

CALUMET VILLAGE DDA MEETING MINUTES
MONDAY, DECEMBER 9, 2024 – 9:00 AM
CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

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Present: Chair Nikki L'Esperance (**arrived 10:08am*); Vice Chair Andrew Ranville; Members Rick Campioni, Pete Hahn, Nathan McParlan, JW Miller, Lorri Oikarinen, Rob Tarvis

Absent: Member Jason Wickstrom

Also Present from the Village: Manager Megan Haselden; Trustees Pamela Que and Kelly Ryan

Present from the Public: Leah Polzien (Main Street Calumet), Jeff Ratcliffe (KEDA)

- I. Call to Order / Roll Call / Pledge of Allegiance
Vice Chair Ranville called the meeting to order at 9:05am with roll call and led the Pledge of Allegiance.
- II. Petitions from the Public (*members of the public have 5 minutes to speak*)
None.
- III. Approval of Agenda
Campioni moved, seconded by Hahn to approve the agenda with the change of the Ruppe Building 6. Under Unfinished Business to #1. Under Unfinished Business.
- IV. Review and approve meeting minutes of November 11, 2024 Meeting
Tarvis moved, seconded by Oikarinen to approve the minutes as presented.
- V. Unfinished / Revolving Business
 1. Ruppe Building (Bring Back calumet initiative)
 - i. How to address potential partial funding
 - ii. Development Agreement – DDA take ownership
 - iii. Goals

Ratcliffe read a memo to the DDA for Saving the Ruppe Block and discussed the Development Agreement (attached). The board discussed the issue and the potential for the DDA to accept acting as the developer and taking ownership in accordance with the Development Agreement.

Tarvis moved, seconded by Hahn to approve the DDA acting as developer on the property, with a few contingencies: Vianis Realty must be current with all property taxes and fees owed to the Village of Calumet and owned by company; Vianis Realty must supply the Certificate of Insurance prior to executing the agreement; the village attorney must review and approve the Development Agreement prior to executing the agreement.

Roll Call Vote:

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Yeas: Campioni, Hahn, McParlan, Miller, Oikarinen, Ranville, Tarvis

Nays: None

Absent: L'Esperance, Wickstrom

Motion Carried 7/0

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2. Updates from Village Council, Historic District Commission, Planning Commission
Que updated on the HDC street signs; the signs are in and the brackets are being manufactured.
Haselden updated the board on Council & Planning Commission.
3. Main Street Calumet Update
Polzien provided updates on holiday events.

**L'Esperance arrived 10:08am and took over chairing the meeting.*

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4. District Updates
 - i. Fire Site – 100 Block 5th Street
 - ii. Greenspace – 5th & 6th Street
 - iii. DDA Properties
 1. McParlan updated on the Agnitz Block development proposal he is working on.
 2. L'Esperance updated on 512 Portland, which she is working on a design and possible development proposal.
 3. Ratcliffe updated on the demolition of the Mihelich Slaughterhouse that is expected to occur in 2025.
 4. Ratcliffe updated that the stabilization of Hermann Flats building is not included in the current round of funding from the state.
 - iv. Parking Meters
Polzien discussed the parking meters, Main Street Calumet gets complaints from business owners about it and would like Council to determine the future on the meters for next year.

**McParlan departed @ 10:21am.*

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5. DDA 2024 Small Grant Program: Approval for Reimbursement
 - i. Kitschy Spirit Records: \$750 – all documentation received & complete

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- ii. Keweenaw Coffee Works: \$1,386.27 – project completed, need close out report – last phase of project not going to be complete in time
- iii. Copper Country Associated Artists: \$363 – project complete, need close out report.

6. FY 2026 Budgeting & Planning

***Hahn departed at 10:45am.**

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- i. Greenspace Tables, Benches, Garbage Cans: create a list & get estimates
- ii. Fire Site Picnic Tables & Garbage Can
- iii. Advertising Budget – Brochures
- iv. Beautification – Christmas Decorations Update

Haselden reviewed the proposed budget with notes; board discussed the upcoming year and items listed above.

Tarvis moved, seconded Campioni by to approve the budget as presented – once Council reviews, the DDA will hold a Public Hearing in February for final approval of the budget.

Roll Call Vote:

Yeas: Campioni, L'Esperance, Miller, Oikarinen, Ranville, Tarvis

Nays: None

Absent: Hahn, McParlan, Wickstrom

Motion Carried 6/0

VI. New Business

1. Approval of DDA Bills/Transaction Report

Tarvis moved to approve the bills, seconded by Ranville.

