 26, 2025 at which time all proposals will be reviewed using a transparent scoring matrix based on the published RFQ criteria and redevelopment priorities, and a vote will be taken in accordance with the bylaws formally adopted by City Council on August 26, 2025.

Mayor Klotz added that as a government entity we are to be fiscally responsible and the proposal from S Hegg Real Estate came in well under what TIFA has actually invested in the property along with the value of grant funds received to conduct the environments to date. Klotz recommends that the board reconsider the proposals and/or open it up for additional proposals or to find a fair market equitable value. She does not feel its fiscally responsible to not get back at least what TIFA paid for it. S Hegg added that historically TIFA was not concerned about getting fair market value for example, the Hegg's acquired the Hegg's Furniture Building they are currently in from TIFA for \$1. Mayor Klotz further questioned how the proposed project at 3 E Main for a private parking lot benefits the community and how TIFA accepted the Hegg proposal "as-is". Maria Rosas commented that it was her understanding that the RFQ's were open to developers and stated that if it was open to the general public, she was not aware we were marketing to "private" development. Goldberg questioned how the project was marketed and Nichole clarified through press releases locally and statewide through our partnership with MEDC, it has been on the city's website and circulated through MEDC's developer network. Rosas asked why TIFA didn't give locals the opportunity to bid on the property if open to that – how would anyone know that was an option. Lipps said, does that mean that if you're not a developer, you're not allowed to bid on the property? Nichole shared that it is MEDC recommendation to keep trying to recruit and to host a day where developers could visit Hart and see the site, or possibly engage with a agent to get the property on the MLS. Nichole stated that the August agenda item was to "review proposal submissions" and felt it was shocking that a discussion led to a vote so quickly without parameters to enter into an agreement or establish terms with the Hegg's or to determine if the project aligns with the community's vision. Lipps feels the Hegg proposal is not far off from the community's vision because they mentioned housing, parking, (Mayor Klotz added private parking), Rosas added that the parking lot won't be open to the public during private events at the new event venue and not open to the public or requirement to allow public parking. Klotz added, what would stop the Hegg's from selling the property right after acquiring. S Hegg asked, are we not allowed to sell the duplexes we plan to build. Klotz asked what the timeline to build would be and S Hegg said that no timeline was offered with the proposal.

Nichole reiterated that the board previously acknowledged that they're operating under the 2024 bylaws, and since no motion to support her proposal to declare the August vote void had taken place, section B.7. of the 2024 Bylaws would then require the matter to go before city council for consent. S Hegg challenged the language in this paragraph with belief that the comma placement only required council consent to grant or acquire licenses, and easements. Nichole read the paragraph and the board felt it did require council consent. Maria Rosas made a motion to reconsider the vote. With no second the motion failed. Mayor Klotz acknowledged that the motion was dead and that the matter go before city council at the next meeting. S Hegg then further challenged the bylaws section B9-15 not requiring council vote until #16. Nichole re-read the paragraph that spoke of council approval when property is being "conveyed". Tracey Lipps added that she felt it was so nice that S Hegg Real Estate was not the only one to benefit from this project but that Chad Gale who rents a building at 3 E Main would be allowed to stay. Bill Hegg then questioned why TIFA would spend \$150,000 towards a college with no restrictions. He stated, if TIFA wants to dictate what a parking lot can and cannot be used for how is that fair.

Mayor Klotz felt that TIFA is reinvesting taxpayer dollars into a project that will repurpose it to benefit the entire community. Bill Hegg pointed out that the college won't be on the tax roll, Klotz added that they will be employing and educating people in our community, bringing a huge benefit to Oceana County. Bill Hegg felt there was no guarantee that the employees would be from Hart and after being in business for 50 years, he understands better the need for tax base. He felt there could be some good that comes from it but overall, what will Hart get from it. Mayor Klotz responded this was her point for questioning the S Hegg Real Estate proposal, asking what the community will get from it. Nichole stated, "I don't know how you can argue that providing higher education in Oceana County is not a good thing". S Hegg stated, that B Hegg's point was that the college is tax-exempt.

