



CITY OF HART

407 S. STATE ST.

HART, MI 49420

TAX INCREMENT FINANCE AUTHORITY (TIFA)

April 17, 2020, at 11:00, am

SPECIAL MEETING

MINUTES – APPROVED

Members Present via Zoom: Steve Bruch, Tracey Lipps, Lynne Ladner, and Gale Goldberg (present)

Members absent: Bill and Scott Hegg

Others present: Deputy City Clerk - Cheri Eisenlohr, City Attorney Representative – Mark Nettleton (Zoom), HEART Director – Nichole Steel (Zoom)

Call to Order: Mr. Bruch called the meeting to order at 11:00 am. Voice rollcall was then taken.

Agenda Approval:

- Ms. Goldberg made a motion to approve the current agenda, supported by Ms. Ladner, voice rollcall, all ayes, the motion carried.

Minutes Approval:

- Ms. Lipps made a motion to approve the minutes from April 3, 2020, special meeting, supported by Ms. Goldberg, voice rollcall, all ayes, the motion carried.

Public Comments: Public attended via Zoom

- Fred Rybarz – no comment, George Sadler – no comment, Sharon Hallack – no comment

Action Items:

Memo from Ms. Ladner to the Board, dated 4/15/2020, regarding Small Business Relief Grant Fund

As a board, you remember my presenting to you just two weeks ago a proposal to provide matching funds from the TIFA to provide additional funds to the Small Business Relief Grant (SBRG) program that was being administered by the Right Place representing the Oceana County Economic Alliance. The funds allocated to Oceana County by the State of Michigan equaled \$21,090. As a municipality, I was asked if there was a way that the City could match or provide some additional funding that could be used to assist the businesses. The City was not the only organization that was asked if additional funds could be provided, but through the work of the TIFA board, they were the only organization in Oceana County that was able to match the funds. The intent was to be able to be an adjunct resource that once the federal funds were allocated by the grant committee if there were additional qualified applicants that had applied to the program whose business was located in the City of Hatt TIFA district that they would be considered for the TIFA fund.

At the time that the Board was meeting and making its decision, the Board nor I knew the number of businesses that would be applying for funds through the SBRG program. I was aware that the deadline for applying for the program was impending, that I had through all the channels I had available to me been doing my very best to make sure that all the information about that program and numerous other programs had been made available to business owners using the City's website, the City's Facebook page, passing the information on to Nichole for her to pass on with the HEART Facebook page, emails that she was sending out using the former Main Street contacts list, and the transitioning website.

As the saying goes, "No good deed goes unpunished," and my attempt to do a good deed for the businesses in the City of Hart falls in that category. There were 73 applicants in Oceana County for the Small Business Relief Grant with a total requested financial need of just over \$1.1 Million. It was a discouraging task set before the committee to try to find a way to make an impact for the small businesses in Oceana County with so much need and so few resources. Seeing the number of applicants and the size of the need, I made the decision for the SBRG program award committee not to make any decisions related to the allocation of the TIFA funds until I could speak to the TIFA board again.

I no longer believe that the best use of the TIFA financial resources is the use which the Board approved on April 3". The SBRG program permitted businesses to request up to \$10K for assistance in this unprecedented time. The amount of money that the TIFA allocated if it were used to fulfill businesses full request would only permit the TIFA to assist two businesses. Of the 73 Oceana County businesses that applied for funding, eight are located in the TIFA district. I believe that the TIFA district and businesses would be better served by rescinding the action taken on the 3rd and instead focusing our efforts on the work that was laid out in the amended development plan last fall, which includes the creation of a microloan program. As listed on page A2-1 of the development plan the creation of a microloan program with formally established criteria, allocated and restricted funding and a formal application and review process though may not provide funds to assist businesses with their immediate needs is more in keeping with the spirit and intent of the TIFA enabling legislation and the intent of the district when it was formed.

Lynne

Ms. Goldberg made a motion to rescind the previously approved amendment to the budget, supported by Ms. Lipps, voice rollcall, all ayes, the motion carried.

Communications from Members:

- Mr. Bruch would like to move forward with the roll-out of the original grant program with the assistance of Ms. Steel.

Ms. Goldberg made a motion to adjourn the meeting at 11:50 am, supported by Ms. Ladner, voice rollcall, all ayes, the motion carried, and the meeting adjourned.

The next regularly scheduled meeting will be announced.