



Minutes

Michigan City Urban Enterprise Association, Inc.

Board of Directors Meeting

Monday, January 9, 2023 at 6:00 p.m. at the Economic Development Corporation Conference Room located at 2 Cadence Park Plaza, Michigan City, IN 46360.

The meeting will also be held virtually via Zoom. See attached Zoom Link.

Board Members Present: Lawrence Zimmer, Dave Hartz, Jeremy Rossi, Daren Huber, Tracie Tillman, Tommy Amico, Rodney McCormick virtually

Missing: Skyler York

Others Present: Clarence Hulse, Gabrielle Chappell, Linda, Crystal & Mr. Meriweather, Diane, Mr. Brisko

CALL TO ORDER

The meeting of the Board of Directors of the Michigan City Urban Enterprise Association, Inc. took place on Monday, January 9, 2023, in-person and via Zoom. It was called to order at 6:10 p.m.

APPROVAL OF MINUTES

A motion to accept the minutes from the board meeting for November 2022, was made by Tracie Tillman, seconded by Dave Hartz. The motion carried unanimously.

DIRECTOR & FINANCIAL REPORTS

Clarence stated we missed the meeting in December, typically in January we do end of year reports and elections. What is in the report are November items. EDCMC invoice for December is due. Invoices for EDCMC and Somerset CPA's were given to Board members. SEH did not have their invoice sent in yet. Tommy asked what their total was, Clarence stated the total they approved was not to exceed \$6,000 and their total was at \$5,800 or so.

The Board requested to receive a running total of expenses and income for the year quarterly, and to receive monthly only new expenses or incomes for that month.

Tracie Tillman motioned to accept claims, Dave seconded. Motion passed unanimously.

Residential grants for 2022 were \$23,500 out of \$60,000 budgeted. Business grants were \$51,712.50 out of \$120,000 budgeted. Totals for both were \$75,212.50. Clarence informed the Board about the Workshop that will be hybrid for businesses to come in and get help filing EZ-2 and EZBR forms. The point of it is to market it to people that are not aware of the zone. EDC currently has an existing list of businesses receiving the credit, and they will get a list of potential businesses in the zone. Tommy asked how it is marketed, Clarence explained through mailing and social media. The board agrees to keep unique identity from EDCMC, and to use the UEA page to market the tax credits as well as before/after photos from projects and grant programs.

Clarence stated the non-profit status was filed. EDC is drafting 2022 report as well as budget. The ARPA application was explained as well as what project was applied for. The application was shared with the board.

Lawrence Zimmer asked to have UEZ applications explained. He suggested to promote energy efficiency for grants. The board agreed it was a good idea.

Dave requested anything that is changed before the meeting be sent out before the meeting instead of at the meeting. Clarence stated his Director's Report changes up to the day of the meeting, so he cannot send it out with changes made before the meeting. It is a running document.

Rodney asked who is signing the checks. Clarence stated the Treasurer and the Chair. Rodney asked if the Chair and Vice Chair have been added to the bank accounts, and they have not. Rodney motioned that the Chair and Vice Chair are added to the bank account and that the Chair has to sign on it too. Dave motioned to have the Chair and Vice Chair on the bank account with the signature line. Clarence asked if they want two signatures per check and if they are removing the Treasurer. The previous Chair and Treasurer were on the account. Tracie asked Dave for clarity on his motion. Dave stated the two signatures are for the Treasurer and Chair. Rodney stated he thought the Director and Chair were supposed to be on nonprofit checks. Clarence stated he does not want to be on the check. Dave amended his motion for the Treasurer and Chairman to be on the checks as joint signers. Tracie seconded the motion. All in favor except Rodney opposed. Motion carries.

Dave motioned to approve the Director's Report, Jeremy seconded. Motion carried unanimously.

NEW BUSINESS

Rodney motioned to have the Board approve any expenditure over \$50, Tracie clarified that any expenses already go before the board. Tommy states he has not seen invoices for everything spent. Clarence explained it's part of the EDCMC contract to include all of the small expenses. Tommy asked to see how the time is spent from EDCMC, Clarence stated he would bill extra for invoicing line items. He stated the contract is setup to avoid issues from the last contract. Tracie stated it would be an executive session to discuss the contract.

Tommy stated that payments to EDCMC are supposed to be done quarterly but they have been being done monthly, and that is not in compliance with the contract. It was stated again that contracts need to be discussed in an executive session.

Rodney motions to terminate the contract with Economic Development until it can be re-written with an attorney to be legally binding. Tracie clarified that the UEA does not currently have an attorney to represent them. Rodney stated an attorney can be hired to move forward. Rodney restated his motion was to terminate the contract until a meeting can be setup with attorneys present to re-write the contract and make sure UEA receives everything they would like to see through the contract. Dave asked for Rodney

to rescind his motion, and to go into executive session to talk about possibly bringing in a mediator. If a mediator cannot work the contract out, then to terminate the contract. Rodney refused to rescind his motion unless an Executive session can be scheduled. The motion was not passed due to lapsed time.

Dave motioned for an immediate executive session to discuss the contract, Rodney seconded. Motion carried unanimously. Executive session planned for Wednesday, January 18th at 5pm. Meeting notice to follow.

Rodney stated that according to by-laws, all Board members are entitled to look at records. He suggested taking custody of records. Tommy stated he would like to take some of the documents and look at them. Clarence stated the Board would have to look at them in the building because EDCMC are guardians of the documents and are responsible for them. Board members are welcome to come any time to view the documents.

Rodney made a motion to have the documents managed by EDCMC maintain control of records until the Executive Session on the 18th. Dave seconded. All in favor but Tracie Tillman, motion carries. Clarence explained that all records are public record and can also be obtained from the City Clerk's office.

SEH's recommendations were presented, and Dave proposed options 1 and 3:

1. Prepare letters to each company who may have overpaid their participation fees with a remedy to the issue. It is recommended that the initial proposal should be to provide each business with a credit on their future participation fees for one year as the Michigan City EDC recently became the administrator of the UEA and would not have to pay anything other than the 1% fee to the AIEZ. Each company may be different, but this would be the best-case scenario.

3. As the zone is set to expire in 2024, increasing the participation fee percentage should be considered upon renewal. This is the only time the participation fee can be increased and we would recommend that a 35% fee be adopted. This would greatly increase the incoming revenue for the UEA and would allow them to assist more businesses in the City.

Jeremy made a motion to adopt options 1 and 3 to reconcile issues and concerns about the tax credit program. Dave seconded. All in favor except Rodney.

Rodney made a motion to table everything left on the agenda until after the executive session. Motion did not carry.

The collections policy was reviewed, and Dave moved to approve the policy. Jeremy seconded. All in favor except Rodney. Motion carries.

The EDCMC Contract was motioned to table until the Executive Session by Dave, seconded by Daren. All in favor, motion carries.

OLD BUSINESS

PUBLIC COMMENT

ADJOURNMENT

The meeting was adjourned by Tommy at 7:16pm. Seconded by Dave. There will be an Executive Session held on Wednesday, January 18th at 5pm. The next regular meeting of the Michigan City Urban Enterprise Association, Inc. is set for Monday, February 20, 2023, at 6:00pm in EDCMC.