

**CITY OF ST. JOHNS**  
**CITY COMMISSION MINUTES**  
**SPECIAL MEETING**  
**SEPTEMBER 12, 2023**

The special meeting of the St. Johns City Commission was called to order by Mayor Dzurka at 6:01 p.m. at the at the St. Johns Police Department, 409 South Whittemore Street, St. Johns, Michigan.

COMMISSIONERS PRESENT: Eric Hufnagel, Jean Ruestman, Brad Gurski, Scott Dzurka, Chris Hyzer

COMMISSIONERS ABSENT: None

STAFF PRESENT: Chad Gamble, City Manager; Mindy J. Seavey, City Clerk; Kristina Kinde, Treasurer; Scott Hogan, Attorney (Zoom)

OTHERS PRESENT: Jeff Deehan, Dymaxion; Brendan Fox, Dymaxion; Ken Jones, Studio Intrigue

Approval of Agenda

Motion by Commissioner Ruestman seconded by Commissioner Hyzer that the city commission approve the agenda as presented.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

Presentation by Dymaxion

Brenden Fox from Dymaxion was present. He said they are very excited to be back in front of you. He said he is both a resident of St. Johns and an employee of Dymaxion Development.

He discussed:

- What is the Wilson Center Project
  - This is a passion project; discussed the Holmes Street School in Lansing.
- How did we get here
  - Timeline
  - 16+ public meetings and input sessions
  - 50+ project team meetings
- Our product

**CITY COMMISSION MINUTES  
SPECIAL MEETING**

**SEPTEMBER 12, 2023**

**PAGE 2**

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- How will this work
    - Good fences make good neighbors
    - 50/50 partners

There was a discussion of:

- Clarification of the word “condominium”.
- Environmental remediation: lead paint, asbestos containing materials and the remediation would be conducted by Dymaxion prior to closing.

Presentation by the City

City Manager Gamble discussed his economic development experience. He thanked Kristina Kinde, Mindy Seavey, Tammy Wright and King Media for work in getting documents ready for this meeting.

He discussed:

- Wilson Center Team Members
- Website information and summary
- Summary and status of purchase agreement
- Purchase agreement at a glance
- Purchase agreement options
- Considerations and influences of decisions
- Wilson Center by the numbers
- Optional Additional Space to Support Gym/Auditorium
- Review of proposed development documents
- Outstanding/popular questions from community
- Grant applications submitted by the city to date

Discussion of legal documents

Commissioner Hyzer said he appreciated the breakdown of revenues. He discussed a Brownfield. He said we will recoup our costs over the next 15 years. He said if we bought the building none of the other taxing authorities are getting money and we aren't either. He discussed remediation costs. He said he appreciated the pie chart and breakdown.

Mayor Dzurka said for slides #11 & #12, refresh people of what is included in the \$1.6 million.

**CITY COMMISSION MINUTES  
SPECIAL MEETING**

**SEPTEMBER 12, 2023**

**PAGE 3**

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City Manager Gamble said restoration to restrooms, painting, application of entrance and making ADA compliant, fire doors.

Ken Jones, Studio Intrigue, was present. He said also sprinkling, heating/cooling, new restrooms, restoration of areas of gym and auditorium.

City Manager Gamble said electrical upgrades also.

Mayor Dzurka said the chart on slide 11, the \$1.6 million is included in there. He discussed our actual costs thus far. He said on the development agreement, #5 on slide 17 is a significant change on that parking lot. He said there was potentially a development there. He thanked Dymaxion. On slide 18, #2 issues of ongoing costs. He said the estimated ongoing costs are not included. He said he had a question on item #8 on the development agreement regarding construction liens.

Scott Hogan, attorney, was present on Zoom. He said a contractor cannot file a construction lien against a public building. On the Dymaxion side, if there is a construction lien, they would have to take care of getting rid of that lien. A contractor could only affect Dymaxion's side of the project.

City Manager Gamble said there is also additional protection in there on page 17, section 7, item #7 (developer to provide proof of financing).

Public Comments/Questions

Ed Thelen was present. He said he lives to the north of the Wilson Center project. He thanked Dymaxion for putting parking back in the parking lot. He discussed the grants are a big part to finance this, \$2 million is huge. What is the plan to finance \$2.7 million if we don't get the grant?

Susan DeRosa was present. She thanked Dymaxion and the city for making presentations. She said it has been a long 11 months. She discussed attending 6 city commission meetings this year; she doesn't live in the city limits; she is interested in the potential to preserve and enhance space; it is a cultural asset that could not be reproduced for 3 times that amount; the potential for Dymaxion; potential development of multi-use space; and said she is interested in the potential to plan for January 2025 like we did in 2006 for the Sesquicentennial.

Bill Tennant was present. He thanked the city and Dymaxion for everything they have done; it has been a long haul. He said he appreciated the effort and presentations today

**CITY COMMISSION MINUTES  
SPECIAL MEETING**

**SEPTEMBER 12, 2023**

**PAGE 4**

---

and putting all the documents on the website. He discussed a lot of misinformation going around; he is 100% in on this project; this project needs to get going and is an important part of our community for years and years; the project brings people together, brings in housing, a win for our community and lots of good will come from this happening; cooperation on concert in the park series; a good partnership to keep the venue going with lots of wonderful things; and the school board 100 years ago and their foresight to put an auditorium in that building.

