

MINUTES
Targeted Development Committee
June 25, 2026, 5:30 PM
Hillsdale City Hall – 2nd Floor Conference Room

I. Call to Order at 5:37 PM

- a. Members Present: Andrew Gelzer, Kevin Conant, and Luke Robson
- b. Others Present: Jack McLain, Mary Wolfram (Friends of the Dawn Theater), Noah Smith (Friends of the Dawn Theater), and Olivia Smith (Zoning Administrator, TIFA Secretary/Treasurer).
- c. Members Absent: Chris Bahash, Chair

II. Consent Agenda

- a. Motion by Robson to approve the agenda. Second by Conant. 3-0. Motion passed.

III. Public Comment

- a. None

IV. Dawn Theater Liaison

- a. Gelzer presented and read aloud the delegated authorities of the newly created Dawn Theater Liaison position (enclosed as part of these minutes).
- b. Wolfram asked if the relationship described in the document is between Friends of the Dawn and the Liaison. Then asked what will be done to amend the current agreement that references the Dawn Theater Governance Board.
 - i. Gelzer – Amendment will be recommended to the full TIFA Board. Believes that only the *Letter of Understanding* references the Dawn Theater Governance Board. Both the *Letter of Understanding* and the *Limited Use Agreement* will be checked.
- c. The enclosed list will be sent to Dr. James Brandon, the appointed Liaison, for review and agreement.

V. Dawn Theater Management Proposals

- a. The Committee reviewed the amended proposals from Hudson Entertainment and Friends of the Dawn Theater and an initial proposal from Jason Walters & Associates.
- b. **Jason Walters & Associates**
 - i. Received Wednesday
 - ii. Pros:
 1. Install Ad Astra as front of business
 2. Speak easy in rear and balcony
 3. Plan to be active and use the venue 7 days a week
 4. Diverse venue streams.
 - iii. Cons:
 1. The community is aware of his experience downtown. No financial plan presented. No first year operating budget presented.

2. No financial projections or estimates, just brainstorming events or uses of the venue.
- iv. Conant – Liked that the venue would be used consistently
- v. Robson – Not required, but would like to see a rendering of the proposed alterations to the space.
- vi. Gelzer – Liked the proposed synergy with the surrounding businesses.
- vii. Gelzer – Would like to see the following in an amended proposal:
 1. The relationship with Ad Astra fleshed out;
 2. The \$50,000 investment proven with a schedule of how it would be spent;
 3. Renderings of proposed alterations;
 4. Lease or rent schedule;
 5. Two-year operating budget;
 6. Evidence of insurance and the ability to become a user of the liquor license
 7. Specific list of the alterations and an understanding that TIFA Board would need to sign off on physical alterations to the structure.
- viii. Gelzer will contact the applicant with the list of clarifications and requests and ask them to the next meeting.

c. Hudson Entertainment

- i. Cons:
 1. No financial plan presented, after asking several times
 2. Rental share system presented
 3. Short initial commitment time. Believe that many exits were written into the proposal. Risk adverse.
 4. Unclear if the Capital Improvement Plan is forecasted or existing equipment.
 5. Proposal included acquiring the building next door (106 N Broad St) and Gelzer made it clear early on that the building is not available and they have continued to make it a part of their amended management proposals.
 6. Communication has been very difficult.
- ii. Pros:
 1. Checked a few boxes from the original RFP regarding the vision TIFA has for the venue and some financial aspects.
- iii. Gelzer will send a written list of requirements to the applicant:
 1. A detailed sources-and-uses schedule for the \$65,000 investment;
 2. A proposed lease term, annual rent, and explicit acceptance of customary triple-net obligations;
 3. Clarification of whether the applicant will proceed if TIFA requires fixed rent rather than profit sharing;
 4. A 24-month operating budget and monthly cash-flow projection;
 5. Detailed assumption for attendance, ticketing, rentals, alcohol sales, payroll, insurance, utilities, maintenance, and security;
 6. Staffing and daily management plan;
 7. Evidence of insurability and Michigan liquor license eligibility;
 8. Confirmation that Hudson Entertainment will protect TIFA's Class C license and carry liquor liability insurance;
 9. A written acknowledgment that the adjacent property is unavailable and is not part of the proposed operation.

