

City of Mt. Pleasant

**Economic Development Corporation (EDC)
Brownfield Redevelopment Authority (BRA)**

MINUTES OF REGULAR MEETING

May 13, 2016 - 9:00 a.m.

City Hall, Conference Room A

I. Call to Order

Chairman Smith called the meeting to order at 9:02 a.m.

Present: Tim Coscarelly, Jim Holton (Mayor's Alternate), Mary Ann Kornexl, Tom Krapohl, Margaret McAvoy, Mike Pung, Nancy Ridley, Jeff Smith (Chair),

Absent: Joe Olivieri (Vice-Chair), Kathy Ling.

Also attending: Phil Seybert, Staff: Becky Murphy

II. Approval of Agenda:

Kornexl asked that Item IV.A.3., Possible Review and Approval of a Brownfield Plan Amendment for the Campus Commons Development Project be removed from the agenda. In addition, Kornexl noted that Phil Seybert has asked to address the Board regarding the Brownfield plan for 915 E. Broomfield. It was moved by Holton, seconded by Krapohl, to approve the agenda with the changes noted above. The motion passed unanimously.

III. Approval of Minutes: March 3, 2016

It was moved by Holton, seconded by Krapohl, to approve the March 3, 2016 meeting minutes. The motion passed unanimously.

IV. Old and New Business:

A. BRA

1. Approval of the Final 2015 BRA Financial Report

Kornexl presented the final 2015 Financial report, providing a brief overview and noting the amount of capture was slightly over the original budget. Kornexl reported that the reports have been audited and have been filed with the state.

It was moved by Ridley, seconded by Holton to approve the final 2015 BRA Financial Report. The motion passed unanimously.

2. Review and Consider Approval of Brownfield Plan Amendment #17 for the Mt. Pleasant Center.

Kornexl referred to the proposed plan amendment for the Mt. Pleasant Center property, noting that the City Commission has approved proceeding with Phase I of the project, which includes the demolition of the remaining buildings on the site and some infrastructure.

Smith asked about the city's investment and questioned where the funding would come from. Kornexl provided an overview of available funding sources, noting some would come from the general fund; some from the local site remediation fund; DEQ loans, along with other grant and loan sources. Kornexl reported that we are looking at approximately \$3,000,000, further noting that Phase II will include future construction/development, and the tax increment revenues generated by Phase II will help to reimburse the City and developers for eligible costs incurred.

McAvoy questioned if approval of the plan amendment would be committing LSRF (Local Site Remediation Funds) collected through 2036. Holton commented that the Board could make adjustments in the future. Kornexl acknowledged this is an annual decision, which allows the Board to use all of the available funding, but provides the option to adjust the amounts in the future. Kornexl added that currently this is the only site eligible for LSRF.

Ridley suggested including an expiration date in any approval. It was moved by McAvoy, seconded by Krapohl, to recommend approval of the Brownfield Plan Amendment for 1400 W. Pickard with an expiration date of 12/31/2021. The motion passed unanimously.

3. 915 E. Broomfield - Phil Seybert

Mr. Seybert recalled for the Board the project that he had received approval for in 2014 at 915 E. Broomfield. He reported that bids came in extremely high for the project, making it not economically viable for him to pursue the project. Mr. Seybert stated that he has recently had a commercial user make him an offer on the property, noting that this is a local group who wants to build a single use facility.

Mr. Seybert asked the Board that provided the sale goes through, if the new developer would inherit the Brownfield. Discussion ensued on the amount of investment and if the project would be of the same value. Kornexl provided details on the original Brownfield agreement and it was noted that the new project would be about 2/3 of the value of the original plan.

Ridley commented that the Brownfield is non-transferrable so the new developer would not inherit it. Mr. Seybert recognized that the new owner would need to come before the Board with the request to assign; however, was looking for some acknowledgement from the Board that they would be receptive to considering assigning the Brownfield to the new developer.

Holton indicated that he didn't have an issue with this; however, noted that the new developer would need to go before the Planning Commission for approval of any new plan and the Brownfield plan could be updated based on the new level of investment.

McAvoy asked if there were any legal restrictions. Kornexl indicated she had checked with the City's attorney and they noted that the Board could assign the Brownfield as originally approved or as amended.

Ridley indicated she would like to see more details on the value and cost. Kornexl agreed noting that the expenses could be scaled back based on the new numbers.

Board consensus was they would be willing to consider this proposal.

B. EDC

1. Approval of the Final 2015 BRA Financial Report

Kornexl provided an overview of the Final 2015 EDC Financial report, noting that the comparisons are good and expenses were slightly under budget. Kornexl noted that the incentive for Lodgeco has not been paid out and will not be until they receive their Certificate of Occupancy.

It was moved by Holton, and supported by Krapohl to approve the final 2015 EDC Financial Report. The motion passed unanimously.

V. Other Business

None

VI. Adjourn

There being no other business, the meeting adjourned at 9:30 a.m.