

City of Mt. Pleasant

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

MINUTES OF THE REGULAR MEETING

June 27, 2017—4:00 P.M.

City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Jeff Smith at 4:03 p.m.

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

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

Also attending: (Staff): William Mrdeza, Michelle Sponseller
(Guests): James Anderton, IV (Maple Grove Property Jim McBryde (MMDC),
W. Sidney Smith (Smith Development Company), Jennifer Verleger (MP
Public Schools)

II. Approval of Agenda

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

III. Approval of the June 13, 2017 Meeting Minutes

It was moved by Krapohl, seconded by Ling, to approve the June 13, 2017 meeting minutes as presented. **The motion passed unanimously.**

IV. Old and New Business:

A. EDC

1. Discussion of Changes to the Approved 410 W. Broadway Development Proposal and Action on Approving a Subsequent Conceptual Development Design

Mrdeza indicated that since the meeting packet was sent out, he had been contacted by Mercantile Bank and the Smith Development Company that they had restarted negotiations on a possible joint project for the 410 W. Broadway site. Revisiting this opportunity was a result of an earlier decision by Mercantile Bank to withdraw interest in developing their conceptual executive headquarters building on the site. Since the earlier project approval was predicated on both the Mercantile *and* Smith proposals being developed, the meeting

was originally called to get direction from the Board on the two remaining proposals: Smith and Maplegrove.

Mrdeza explained that he had recently met with Sid Smith and discussed Mercantile's reconsideration with Doug Ouellette of Mercantile Bank in order to understand where they were now with a joint project. Mr. Smith was called upon to discuss their project proposal further and indicated that the new concept was to allow Mercantile more frontage along Broadway and to move the Smith project further toward the river to accommodate this. In this way, the bank had more room to expand and had greater visibility on Broadway. Smith also produced two bank letters attesting to the financial ability of his company to undertake the project the Smith Group was proposing. Mrdeza indicated that a conceptual site design had not yet been created to depict this new arrangement, so explained the proposed spatial arrangement as he understood it with the help of Smith.

Further discussion on the topic ensued. It was then moved by Ridley, seconded by Kornexl, to request written confirmation by 5:00 pm on June 28, 2017 from Mercantile Bank that they have a continued interest in a joint project with the Smith Development Company for a combined project on the 410 W. Broadway site. The combined project was to consist of a single use, three story corporate office building (Mercantile), *and* a mixed use, five story development (Smith Group). Further, to instruct the City attorney to work with Mercantile and Smith to prepare a development agreement for the joint project to be submitted to the EDC Board for consideration no later than three weeks from the date of this EDC meeting (June 27, 2017). **The motion passed unanimously.**

A second motion was then introduced by Ling, seconded by Ridley, that if Mercantile Bank has not indicated within the 24 hour timeframe above (5:00 pm on June 28, 2017) that they were interested in pursuing a joint project with the Smith Development Company, the EDC will instruct the City attorney to draft a development agreement with Maplegrove Property Management, to be completed within three weeks of the date of the meeting (June 27, 2017). **The motion passed unanimously.**

2. Consider Approving the Amended 2017 and Proposed 2018 Economic Development Corporation Budget

Kornexl discussed the proposed 2017 amended budget, indicating that the major difference between the original budget and the amended budget was that there were additional funds allocated to the Unassigned line item. She also indicated that the proposed 2018 budget was changed little from the 2017 amended budget. It was moved by Kornexl, seconded by Coscarelly, to approve the 2017 amended and the proposed 2018 budgets for the Economic Development Corporation. **The motion passed unanimously.**

B. BRA**1. Consider Approving the Amended 2017 and Proposed 2018 Brownfield Redevelopment Authority Budget**

Kornexl again explained differences between the 2017 approved and proposed amended budgets, indicating the budget reflected payments according to the terms of the applicable Brownfield plans, including transfers to the Borden debt fund for remediation expenses. Kornexl explained that the 2018 budget reflects an increase in the capture associated with "The Lofts" project and gave a brief update on the McGuirk Pickard Street Plan. She indicated that with the sale of the property, additional value is unlikely and the plan that was written for the most recent project will most likely not generate sufficient taxes to reimburse for expenses incurred to date. It was moved by Kornexl, seconded by Krapohl, to approve the 2017 amended and the proposed 2018 budgets for the Brownfield Redevelopment Authority. **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 5:03 p.m.**