

## City of Mt. Pleasant

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

#### MINUTES OF THE REGULAR MEETING

August 7, 2018—1:00 P. M.  
City Hall, Conference Room A

#### I. Call to Order

The meeting was called to order by Chair Jeff Smith at 1:01 p.m.

**Present:** Tim Coscarelly, Mary Ann Kornexl, Allison Quast-Lents, Nancy Ridley, Jeff Smith (Chair), Jennifer Verleger

**Absent:** Tom Krapohl, Margaret McAvoy,

**Also attending:** (Staff): Chris Coucke, Jacob Kain, William Mrdeza, John Zang  
(Others): Lori Gillis, Sam Staples

#### II. Approval of Agenda

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

#### III. Approval of the June 13, 2018 Meeting Minutes

Kornexl noted that the language in the minutes in item A.1. under Old and New Business needed to be modified to read "...the \$40,000 *decrease* to be transferred to the Borden debt fund in 2019 was *due to the* capture on the May street Brownfield plan *expiring*." It was moved by Ridley, seconded Quast-Lents, to approve the June 13, 2018 meeting minutes as corrected. **The motion passed unanimously.**

#### IV. Old and New Business:

##### A. BRA

1. **There was no business that came before the Brownfield Redevelopment Authority at this meeting**

## **B. EDC**

### **1. Consider Two Existing Cellular Tower Lease Extensions and Amendments**

Mrdeza presented two leases with T-Mobile for the EDC Board to consider for renewal. He indicated that one of the leases was for a cellular tower owned by the EDC off of Gover Parkway and the other was for a tower on Franklin Street by the DPW building. Each of these leases expired on July 31<sup>st</sup> and were due for renewal. Mrdeza noted that each lease would generate a base rent payment to the City of \$1,400 per month (\$16,800 per year) and incorporated a 5% increase in the base rent amount every five years.

Public Works Director John Zang explained that the draft lease language had been reviewed and approved by the City attorney. If the language and terms of the leases were agreeable to the Board, the Chair would need to initial each page, after which the draft documents would be sent to the leasee (T-Mobile) to be redrafted into a final document that would then need to be executed by both the tenant and landlord. He requested the Board adopt a motion authorizing the Board Chair to take such action in the future. It was moved by Quast-Lents, seconded by Ridley, to approve the lease agreement language in both lease document and to authorize the Board Chair to sign the final lease documents once they have been received back from the tenant in their final form. **The motion passed unanimously.**

### **2. Consider Offer on Property Owned by the EDC in Industrial Park South**

Mrdeza informed the Board that he received a written purchase offer on the approximately four acres the EDC owned in Industrial Park South. The property in question has frontage on Isabella Road with an access easement off of the curb cut north of the property. Mrdeza reported that the offer received was for \$39,900 plus closing costs, resulting in an actual purchase price of about \$39,000. He indicated that the purchaser was interested in constructing a processing facility for medical marihuana on the property in accordance with the City's zoning and Medical Marihuana ordinance requirements. Mrdeza then reminded the Board that the City Assessor had previously placed an initial value on the property of about \$52,000. He then outlined three broad scenarios of action available to the Board: 1) accept the offer as presented (this was not a staff recommendation), 2) counter the offer with at least a purchase price of \$52,000 (or more), and 3) reject the offer and place the property out for bids (this included setting a minimum bid amount).

Ridley offered that other communities recently reported experiencing an increase of 2 to 7 times the original value of the property for those parcels eligible for medical marihuana uses. Chris Coucke, the City Assessor, suggested that the original value of \$52,000 was still reasonable, but it was too early to tell what impact medical marihuana might have on this price. He indicated that other communities and assessors he contacted recently on this question indicated seeing a 20-30% increase in property values for those parcels purchased for medical marihuana purposes.

Based on this discussion, Quast-Lents moved to reject the current purchase offer and put the property out for bid; Kornexl seconded the motion. Additional discussion ensued. Board members discussed the merits of the motion language and what might be gained by putting the property out for bid prior to seeing if the current purchaser was willing to

consider a counter offer at a higher amount. Other discussions included what amount the Board was interested in countering with or requiring a minimum bid amount if they decided to approve the motion as proposed. As a result of this discussion, Quast-Lents offered an amendment to her motion which would direct staff to counter the current offer with a price of \$75,000 and to give the purchaser three days to respond, or by close of business on Friday, August 10<sup>th</sup>. Kornexl, as the second to the original motion, agreed to this amendment to the original motion. **The amended motion passed unanimously.** Ridley suggested that when staff conveyed the counter offer to the buyer (through their agent), it should be made clear at that time that any agreed-upon price would need final confirmation by the City Commission.

Coscarely next moved to authorize staff, without additional Board action, to put the property out for bid at a minimum asking price of \$75,000 in the event the above counter offer was rejected and not countered by the identified deadline. Should this be necessary, the property would be advertised for 30 days before the Board would be asked to identify next steps. Ridley seconded the motion. After a brief discussion, **the motion passed unanimously.**

#### **V. Other Business**

There was no Other Business discussed at the meeting.

#### **VI. Public Comment**

There were no additional public comments received or given during the meeting.

#### **VII. Adjourn**

There being no other comments or business, **the meeting adjourned at 1:43 p.m.**