

City of Mt. Pleasant

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

MINUTES OF THE REGULAR MEETING

March 5, 2015—1:00 P.M.
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Joe Olivieri at 1:00 *p*a.m.

Present: Jim Holton, Mary Ann Kornexl, Tom Krapohl, Joe Olivieri (Chair), Mike Pung, Nancy Ridley, Jeff Smith (Vice Chair)

Absent: Tim Coscarelly, Margaret McAvoy

Also attending: Staff: William Mrdeza, Jacob Kain
Guests: Dave McGuire, representing Prism Real Estate Investments, LLC

II. Approval of Agenda

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

III. Approval of the October 29, 2014 Meeting Minutes

It was moved by Holton, seconded by Smith, to approve the October 29, 2014 meeting minutes. **The motion passed unanimously.**

IV. Old and New Business:

A. **BRA**

1. **Consideration of a Brownfield Plan for 715 Edgewood (Casa Loma Townhomes)**

Prior to the start of discussion on this item, Joe Olivieri recused himself from participation citing a conflict of interest as the potential contractor on the project. Jeff Smith assumed the Chairmanship of the meeting at this point. Kornexl and Mrdeza then presented a proposal for the Board to consider recommending a Brownfield Plan Amendment to Brownfield Site #16 that would support the reimbursement of eligible expenses associated with the demolition and redevelopment of property at 715 Edgewood. The proposed development consists of demolishing the current single story, eight unit (32 occupants) apartment building and

reconstructing a 2 ½ story, ten unit townhome development with a maximum allowable occupancy of 39. Private investment in the property is estimated to be \$985,000. The proposed plan amendment projects a reimbursement of \$148,000 to the developer over sixteen years, with an additional five years added to the plan to allow for the reimbursement of eligible expenses and capture for the local site remediation revolving fund. This would bring the total duration of the plan to twenty one years. The total eligible costs associated with the project amount to \$258,157. The *total* taxable value of the development increases from the current value of \$94,662 to \$550,825 after improvements. The *captured* taxable value is estimated to be \$456,163 based on the anticipated level of investment. After additional Board discussion on the proposal, it was moved by Holton, seconded by Krapohl, to recommend that the City Commission approve a Brownfield Plan amendment for Brownfield Site #16 as proposed. **The motion passed unanimously.**

B. EDC

1. Parcel B Development Issues: “Consideration of a Conceptual Development Proposal”

At this point in the meeting, Olivieri resumed the role of Chair. Mrdeza presented a conceptual development proposal for Parcel B from Prism Real Estate Investments, LLC. Prism proposed to construct two multi-story block and brick buildings on the parcel. One building to be constructed along Broadway is envisioned to be five stories and contain 7,000 square feet of retail space along with a 38,000 square foot assisted living facility. A second building, to be placed near the Chippewa River, will be four stories and include twelve upscale condominium units and twenty four first-floor, covered parking spaces. The estimated investment cost is \$5 million and could generate 50-60 permanent full time jobs with an annual payroll of \$1.5 million.

The Board discussed the fact that the proposal seemed to address most, if not all, of the previous criteria established for any Parcel B development proposal to be considered by the Board. After further discussion, it was moved by Holton, seconded by Smith, to offer a six month exclusive development agreement to Prism Real Estate Investments, LLC, as memorialized through a formal agreement. The six month period will commence once both parties agree to the language of the development agreement and appropriate signatures have been obtained. **The motion passed unanimously.**

2. Parcel B Development Issues: “Discuss Proposed Changes to the Expectations of Future Developments” and “Future Marketing Suggestions”

The agenda anticipated a discussion with the EDC Board regarding the appropriateness of the proposed development guidelines previously used for proposals on Parcel B, as well as a discussion regarding other options to market the property for development. Staff felt it was important to revisit both of these items since the last several attempts to work with a developer on their conceptual design for the property ultimately fell through. Given the fact that the EDC was just presented with a viable development project for Parcel B which was approved by the Board, the Board members agreed to suspend discussion on these two topics, pending the outcome of this most recent proposal.

V. Other Business

There was no Other Business discussed at the meeting.

VI. Adjourn

There being no other business, it was moved by Holton, seconded by Ridley, to adjourn.
The meeting adjourned at 1:38 p.m.