

City of Mt. Pleasant

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

MINUTES OF THE REGULAR MEETING

May 24, 2017—1:00 P.M.
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Jeff Smith at 1:00 p.m.

Present: Tim Coscarelly, Mary Ann Kornexl, Tom Krapohl, Kathleen Ling, Margaret McAvoy, Joe Olivieri (Vice-Chair), Mike Pung, Nancy Ridley, Jeff Smith (Chair)

Absent: None

Also attending: (Staff): Jacob Kain, William Mrdeza, Michelle Sponseller
(Guests): Sarah Christensen, Green Tree Grocery; Stacy Esbrook, MEDC;
Doug Ouellette, Mercantile Bank

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 21, 2017 Meeting Minutes

It was moved by Ridley, seconded by Krapohl, to approve the April 21, 2017 meeting minutes as presented. **The motion passed unanimously.**

IV. Old and New Business:

A. EDC

1. Presentations by Prospective Development Groups on Their Conceptual Design Proposals for the Redevelopment of 410 W. Broadway

The EDC Board heard presentations from three separate development groups interested in constructing a project on the vacant lot next to City Hall (Parcel B), now known as 410 W. Broadway. Each offered a conceptual design that contained different attributes from one another. Mrdeza will prepare a matrix ahead of the next meeting which will summarize the major features from each proposal for comparison purposes. The three development proposals as presented to the Board are briefly summarized below.

Maple Grove Property Management, LLC: This was a proposed mixed use project with a projected \$10 million investment, constructed at the street. The project consists of first floor commercial space over four floors of residential units with 97 residential units projected. The project would incorporate approximately 100,000 square feet of new construction. Maple Grove is partnering with Wieland Construction out of Lansing and anticipates private financing will be used to fund the project. Public funding might be requested to assist with accommodating parking. Currently Maple Grove has commissioned a housing market study to confirm the projected number of units and mix of housing types.

Smith Development Company: This also was a proposed mixed use project with a projected \$6 million investment, constructed at the river. Parking would be located south of the building to the street. The 71,000 square foot project envisioned first floor commercial space; second floor community/banquet, office, and commercial kitchen space; third floor office and residential space; and at least two additional floors of residential space. Approximately 45 housing units were envisioned to be included in the project. Construction was proposed to be completed in phases with the shell of the building and first floor built and finished first and upper stories finished in later stages. Financing was proposed to be a mix of private and public funds, including City incentives and state grant funding for both parking and project construction.

Mercantile Bank: This was a proposed 15,000 square foot single use, three story office building which would house the corporate offices of Mercantile Bank and allow them to continue to remain downtown. The projected \$5.5 million project would be located on the street with minimal parking in the rear. The bank proposed drive thru banking be incorporated in the design, but since this type of use is not permitted in the C-2 commercial district, additional negotiations would be needed, including a zoning ordinance text change, in order to determine if this feature could be incorporated or supported by the City. Private financing was secured and would be used for construction of the project.

After the presentations, the Board discussed the relative merits and concerns about each project. As a result of that discussion, the Board agreed to postpone a decision on entering into a development agreement with any of the projects for a period of at least two weeks, during which time additional information was to be provided by the developers as follows:

Maple Grove: Allow for the completion of the housing market study the group commissioned, anticipated to be completed by June 6th. This would allow Maple Grove to confirm their minimum number of housing units needed to move the project forward (80 units) and, based on the results, decide whether to proceed with their concept. Staff is to set a follow up EDC meeting date as soon after the June 6th deadline as possible in order to secure a quorum of the Board for further discussions.

Smith Development Company/Mercantile Bank: During the two week holding period (see above), staff is to contact these two development prospects to see if it was possible for them to work together and combine their two concepts. The Board liked the bank proposal, but felt that it underutilized the property and likewise liked the Smith mixed use concept but preferred it move to the street in order to maximize the potential to receive state grant funding. The Board also felt that parking requirements for both concepts could be shared in

a revised, combined plan. Should both groups agree to a joint conceptual design, the Board would expect to see a revised proposal at the next meeting that would describe the elements of that design. Mrdeza was tasked with communicating the above expectations to each of the developers and to arrange for a follow up meeting as soon after the June 6th date as possible.

B. BRA

There was no business pending before the Brownfield Redevelopment Authority Board

V. Other Business

There was no Other Business discussed at the meeting.

VI. Adjourn

There being no other business, **the meeting adjourned at 3:55 p.m.**