10. Confirmation that the business is financially viable without the adjacent property;
 11. A clear description of every proposed physical alteration to the Dawn Theater; and
 12. Confirmation that the operation is viable without ongoing TIFA subsidy.
- iv. Motion by Robson to cut discussions with Hudson Entertainment. Second by Gelzer. Discussion took place.
 1. Conant – Provide list of requests with a deadline. Then cut ties.
 2. Robson – Cut ties if they fail to meet deadline. Withdraws motion.
 - v. Motion by Gelzer to send the list of requirements in order to stay in the running for operator. Deadline to provide information no later than July 7. Second by Conant. 3-0. Motion passed.
- d. Friends of the Dawn Theater**
- i. Cons
 1. The proposal presented cannot function independently from grants and fundraising.
 - ii. Pros
 1. Numerous accessible events presented
 2. Proven record of fundraising
 3. Checked the most boxes regarding the original RFP
 4. Strongest proposal of the three presented
 - iii. Robson – Question regarding calculations: Why did utility assumption drop year 1 to year 2?
 1. N. Smith – Error in updated all tabs on spreadsheet
 - iv. Robson – 84 events year 1?
 1. Wolfram – 1-2 events per week. 1 ticketed event per week supplemented by small, community, rotating events.
 2. N. Smith – 84 was a conservative estimate
 - a. Want to condition the public to know that the Dawn has consistent content scheduled. Bump the number of events up in the future.
 3. Robson likes the aggressive approach
 - v. Robson – Janitorial budget disagreement
 - vi. Robson – Question regarding labor payout
 1. Friends of the Dawn do not believe that it will be a full-time job. \$21,000 for event staff. \$40,000 for General Manager.
 - a. Conant believes that is low
 - b. Gelzer – What were the quantifications of the labor?
 - vii. N. Smith – Tibbets Theater guided their structure
 - viii. Gelzer – Requirements:
 1. Proof of unrestricted capital;
 2. 2-year cash flow updated with new utilities numbers;
 3. Quantifications of assumed volunteer labor that attributes to the low labor costs;
 4. Job description for general manager position;
 5. Confirmation of working capital and ability to pay obligations no matter where the Friends is at in their fundraising cycle;

6. Confirmation that there would be no issues being granted as users of the liquor license (all board members pass background check); and
 7. Schedule of planned improvements to the building.
- ix. Wolfram provided more information regarding who their target labor force was for the general manager position: our local stay-at-home mothers who can work remotely and have greater availability during evenings and on weekends. High power labor under the market rate.
 - x. Wolfram – Awarded \$17,500 grant for movie projector system. Must spend in 2026. Concerned that it may not fit the vision of the other operating proposals.

VI. General Public Comment

- a. Wolfram – Recapped the recent event held by Hillsdale College. Their catering services did not see any issues setting up in the venue. Proved that outside catering can function in the space.
- b. Jack McLain – Comment regarding the local labor force described by Wolfram. Verified if liquor license will stay in TIFA’s name. Asked if proposals needed to be FOIA’d. Stated that the Friends of the Dawn have an advantage due to their experience with the building.

VII. Committee Comments

- a. Gelzer – Electrician completed work for the organ at the Dawn Theater. Noticed significant amount of seepage from alley side of the stage. Gelzer asked him what it would cost to install two outlets that could handle a large fan and dehumidifier. Quoted \$600.
 - i. Motion by Gelzer to recommend approving the expense to the full TIFA Board. Second Robson. 3-0. Motion passed.
- b. Gelzer – Staff and he will continue to speak with BPU regarding the utility demand charge increase. Lights are energy efficient. Will ask Griffiths Mechanical for an updated quote regarding the HVAC.

VIII. Adjourned at 7:05 PM

- a. Motion by Robson to adjourn. Second by Conant. 3-0. Motion passed.

Dawn Theater Liaison

Delegated Authority

The Dawn Theater Liaison shall act in place of the former Dawn Theater Governance Board as TIFA's primary representative in matters involving the Dawn Theater and the Friends of the Dawn Theater during the interim operating period.

The Liaison is authorized to:

1. Serve as the primary point of contact between TIFA, the Friends, City staff, and other authorized users of the theater.
2. Administer the existing Letter of Understanding and Limited Use Agreement on TIFA's behalf.
3. Review and approve Friends event requests that are consistent with the agreements, subject to scheduling, insurance, safety, licensing, and facility requirements.
4. Coordinate the theater calendar, building access, keys, access codes, setup, cleanup, inspections, and event-use procedures.
5. Apply or negotiate event-use charges within parameters established by the TIFA Board.
6. Confirm that the Friends satisfy all event responsibilities, including staffing, promotion, setup, cleanup, insurance, liability, permits, security, and alcohol-service requirements.
7. Conduct reasonable building walkthroughs; document damage, maintenance concerns, unauthorized use, or safety issues; and require correction of routine deficiencies.
8. Coordinate routine communications regarding repairs, maintenance, building access, proposed improvements, and matters involving the roof, HVAC system, structural integrity, or Wurlitzer organ.
9. Monitor compliance with liquor-license and liquor-liability requirements and promptly report any matter that could threaten TIFA's Class C license.
10. Temporarily stop an activity or restrict access when reasonably necessary to address an immediate threat to public safety, the building, TIFA property, or the liquor license.
11. Provide regular reports and recommendations to the TIFA Board regarding events, building conditions, compliance issues, payments, and unresolved matters.

The Liaison may not, without specific Board authorization:

- amend or terminate an agreement;
- bind TIFA contractually or financially;
- authorize expenditures;
- waive fees or contractual requirements;
- approve permanent alterations;
- grant exclusive or continuing possession;
- designate a user of TIFA's liquor license;
- declare a contractual default; or
- make policy decisions reserved to the full TIFA Board.

Upon installation of a permanent operator, the Liaison's role shall transition from interim facility administration to owner-tenant communication, lease-compliance monitoring, coordination of TIFA-retained building responsibilities, and reporting to the Board.