

City of Mt. Pleasant

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

MINUTES OF THE REGULAR MEETING

June 5, 2013 3:30 P.M.
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Joe Olivieri at 3:36 pm.

Present: Tim Coscarelly, Kathie Grinzinger, Kathy Ling, Jim Holton (alternate for Mayor Kathy Ling), Tom Krapohl, Joe Olivieri (Chair), Mike Pung, Nancy Ridley, Jeff Smith (Vice Chair)

Absent: Tim Dolehanty

Also attending: Brian Anderson (MMDC), Jeff Gray, Mary Ann Kornexl, William Mrdeza, Michelle Sponseller, Ryan Henry (Kincaid Henry), Gary Rakan (Infinity Capital Partners)

II. Approval of Agenda

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

III. Approval of the May 3, 2013 Meeting Minutes

It was moved by Smith, seconded by Krapohl, to approve the May 3, 2013 meeting minutes. **The motion passed unanimously.**

IV. Old and New Business:

A. BRA

1. Approval of Amended 2013 and Proposed 2014 Budgets

Kornexl presented the amended 2013 and proposed 2014 budgets for the Brownfield Authority. She noted that the amount of capture the Brownfield Authority realized was due in part to the construction of the McLaren project on Mission Street. Kornexl also noted that she projects a total of \$107,072 in working capital at the end of 2013.

Kornexl indicated that the amount of captured revenue will increase when the OPRA for City Hall expires in 2014 and full taxes are assessed on the building at that time. For

2014, Kornexl anticipates the amount of working capital available at the end of 2014 will increase from \$107,072 to \$131,532 as a result. It was moved by Krapohl, seconded by Smith to accept and approve the amended 2013 and proposed 2014 Brownfield Redevelopment Authority budgets as prepared and presented. **The motion passed unanimously.**

B. EDC

1. Approval of Amended 2013 and Proposed 2014 Budgets

Kornexl once again presented the amended 2013 and proposed 2014 budgets for the EDC Board's consideration. She noted that the budget included a projection to bring the City Hall parking lot rent owed by J.E. Johnson current and a loan write-off of \$1,510 owed by Sherrie's Scrapbooking. Kornexl projected the EDC would end 2013 with \$113,231 in working capital and end 2014 with an increase in working capital amounting to a total of \$125,391. It was moved by Ridley, seconded by Grinzinger to accept and approve the amended 2013 and proposed 2014 Brownfield Redevelopment Authority budgets as prepared and presented. **The motion passed unanimously.**

2. Interview with Respondents to Parcel B Development Proposal Request

Prior to the interview of the Kincaid Henry Group, Ridley reminded the EDC Board members that in order for the City to meet its financial obligations associated with the City Hall project, any proposal for development on Parcel B needed to generate about \$80,000 in tax revenue annually which equates to an investment of about \$5 million. The Board then invited Ryan Henry and Gary Rakan to present the concept for Parcel B development as proposed by Kincaid Henry. The conceptual project included three mixed use buildings on the site totaling approximately 80,000 square feet, including sixty apartment units. The total project cost was anticipated to be \$12.5 million and result in at least fifty permanent jobs. A twelve month construction period was forecast. Financing for the development project included a mix of private, state, federal, and local incentives.

After the presentation, the EDC Board requested an additional meeting to discuss the merits of the concept in more detail. Mrdeza asked for comments from the members to be forwarded to him ahead of time so they could be shared prior to the next meeting. Mrdeza indicated he would survey the members to determine the date of the next meeting.

V. Other Business

There was no Other Business discussed at the meeting.

VI. Adjourn

There being no other business, on a motion by Smith, seconded by Coscarelly, **the meeting adjourned at 5:33 pm.**