Authorize 2 \$500 prizes for Hartprize - motion by S Hegg moved to accept Resolution 2025-03 to authorize (2) \$500 cash prizes for the 2025 HartPrize Photo Realism Contest People's Choice Award. Supported by Lipps, motion carried.

Discussion Items –

- a. **Lease Agreement at 3 E Main St** – Clarification of right (Morningside Pallet Co). Request by S Hegg to table this until the outcome of the August motion is resolved. Lipps commented that it was mentioned to her that one of the buildings would be used for heating and cooling and wanted to clarify that this was just an idea.

Public Comments: Stacie Hegg questioned if council had to approve the purchase/lease of the church TIFA owns at 408 S State Street. If not, Stacie questioned how a standard could be set for one person and not another. She also pointed out that the property has declined significantly since submitting their proposal. The windows have been vandalized, the pit is getting more disgusting, stating that the property has sat for 2 years and they are prepared to start cleaning up and investing right away to clean things up. Stacie stated that they would have loved to have seen a big development at the site, but that didn't happen. She stated that their \$30,000 offer was the amount TIFA purchased it for and she did not see a monetary offer on any of the other proposals or mention of developers. Stacie added that they "are developers" who have renovated their entire block Hart, they have completely renovated the entire block in Ludington, they have a 90,000 SF building in Holland they renovated that is fully leased. They are not just furniture store owners, they are developers.

Member Goldberg questioned the validity of decisions TIFA has made to date. Mayor Klotz recognized the council members present in the audience of the TIFA meeting today who will be knowledgeable when it come to vote.

Councilmember Mullen in the public spoke "as a citizen" stating that it is important to keep in mind that it is the spirit of the law, not necessarily the letter of the law that should be considered when it comes to the bylaws, and more so that the project Hegg presented do not align with what the community had envisioned for that property and what had been presented to Hart's citizens. Andrew recalled being at the community meeting hearing the community vision and was floored when he heard that it sold for \$30,000. It is strange to him as a citizen who drives past that property daily, that it was sold without any type of contingencies to help ensure we have a fallback plan like the industrial park where lots are sold very reasonably with a reversion clause if not developed within a certain timeline. He stated that the citizens had an expectation that was unfortunately shifted out in a flash without so much as another open call to bidders, even for private use. Mullen stated that he would have loved the opportunity to obtain a 2.6-acre development site for \$30,000 and is sure others would have been interested as well. Mullen concluded that the development selected (S Hegg Real Estate) is not within the spirit of what the community, or the TIFA board had in mind.

Kristi Stariha a local realtor, spoke on behalf of the proposal she submitted hours after the TIFA August vote took place stating that she hesitated to submit because this would be her first development project of this scale and was intimidated by the process; however, she chose to challenge herself. She added that if the TIFA board is willing to sell the property for private development, it should reflect a private sale price, and \$30,000 does not suggest that. She also recognized that her offer modeled the other offers in many ways suggesting the proposals could be modeled to harness ideas from each with oversight. Stariha's proposal was to build flats with retail, courtyard, and parking for residence and businesses. She feels the issue is the lack of oversight and the fact that the price for private use does not reflect its value. Mullen supported Stariha's concern for lack of oversight with no conditions of fall back plan.

Stacie Hegg responded agreeing that there was a timeline on the church but there have been extension, after extension, so if timelines are necessary, they could always put one in their proposal and then ask for an extension. Mullen recognized that the extensions are not good practice and should have limits. Stacie Hegg added that the property would go on the tax role and they will have a significant investment (over \$300,000 to demo and remediate alone).

Mayor Klotz asked for final comments. Chad Gale added that he felt that everyone had the opportunity to bid on the property as he did, but withdrew because he's working with the Hegg. Stariha added that she never would have known about the opportunity if she had been told by another person making the point that others would not have known that this was an option.

