

City of Mt. Pleasant

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

MINUTES OF THE REGULAR MEETING

June 13, 2017—10:00 A.M.
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Jeff Smith at 10:01 a.m.

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

Absent: Margaret McAvoy

Also attending: (Staff): William Mrdeza, Michelle Sponseller
(Guests): Steve Calverley (Maple Grove Property Management), Sarah Christensen (Green Tree Grocery), Jim McBryde (MMDC), John VanFossen (Smith Development Company), Jennifer Verleger (MP Public Schools)

II. Approval of Agenda

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

III. Approval of the May 24, 2017 Meeting Minutes

It was moved by Krapohl, seconded by Ling, to approve the May 24, 2017 meeting minutes as presented. **The motion passed unanimously.**

IV. Old and New Business:

A. EDC

1. Updates, Continued Discussion, and Recommendation Regarding Previously Presented Conceptual Design Proposals for the Redevelopment of 410 W. Broadway

Mrdeza provided an overview of the discussion and development proposal presentations from the last meeting and referenced a matrix that was subsequently developed which presented comparison information between each of the proposals. The matrix also contained updated information received since the original presentations were made to the Board.

During the discussion, there was limited interaction with the representatives from the two development groups in attendance, primarily for clarification purposes. Maplegrove clarified that 1) the results of their housing study were favorable, indicating support for 90 housing units; 2) financing of \$10 million for the base project was secured; and 3) availability and cost of parking were yet to be determined and would be focused on during the due diligence period. When asked about how many parking spaces would be required, the Maplegrove representative indicated that financial lenders would require one space per residential unit of dedicated parking in order to secure financing for the project. They qualified that not all dedicated parking would need to be on site.

Mrdeza shared a revised site plan provided by the Smith Group which combined the original Smith Group mixed use development proposal with the single use Mercantile Bank proposal. The revised proposal located both developments at the street with parking at the rear of the site. Critical elements of this revised proposal included 1) each floor was reduced to 9,888 square feet, 2) the total building was reduced from six floors and 71,000 square feet to five floors and 49,440 square feet, 3) three floors of residential units were envisioned, 4) the proposed \$6 million investment remained the same, and 5) while one project, the proposed Mercantile Bank building and Smith Group development constituted two separate structures.

Board members had a detailed discussion of the pros and cons of both proposals. While the Board expressed a strong interest in keeping Mercantile Bank downtown, that prospect was much more attractive if combined with one of the other proposals, due to the bank's single use nature and the size of the building footprint in relation to the size of the site. Board members acknowledged that making a decision on which proposal to move forward with was a difficult one since both the Maplegrove and combined Smith projects had much to offer. After a additional discussion, it was moved by Krapohl, seconded by Pung, to direct staff to work with the Smith Development Company and Mercantile Bank on a development agreement that would result in a joint project incorporating both proposals into one project that would develop the property. Further, the draft development agreement was to come back to the Board for concurrence with the language and provisions it contained. Members called for a roll-call vote on the motion. The results of the roll-call vote were as follows: Coscarelly: YES, Kornexl: YES, Krapohl: YES, Ling: NO, Olivieri: YES, Pung: YES, Ridley: NO, Smith: NO. **On a vote of 5-3, the motion passed.** Mrdeza will contact the City's legal counsel and begin work on the development agreement with the Smith Development Company as the point of contact for the combined project. He indicated that the goal was to prepare a draft agreement for Board review and action within two weeks.

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 11:37 a.m.**