

City of Mt. Pleasant

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

MINUTES OF THE REGULAR MEETING

April 21, 2017—8:00 A.M.
City Hall, Conference Room B

I. Call to Order

The meeting was called to order by Chair Jeff Smith at 8:03 a.m.

Present: Mary Ann Kornexl, Tom Krapohl, Kathleen Ling, Mike Pung, Nancy Ridley, Jeff Smith (Chair)

Absent: Tim Coscarelly, Margaret McAvoy, Joe Olivieri (Vice-Chair)

Also attending: (Staff): Jacob Kain, William Mrdeza, Michelle Sponseller

II. Approval of Agenda

It was moved by Krapohl, seconded by Ridley, to approve the agenda as presented. **The motion passed unanimously.**

III. Approval of the April 4, 2017 Meeting Minutes

It was moved by Ridley, seconded by Ling, to approve the April 4, 2017 meeting minutes as presented. **The motion passed unanimously.**

IV. Old and New Business:

A. EDC

1. Receive the EDC 2016 Year End Financial Report

Kornexl presented the 2016 year-end financial report for the Economic Development Corporation. She noted that the EDC began 2016 with a balance of \$422,670 and identified \$348,315 as being used to support the relocation and construction of Central Drive in support of the Marriott Hotel construction. In addition, \$46,730 was transferred to the TIFA to fund the façade improvement loan program. The EDC ended the year with \$21,566 in unassigned funds and a Working Capital balance of \$33,566. It was moved by Pung, seconded by Krapohl to receive the financial report ending on December 31, 2016. **The motion passed unanimously.**

2. Update on 410 W. Broadway Development Interest

Mrdeza reported that there has been an increase in interest for developing the property at 410 W. Broadway. He indicated that staff has been in discussions with at least four interested parties and was expecting a conceptual development proposal from one of them shortly. Mrdeza asked for direction on how the Board would prefer to handle multiple development interests in the property.

After some discussion, the Board directed Mrdeza to contact all other interested parties once a conceptual design proposal was received and give them all two weeks to submit a proposal for the EDC Board to consider. The degree of content in the proposal would be up to the developer, but should be sufficient for the Board to understand the type and scale of development being proposed. Additional details such as number of housing units (if any), amount of planned investment, and any financial incentives requested of the City would be helpful as well. Receipt of the first proposal would also trigger scheduling the date of the next EDC meeting. The Board further indicated that they would prefer to consider all applications received during the same meeting, but with separately scheduled presentation times. Mrdeza will keep the Board informed as more information is received.

3. Discuss and Act on Brokerage Proposal for Marketing 410 W. Broadway

Sponseller presented the results of the earlier Request for Proposals from qualified firms to offer marketing and brokerage services for 410 W. Broadway. She explained that staff is interested in more aggressively marketing the property since the previous efforts using a more passive approach had not yet produced a viable development project. Sponseller summarized the scope of services included in the proposal from CBRE, the lone bidder, and indicated that the minimum cost to the City upon the sale of the property under the contract would be \$60,000. She explained this was not due unless the property was sold and could be recouped through the sales price. Sponseller also noted that the City of Lansing is pursuing a similar strategy with CBRE on a parcel of property they are trying to develop.

After some discussion, it was moved by Krapohl, seconded by Pung, to postpone action on the proposal pending the outcome from the interested developers as noted above. **The motion passed unanimously.** The Board was interested in revisiting CBRE's proposal should the recent development interest not work out and asked Sponseller to verify how long CBRE's proposal was good for. Subsequent to the meeting, Sponseller verified the proposal was in effect until June 30, 2017.

B. BRA

1. Review Draft Brownfield Policy and Make a Recommendation to the City Commission

Mrdeza discussed the recent City Commission work session regarding the draft Brownfield Policy the Commission and Brownfield Board has been working on. He indicated that overall the Commission was in agreement with the earlier draft the Brownfield Board recommended but there were still several areas of concern they requested the Board weigh in on. After reviewing the packet memo and explanation of the specific areas the City

Commission was not comfortable with, the Board had additional discussion on the draft policy. As a result the Brownfield Board made the following changes to the language in the draft policy document:

- Under “Eligibility Review,” strike the last part of the sentence in #4 (*including appeals to the Michigan Tax Tribunal*)
- Under “Other Provisions,” strike the wording in #6 and replace it with *There will be no interest paid.*
- Also under “Other Provisions,” add wording to #7 that if the BRDA Board and City Commission consider waiving all or a portion of the policy, it would require a “Super Majority” (2/3rds) vote to do so.
- Under “Transformative or Exceptionally Unique,” in #4 substitute the word *recommend* for *determine* in the first sentence.

Following the above discussion, it was moved by Kornexl, seconded by Pung, to recommend the City Commission adopt the Brownfield Redevelopment Program Policies as amended above. **The motion passed unanimously.**

V. Other Business

There was no Other Business discussed at the meeting.

VI. Adjourn

There being no other business, **the meeting adjourned at 8:53 a.m.**