

**Local Development Finance Authority**  
**121 N. Church Street, Hudson, Michigan 49247**  
**Special Meeting**  
**May 23, 2013 6:00 p.m.**

The regular meeting was called to order by Chairperson Kim Murphy at 6:03 p.m. in the Council Chambers at City Hall.

Roll Call: Present: Kim Murphy, Watson Clark, Jim Driskill, John Enerson, Ed Engle, Jr., Ali Moreno, Rex Murphy, Jr. and Tim Stanley  
Absent: Jack Donaldson  
Others Present: Tim Robinson, Sarah Stanley, Kathleen Eriksen, City Manager Steve Hartsel and City Clerk Judy Tanner.

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**ORDERS OF THE DAY:**

**Excuse absent members:**

Motion by Tim Stanley, seconded by Rex Murphy to **excuse Jack Donaldson from the meeting**, CARRIED: Unanimously by voice vote.

**Setting the Agenda:**

**Approval of the Minutes:**

Motion by Rex Murphy, seconded John Enerson by to **approve the minutes from April 25, 2013, and place on file**, CARRIED: Unanimously by voice vote.

**NEW BUSINESS:**

**Financial Report:**

The LDFA was provided with a financial statement as of April 30, 2013 submitted by the City Treasurer.

Cash	\$231,555.68
Taxes Receivable	<u>3,545.83</u>
Total Assets	<u>\$235,101.51</u>
Accrued Equipment Rental	166.99
Deferred Revenue	<u>3,545.83</u>
Total Liabilities	3,712.82
Net Assets	\$354,696.99
Excess Revenue over (under) Expenditures	<u>(123,388.69)</u>
Total Net Assets	<u>231,388.69</u>
Total Liabilities and Net Assets	<u>235,101.51</u>

Motion by Tim Stanley, seconded by Ed Engle to **accept the Financial Report, and place on file**, CARRIED: Unanimously by voice vote.

### **Updated Budget:**

The LDFA was provided with a copy of their 2013/14 FY Budget as approved by Council on May 21, 2013. Chairperson Kim Murphy reviewed the changes that were made and approved on the LDFA Budget at the last meeting.

### **Water Tower:**

The City Manager Steve Hartsel gave an update on the status of the water leak at the water tower. He advised that the Department of Public Works (DPW) has been coordinating with the Michigan Rural Water Association, and they have advised that it is beyond the capabilities of the DPW and recommended that we have professionals called in. The tower is still full of water and DPW has been maintaining it as it currently is. Mr. Hartsel stated that he has approached Jones & Henry Engineering, Inc. (J&H) the original engineers on this project and they have committed to continue to work with the City to get the problem corrected, possibly at no cost on the engineering side. J&H has also contacted Caldwell Tank the contractors on the tower and Caldwell advised that they do not need to be present to verify the conditions. They approved getting our own team to go in to do this and they would abide with whatever is discovered. The engineers will be on the scene to verify, and it appears that we need to contract another team to actually come in and do the excavation.

Mr. Hartsel thought there would be some short-term costs to contract the team, possibly as much as \$15,000.00 in upfront money to come and dig it up to find out where the leak is coming from. However, it is expected that if it is a Caldwell condition then Caldwell will reimburse for it, and if not the insurance claim should take care of it. Mr. Hartsel requested the LDFA's permission to incur the initial expense to contract the team, investigate and do the excavation to find the location of the problem with the understanding that either the manufacturer or the insurance company will reimburse for the costs. Mr. Hartsel answered any other questions that the LDFA had for him regarding the water leak and budget issues.

Motion by Jim Driskill, seconded by Ali Moreno to **authorize the expenditure of up to \$15,000.00 to initiate the excavation and investigation of the water tower leak**, CARRIED: Unanimously by voice vote.

### **Marketing the Industrial Park:**

At their meeting on April 25<sup>th</sup> the board requested that a special meeting be scheduled to further discuss marketing the Industrial Park. The LDFA requested that the City Manager come back with further guidance and options on marketing the Industrial Park. Mr. Hartsel provided the board with a printout from a firm on marketing and branding; a company called Downtown Pro's. He also made available a copy of an example of a real estate marketing analysis provided last year with a cost of approximately \$17,000.00-\$18,000.00.