Communications From Members: Tracey Lipps addressed an email sent to Nichole from Dorothy Moul out of concern for the chalets that will be required to be removed in the spring as a result of a majority vote of the TIFA board earlier this year, to satisfy their parking concerns for the new streetscape. Moul, who sent the email, was sharing support for keeping the market due to the vibrancy and activity the shops bring to the downtown. Lipps stated, "she thinks people reaching out and giving their concerns from the community is really great but that her issue is," that Nichole's response, "and I know she's not in support of moving the market, and that's fine, she doesn't have to be," but Lipps would have liked, "a little more backup". Lipps told Nichole that instead of agreeing with the resident's concern, she would have preferred Nichole to "have their back" stating they have taken a lot of time, many, many volunteer hours for us to agree to the streetscape project and it would have been nice to have support. Lipps said it would have been nice to instead share with the resident, the plans for the streetscape project. Lipps said, "a little bit something extra other than saying "I totally agree, I will send this to the board" would have been nice to have a little bit of I have your back after our time, that we give from our busy schedule. Lipps finished with, I would have appreciated that.

Maria Rosas commented, that being one of the newer TIFA board member she's not exactly sure how things work however, she was asked about an email sent to every other board members that she was not included in, asking why. S Hegg asked what email she was referring to and she said she was told that it pertained to taking the August vote to the lawyers. Other members did not recall the email. S Hegg clarified that it was an email to Nichole where he questioned the vote and how the vote was tallied and Nichole took it to the attorney. Mayor Klotz cautioned the board on emailing outside of the meeting in accordance with the open meetings act. Bill Hegg then questioned the members of the public how they heard about the development opportunity stating that he didn't feel the city did a good job promoting the event. Stariha responded that word of mouth was how she found out but felt a more aggressive social campaign could help. Mullet responded that he knew through his involvement on the HEART board and that he would think most people would look on the MLS and that we need to consider a multi-prong approach to getting the word out. Discussion will Bill Hegg regarding social media and Facebook continued until Mayor Klotz gave a last call for member comments. Lipps encouraged people to attend public meetings to learn more of what's happening in their community.

Adjournment: Meeting adjourned at 2:16pm.

Respectfully submitted Nichole Kleiner, TIFA Administrator

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Account: -----9172

Statement Activity From:
09/01/25 to 09/30/25

Days in Statement Period 30

Average Ledger Balance* 178,302.31
Average Collected Balance* 178,263.31

* The above balances correspond to the
service charge cycle for this account.

Beginning Balance	\$157,805.22
Credits (+)	55,766.52
Regular Deposits	54,887.08
Electronic Deposits	700.00
Interest Earned	179.44
Debits (-)	2,868.62
Regular Checks Paid	2,868.62
Total Service Charges (-)	0.00
Ending Balance	\$210,703.12

+ 186,284.95 mi class
396,988.07

Average Percentage Yield Earned this period 1.231%

Deposits (+)

Account:-----9172

Date	Amount	Serial #	Type	Date	Amount	Serial #	Type
09/12	389.68	church utilities	Remote	09/19	54,497.40	Tax disburse	Remote

Other Credits (+)

Account:-----9172

Date	Amount	Description
09/03	700.00	BUS ONL TFR FRM CHECKING 090325 XXXXXX0405 Ceres rent
09/30	179.44	INTEREST PAYMENT

Checks (-)

Account:-----9172

Date	Amount	Check #	Date	Amount	Check #
09/02	1,833.33	1245 administrator	09/24	14.40	1248 Weesies Fall
09/17	106.48	1246 church gas	09/23	552.00	1249 attorney fees
09/12	362.41	1247 church utilities			Ceres

(*) Indicates the prior sequentially numbered check(s) may have 1) been voided by you 2) not yet been presented 3) appeared on a previous statement or 4) been included in a list of checks.

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