

City of Mt. Pleasant

**Central Business District (CBD) Tax Increment Finance Authority (TIFA)
Mission-Pickard Downtown Development Authority (DDA)
Industrial Park North TIFA
University Park TIFA**

MINUTES OF THE REGULAR MEETING

November 8, 2012, 10:00 A.M.

City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Vice Chair Rich Swindlehurst at 10:06 a.m.

Present: Tim Dolehanty, Kathie Grinzinger, Tom Krapohl, Rick McGuirk, Jeff Smith, Rich Swindlehurst (Vice Chair)

Absent: Tim Coscarelly, John Hunter, Doug Ouellette, Steve Silverberg, Mike Pung,

Also attending: (Staff): Jeff Gray, Mary Ann Kornexl, Jason Moore, William Mrdeza

II. Approval of Agenda

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

III. Approval of the September 18, 2012 Meeting Minutes

McGuirk offered a correction to the September 18, 2012 meeting minutes by indicating that he was present at the meeting rather than being shown as both present and absent in the minutes. This was the only change offered and was noted as an amendment to the previous minutes. It was moved by McGuirk, seconded by Krapohl, to approve the minutes of the September 18, 2012 meeting as amended. **The motion passed unanimously.**

IV. Old and New Business

A. TIFA

1. Consider Adoption and Recommend Approval of the 2012 Final Amended Budget

Kornexl presented the proposed amendments to the 2012 budgets of the CBD-TIFA, University Park TIFA, and Industrial Park North. In addition, the Board agreed to consider the amended 2012 budget of the DDA at the same time. It was moved by Dolehanty,

seconded by McGuirk, to approve the 2012 amended budgets as presented. **The motion passed unanimously.**

B. DDA

1. Consider Adoption and Recommend Approval of the 2012 Final Amended Budget

This item was acted upon as part of the discussion of the CBD-TIFA budgets as reported above.

2. Update on Mission Street Projects

- McLaren Mission Street Office Park: Mrdeza reported that the Brownfield Redevelopment Authority Board has been working with the developer on this project to amend the property's Brownfield plan to allow for reimbursement of the original demolition work and asbestos abatement, as well as utility line relocation and the construction of the street cross connection in the back of the property. Some of this reimbursement can occur as a result of the current "Phase I" construction while other reimbursements will occur only when the second, "Phase II" building is completed. Gray indicated that the cross-connector street is consistent with the recommendations presented recently by Ian Lockwood as part of the Mission Street transportation enhancements that will appear in the City's Master Plan update.
- Mission Mall: Mrdeza reported that as a result of a meeting that staff had with the developer of the Mission Mall property (the mall that burned down this summer next to the Isabella Bank branch on Mission Street), the DDA can expect a future request for incentives consistent with the Mission Street Redevelopment Overlay District. Specifically discussed was a cross connection between the new development and the Isabella Bank property to the north, decorative fencing, and possible signage. Mrdeza stressed that despite the best efforts of staff to get the developer to consider moving the new building closer to the road consistent with the Overlay District expectations, the developer has been unwilling to consider this option over their proposed building placement at the back of the lot with parking in front. Grinzinger commented that she was more inclined to incent developments that were consistent with the District's intent to bring buildings closer to the street with parking in the rear or at least a smaller parking footprint in front.
- Central Square Mall: Mrdeza also reported that construction had begun on the new building in front of the Central Square Mall (former Save-A-Lot building) and reminded the DDA that several incentives had been previously been granted for that development. Grinzinger inquired as to the value of the new investment. **Mrdeza, while not sure at the time of the meeting, reports now that the new construction is valued at \$400,000.**
- CVS/Grid Street: Mrdeza and Jason Moore from the City's Public Works Department reported that four firms were interviewed to provide engineering and design assistance for the proposed grid street south of the Sherwin-Williams store in the Campus Plaza Mall. The interview committee recommended the firm of Fleis and Vandenbrink on the strength of their proposal and the cost. Based on the

committee's recommendation, it was moved by Krapohl, seconded by McGuirk, to contract with Fleis and Vandenbrink for the engineering design of the Campus Plaza grid street at a price not to exceed \$14,550. **The motion passed unanimously.**

Mrdeza next reported that staff recently met with the owner of the Campus Plaza Mall to explore the possibility of enhancing the planned grid street in the Sherwin-Williams location using a conceptual design proposed by Ian Lockwood and suggested by Fleis and Vandenbrink during their interview. After some discussion, the property owner was interested in the possibility, but requested assistance with a façade rendering to the south end of the mall (including Sherwin-Williams) that he could share with his tenants in order to solicit their concurrence with the concept. Staff felt that improvements to the grid street would provide better exposure to the mall tenants in that location and could result in greater sales or rents in the future. It was moved by McGuirk, seconded by Smith, for staff to work with the property owner and the architect the City has contracted with for Mission Street façade designs to assist with suggestions for improvements to the building façade in this location. **The motion passed unanimously.**

V. Adjourn

There being no other business, the meeting adjourned at 11:15 am.



MEMORANDUM

TO: DDA/CBD-TIFA Board Members

FROM: William R. Mrdeza *W.R.M.*
Community Services and Economic Development Director

DATE: December 10, 2012

SUBJECT: Agreement to Share Captured Taxable Value

Several of the Brownfield Redevelopment Authority (BRDA) plans are in the Central Business District TIFA (CBD-TIFA) and the Mission Street Downtown Development Authority (DDA). Both the Brownfield & TIF development plans serve the goal of stabilizing and enhancing the tax base and levels of employment. Due to the same goals, the boards of the BRDA, CBD-TIFA and DDA agreed to share the captured taxable value of the eligible properties with the BRDA capture coming first and the remaining capture going to the CBD-TIFA and DDA until the Brownfield plans expire. A written agreement had never been formally adopted because at the time many of the plans were adopted, the BRDA, CBD-TIFA, and DDA were all the same board.

Since the Boards have separated, staff is recommending the formal adoption of a sharing agreement for all the existing plans that are currently sharing taxable value in order to insure clarity. These plans to formalize the sharing of taxable value, as prepared by Clark-Hill, are shown in Appendix A of the attached agreement. The State Statutes that allow taxable value sharing require the City Commission to consent to the agreement made between the BRDA and the CBD-TIFA/DDA.

Action Requested:

Recently the Brownfield plan written for the Budget/Chieftain Inn site was amended to allow for a change in the originally proposed development by way of scope and level of investment. Since this revenue sharing agreement is formalizing past practice and was recently reaffirmed with this recent plan amendment, it is recommended that the CBD-TIFA and Downtown Development Authority Boards adopt the attached agreement to share captured taxable value for all the existing Brownfield plans identified in Attachment A and further to recommend that the City Commission consent to the adopted agreement.