Cheryl Cole was present. She discussed the parking lot and asked if the city has any say in how the parking lot with weeds, etc. was being managed; the unknown costs for the future; who is going to manage the whole new arena (clarified, to who will manage the auditorium and gym when everything is said and done); she hopes King Media is not involved; she hopes it turns out to be a good thing; and how you are going to make your money.

Roberta Cocco, resident, was present. She discussed that she appreciated the clarity and organization; expressed appreciation for Dzurka's curiosity and questions; you are elected to represent us and encouraged the rest of the commission to have questions; appreciated Chad scrubbing the documents; she was unclear about construction documents we approved a couple of months ago cost \$52,000 with Studio Intrigue, the line item was over \$100,000 and she would appreciate clarity; another line item for over \$100,000 around engineering documents, if you could clarify that; cities are not developers, there isn't any evidence of a city becoming a developer in a project like this successfully, any research or business plans that would help; echoed concerns around theater costs, and who will run it and who will fund it; will taxpayers of St. Johns will fund and pay for something that the county is utilizing; have we considered to ask the county to support these endeavors as well; kudos to Jeff on the parking lot; the 50/50 split and Commissioner Hufnagel expressed concerns with that in the past; \$140,000 for last the bit and \$350,000 to develop it, would like clarity around that; and her concern with the treasurer providing the revenue numbers for this.

Tom Webb was present. He thanked Dymaxion for their presentation and clarity. When he saw the parking lot issue was there, it solves a few questions. He discussed he always knew when they invested in the building they weren't going to spend money on a building that wasn't structurally sound; good investment on their part and for the community; opportunity to sell the community; makes the community attractive; discussed outdoor venues we have in the city and all of those things are assets; auditorium and gym would be an indoor asset; entertainment venue for all ages; place where we have entertainment and recreation venue; and benefit to surrounding community and they also spend money here.

**CITY COMMISSION MINUTES  
SPECIAL MEETING**

**SEPTEMBER 12, 2023**

**PAGE 5**

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Lori Zelenka was present. She discussed she got onto the city website there was no reminder on there for the 6:00 meeting; before they said would take more than 69 parking spaces, where are people going to park cars; you said people would be able to use the gym and auditorium in January 2025, if they haven't developed apartments yet who is going to pay for heat or if the roof starts leaking, is it a 50/50 split still; does not seem like a fair split; if Dymaxion decides they no longer want they building and sell it off, is the city stuck with their share; they can then sell it for low income housing and are the neighbors stuck with that; and is it truly beneficial to the city to get stuck with a 50/50 payment deal and repairs and bills and everything else when the city will own such a small share of that building?

Duane Witter, Waterford Parkway, was present. He discussed he is new to the city; he thinks the presentations have been fantastic; we needed this information 6-8 months ago to stop the negative stuff we see on Facebook; we have been informed with figures; is there not recreational or arts grants available; any idea what this will actually cost the taxpayer per year; a similar project in Fremont and they were leased out before the building opened; and he appreciated you did away with off-street parking.

Amber Haubert was present. She discussed she is concerned big time for our future; putting all of this money into a building and we don't need to have that responsibility; can be responsibility through Dymaxion where the gymnasium can still be utilized; we can take our own money and build a gym; you wanted to hear feedback of citizens of this town; things around town that have been needed to be worked on and this money could be poured into that; huge responsibility for younger generation; and you hired King Media to hear our priorities and people said they wanted recreational opportunities and downtown development, why wasn't a survey put out to taxpayers to see what we want.

Chriz DeLiso was present. He discussed an option would have been to continue to rent the space; you had an agreement to rent for a couple of years for a very attractive price; you went two years without being able to rent those spaces, is there any compensation coming our way for that from Dymaxion; with apartments, do we know the breakdown of one bedroom vs. two bedroom apartments; one bedroom apartments attract transients; what part of the contract obliges them to keep the plan of 49 apartments and not reducing size of apartments and making them smaller; and what happens if 5-10 years down the road they sell to someone else and if they want to put in section 8 apartments.

Mayor Dzurka thanked everyone. He said some of the questions may have already been answered on the website. We are going to be thorough in the next couple of weeks to answer the questions.

**CITY COMMISSION MINUTES  
SPECIAL MEETING**

**SEPTEMBER 12, 2023**

**PAGE 6**

---

City Manager Comments

City Manager Gamble reminded everyone we will be working on answering questions and placing the answers on the website. Our target is to have them posted by September 26<sup>th</sup>.

Mayor Dzurka said they have a lot of decisions ahead as a board. He thanked the presenters for their thorough presentations.

City Manager Gamble reminded everyone they can still ask questions, email [csj@stjohnsmi.gov](mailto:csj@stjohnsmi.gov) by noon on September 14<sup>th</sup>.

Adjournment

Motion by Commissioner Hyzer seconded by Commissioner Gurski that the meeting be adjourned.

YEA: Hufnagel, Ruestman, Gurski, Dzurka, Hyzer

NAY: None

Motion carried.

The meeting was adjourned at 7:36 p.m.