Tim Robinson, Director of Operations for the Lenawee Economic Development Corporation (LEDC), and Sarah Stanley, Marketing Director for the LEDC explained that they had been asked to come and further talk about marketing the Industrial Park. Both Mr. Robinson and Ms. Stanley questioned the board regarding what they would like to accomplish for the Industrial Park.

Mr. Robinson advised that to start with from an infrastructure standpoint the board should work on anything left infrastructure wise such as electrical, roads, signage etc., which should be done first. He also recommended that the LDFA hold some money in abeyance for things like soil compaction testing, or prospects looking at the Industrial Park are going to want a survey or some sort of engineering done, and these tests have a limited shelf life. Beautification of the Industrial Park can be done later when lots are developed.

The board questioned what is most important to prospective site selectors; what are they looking for that sell the Industrial Park. Mr. Robinson advised that it is the community; quality of life, do you have the labor force, electrical, water and sewer capacity, schools and MEAP scores, and entertainment to name a few. The question is how do we differentiate ourselves; site selection magazines with promotional ads for Industrial Parks. It doesn't mean we do not need some professional marketing materials; what are we trying to advertise, and what are we trying to target; do we want the park full, and we want jobs. Prospects are going to Websites to find out

the data in Hudson, and why would they want to be in Hudson or this region, and we should dial up the method to get them to look at us.

Sarah Stanley shared some visuals under construction on their OneLenawee Website. She stated that they want to have strong images that project Universities, entertainment, demographic data, website, weekly blogging and social media networking, and publications in Lenawee County inexpensively. You have to give them a reason to come to Hudson.

Mr. Hartsel also introduced Kathleen Eriksen of Eriksen Development Company from the Jackson area here to talk about marketing as well. Ms. Eriksen stated that her company is currently working with downtown residential development projects. She stated that on her way toward Lansing she happen to see our sign Small Town Big Heart on US-127 and it stopped her dead in her tracks, so she came downtown. She stated that this brand is dead on; it speaks to the heart, and is really tied to what we want to do in the Industrial Park as well. Ms. Eriksen recommended that we create a marketing strategy specifically for the Industrial Park, not to ignore the brand but to tie it in. She stated that the brand should address the purpose or what are you trying to achieve. Are you trying to fill vacancies, are you trying to attract new builds, or are you trying to change the perception of the Industrial Park. Knowing what the purpose of the plan and identifying that would be an important first part. What is it that set the Industrial Park from all other Industrial Parks; what is your targeted audience. Put your dollars in the most effective ways possible, and how will you measure your success. She also advised that the first steps that need to be done to market the Industrial Park are defined as: Define who your audience is; what your message is and what is your overall purpose; what are you advertising.

Chairperson Murphy stated that the board has some ideas and felt we need some professional guidance in what we want to say, and it would be interesting to find out what Eriksen Development's proposal would be to help us through the process. Her opinion was before the board does anything we should establish a strategy or marketing plan, and we need a professional to help us through it. She also stated that the board's primary focus is the Industrial Park, and to do that we have to include the City, the County, and the things around us. Her next question was the general fund and would Council be interested in teaming up with the LDFA to promote Hudson as a whole and take part in this endeavor if we decide to go with Eriksen Development; is there any funding available from the City that we could work together to promote something larger than what the LDFA can do. Mr. Hartsel advised that the City's General Fund Budget remains at an extremely tight state again this year; however, he felt that things will start improving in the next fiscal year.

The board discussed the need to meet once a month and questioned if the City Manager could bring any other organizations in to give a presentation on marketing the Industrial Park. They requested that a special meeting be scheduled in June for further discussion on marketing.

### **CITY MANAGER'S REPORT:**

- Brady – IP – Curb and Gutter Curb and gutters are expected to be installed on the last segment of Steger Industrial Drive next week.
- The Lenawee County Road Commission received our acceptance of their offer for the paving, and they are coordinating with Brady Sand & Gravel.
- The MEDC has done a barrage of site visits of businesses in town and will come back in late June to finish the visits.
- We are in the middle of a citywide comprehensive stormwater infiltration study. We have flow monitors all across the wastewater system in town and we are receiving data. We have had very little rain so we plan to extend the flow monitoring study period for another 3 months.
- Training Activity on track – possibly next spring in March.

**Visitors Before Authority:**

There was no Public Comment.

**Adjournment:**

Motion by Tim Stanley, seconded by Ali Moreno to **adjourn the meeting at 7:56 p.m.** There were no objections.

ATTEST:

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Judith A. Tanner, City Clerk