Roll Call Vote:

Yeas: Campioni, L'Esperance, Miller, Oikarinen, Ranville, Tarvis

Nays: None

Absent: Hahn, McParlan, Wickstrom

Motion Carried 6/0

VII. Comments from the Public (*members of the public have 5 minutes to speak*)

VIII. Adjourn

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Ranville moved to adjourn the meeting at 11:02am, seconded by Tarvis.

Motion Carried 6/0

Respectfully submitted,

Megan Haselden, DDA Administrator

DEVELOPMENT AGREEMENT

This Development Agreement is entered into by the Downtown Development Authority of the Village of Calumet, an Authority under the Recodified Tax Increment Finance Act, being Public Act 57, of 2018, as amended, 340 6th Street, Calumet, Michigan 49913 (Developer) and Vianis Realty, LLC, 206 5th Street, Calumet, MI 49913 (Owner).

RECITALS

This Development Agreement is made under the following circumstances:

- A. Vianis Realty owns a certain parcel of real property at 211 5th Street, Calumet, Michigan, known as the Ruppe Block, that it acquired through a warranty deed with the intent of redeveloping but is no longer able to complete; said property has experienced significant deterioration that interim stabilization by the Owner did not halt and needs to be fully stabilized to preserve its historic integrity and prepare it for redevelopment (Project); and which is listed and legally described as PID#041-101-003-00, Lot 3 Block A, Village of Calumet, Houghton County, Michigan (Vianis Realty Property); and
- B. The Owner has determined that the Project will be in the best interest of the building and community in order to preserve a historic and iconic downtown building, foster the development of that property and to promote economic growth by providing for the expansion of desired uses within the Village of Calumet; and
- C. Developer has agreed to immediately undertake an effort to fund and implement a stabilization plan including the raising of funds, purchasing of materials, hiring of contractors, managing volunteers, and arranging other public and private resources for the purpose of stabilizing the structure.
- D. Developer has agreed to work towards developing plans, raising funds, and undertaking work necessary to implement a permanent fix to make the property suitable for redevelopment.
- E. Accordingly, the purpose of this Development Agreement is to set out the obligations of the parties to this Agreement for the undertaking the agreed upon activities and to facilitate the Developer's access to state and local assistance.

NOW, THEREFORE, based upon the recitals set forth above and in consideration of the mutual terms and conditions set forth below, the Developer and the Owner, agree as follows:

1. **Land Transfer Agreement.** The Owner shall transfer the Property to the Developer for the development of the Project at no cost. Transfer will be with fee title in Developer free and clear of all liens and encumbrances, and subject only to those exceptions acceptable to the Developer in its reasonable discretion including environmental conditions. Transfer will occur upon the successful stabilization of the structure, the development of a plan and securing of funds to make the structure ready for redevelopment.
2. **Land Transfer Termination.** Should the Developer be unable to complete the stabilization or the building deteriorates to the point where demolition is the only recourse, the Land Transfer Agreement set forth in Paragraph 1 shall terminate with no further obligation of either party except those otherwise specified in this Development Agreement. The Property shall not be mortgaged, pledged or have any liens or encumbrances placed thereon.
3. **Owner Obligations.** The Owner agrees:

- a. To bring and keep all property taxes and other fees current and maintain property and liability insurance on the structure with proof provided to the Developer annually upon renewal. Developer shall be identified as an additional named insured on the policy or policies of insurance, with a provision requiring not less than thirty (30) days advance written notice to Developer prior to cancellation or termination of any such insurance coverage.
 - b. To be responsible for all taxes owing in the year that Developer takes possession of the Vianis Realty Property.
 - c. To provide good and marketable title to the Vianis Realty Property
 - d. To pay the cost of filing a warranty deed
4. **Developer Access.** Owner consents to the Developer having unlimited access to the building and the ability to make decisions regarding all aspects of stabilizing the structure and how best to make the building suitable for redevelopment. This includes the disposal of contents and any necessary demolition.
5. **Liability.** Owner understands that there are inherent risks in attempting to stabilize the building. As partial consideration to induce Developer to enter this Agreement, Owner expressly waives and relinquishes any and all claims, potential liabilities, and damages, known or unknown, foreseen or unforeseen, against Developer, its officers, agents and assigns, arising directly or indirectly from Developer's performance under this Development Agreement. The owner shall indemnify and hold harmless the Developer from any and all claims or causes of action arising from or on account of negligent acts or omissions of the Owner, its officers, employees, agents or any persons acting on its behalf or under its control in connection with owning the property and undertaking the Project. This includes the collapse of the property during the Project and prior to transfer.
6. **Developer Performance.** Developer agrees to begin efforts to plan, secure funds and undertake stabilization immediately with the goal of having the structure stable by the spring of 2025 and plans and funding ready by December 31, 2026 with transfer anticipated at the latest by December 31, 2027. Any changes to these timelines shall be immediately communicated to the Owner for consideration of an amendment to the agreement.
7. **Adverse Environmental Conditions.** The Developer and the Owner acknowledge that they do not have actual knowledge of the location and extent of adverse environmental conditions on the Owner property. Developer shall assume responsibility for any further investigations they deems necessary and all due care responsibilities that may be applicable.
8. **Compliance with Laws, Rules and Regulations.**
- 8.1. The Developer shall comply fully with all local ordinances, state and federal laws, and all applicable local, state and federal rules and regulations. Nothing in this Agreement shall abrogate the effect of any local ordinance.
 - 8.2. Non-compliance with this Agreement, or discovery of material irregularities at any time are regarded as material breaches of this Agreement. A party shall give written notice to the other party of an alleged material breach of this Agreement. The other party shall have thirty (30) days to correct the alleged breach, or to transmit a written plan to correct the alleged breach, to the satisfaction of the non-breaching party. If after thirty (30) days a satisfactory corrective plan has not been implemented, either party may terminate this Agreement by sending written notice to the other party, with no further obligation by either party.

9. **Termination.** This Agreement shall terminate on the earlier to occur of: (a) the transfer of property and completion of the Project; (b) the mutual agreement to terminate the Agreement; (c) notification under Paragraph 8.2; or (d) upon failure of the Developer to complete the Project.

10. **Notices.** All notices, requests, demands and other communications that are required or permitted to be given under this Agreement will be in writing and will be deemed to have been sufficiently given for all purposes hereunder if (a) delivered personally to the party to whom the same is directed, or (b) sent by certified mail, postage prepaid, return receipt requested, at the addresses identified below; or to such other party at such other address as shall be given in writing in accordance herewith.

8.1. If to the Owner, to: Vianis Realty, LLC, 206 5th Street, Calumet, MI 49913

8.2. If to Developer, to: _____

11. **Miscellaneous Provisions**

11.1. Successors and Assigns; Assignments; No Other Intended Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; however, the Developer shall not assign this Agreement without the prior written consent of the Owner, which will not be unreasonably withheld. No person not a party hereto is intended to be a beneficiary of or to have the right to enforce this Agreement.

11.2. Entire Agreement. This Agreement including all attachments represents the entire agreement, as it exists at the time of the signing of this Agreement between the parties. This Agreement may not be amended, altered or modified unless the party against whom enforcement of any waiver, modification or discharge is sought does so in writing.

11.3. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan. The parties acknowledge that the proper venue of any court action is in Houghton County, Michigan.

11.4. Severability. The invalidation of one or more of the terms of this Agreement shall not affect the validity of the remaining terms.

11.5. Survival. Except as otherwise provided in this Agreement, all representations, warranties, covenants and agreements of the parties contained or made pursuant to this Agreement shall survive the execution of this Agreement.

11.6. Effective Date. This Agreement shall become effective when approved and executed by the Owner and the Developer.

11.7. Representative. The Owner may, at its discretion and through the direction of its Chair, assign another entity to represent the Owner during the term of this agreement.

11.8. Recitals. The recitals set forth above are incorporated by reference into this Agreement as if fully set forth therein.

Developer:

Date

Owner: Vianis Realty, LLC

Morten Haugland

Date

VILLAGE OF CALUMET DDA #07-716-3
Transaction Report For November/December 2024

<u>NUMBER</u>	<u>Date</u>	<u>TRANSACTION DESCRIPTION</u>	<u>PAYMENT</u>	<u>DEPOSIT</u>	<u>BALANCE</u>
		Balance Forward			\$ 72,938.65
2119	11/04/24	Incredible Bank - Grader/Loader	\$ 982.47		\$ 71,956.18
2120	11/04/24	UPPCO	\$ 28.63		\$ 71,927.55
2121	11/20/24	UPPCO	\$ 24.16		\$ 71,903.39
2122	11/20/24	Upper Michigan Water Company	\$ 15.47		\$ 71,887.92
		UPEA - GREENSPACE	\$ 458.80		
		KITSCHY SPIRIT RECORDS	\$ 750.00		
		KEWEENAW COFFEE WORKS	\$ 1,386.00		
		COPPER COUNTRY ASSOC. ARTISTS	\$ 363.00		