

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

April 9, 2015 10:00 AM
City Hall, Conference Room A

I. Call to Order

The meeting was called to order by Chair Rich Swindlehurst at 10:00 am.

Present: Tim Driessnack, John Hunter, Tom Krapohl, Margaret McAvoy, Nancy Ridley, Jeff Smith, Rich Swindlehurst (Chair),

Absent: Tim Coscarelly, Rick McGuirk (Vice-Chair), Lisa Orlando, Terri Zitzelsberger

Also attending: (Staff): Mary Ann Kornexl, William Mrdeza, Stacie Tewari, Michelle Sponseller
(Others): Damian Fisher, Tim Lapham

II. Approval of Agenda

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

III. Approval of the February 12, 2015 Meeting Minutes

There was no meeting in March. It was moved by Smith, seconded by Krapohl, that the February 12, 2015 meeting minutes be approved as presented. **The motion passed unanimously.**

IV. Old and New Business

A. TIFA

1. Receipt and Acceptance of the 2014 End of Year Financial Statements

Kornexl presented the final 2014 TIFA financial statements for the Board's review and acceptance. She indicated that the CBD TIFA ended the year with about \$134,000 of unassigned funds and \$421,101 in total working capital. She also reported that the Personal

Property Tax amount shown in the report is an estimate of what she expects the state to provide in lost reimbursement. The Industrial Park North TIFA ended with a total working capital of \$125,429 while University Park ended with \$169,823 of total working capital and almost \$40,000 of unassigned capital. This TIFA is scheduled to end in December, 2015. It was moved by Ridley, seconded by Krapohl, to accept the 2014 year end TIFA financial statements. **The motion passed unanimously.**

2. University Park Activity Update

Mrdeza provided a brief update from Erin O'Brien regarding activities in the University Park SmartZone. She reported that she is in the process of meeting with stakeholders individually to obtain feedback for the extension plan and has received an extension on the due date to submit the plan until June 30th. During this time, she will continue to receive suggestions, work on the extension application, and meet with the various boards in order to obtain their approvals prior to the submission of the application by the deadline.

B. DDA

1. Receipt and Acceptance of the 2014 End of Year Financial Statements

Kornexl presented the final 2014 DDA financial statement for the Board's review and acceptance. Again, she noted that the amount shown for Personal Property Tax reimbursement from the state in the amount of \$10,944 was an estimate at this time. The DDA ended the year with \$402,065 in total working capital with approximately \$77,000 of that being unassigned. There being no questions, it was moved by Driessnack, seconded by Smith, to accept the 2014 year end DDA financial statement. **The motion passed unanimously.**

2. Authorization for Chair to Enter Into a Contract with the City of Mt. Pleasant to Pay for Intersection Improvements at Mission/Broadway and Mission/Michigan in 2015

Mrdeza reported that the City Commission approved entering into a contract with MDOT for enhancements to the signal design at the Mission/Broadway and Mission/Michigan intersections. Since the funds for the enhancements will come from the DDA, a separate agreement between the City and the DDA is required. Mrdeza presented a simple agreement to that effect as prepared by the City Attorney, in the amount of \$49,600 for the Board's consideration. He reminded the Board that this had been previously budgeted for. It was moved by Smith, seconded by Hunter, to authorize the Chair and Secretary to sign the cost reimbursement agreement between the DDA and the City of Mt. Pleasant for enhancements to the MDOT signal project at Mission/Broadway and Mission/Michigan streets. **The motion passed unanimously.**

3. Final Consideration of the Request from Lapham Associates to Consider Additional Incentive Funds for 1523 and 807 S. Mission Street

Tim Driessnack began the discussion by recusing himself because of a conflict of interest. Mrdeza then presented revised information regarding a request from D & D Investments for additional funding to cover overrun costs of the amenities for the McLaren and Popeye's developments. Mrdeza worked with the City's Engineering Department staff to further review the request and as a result, presented a revised recommendation to the Board to consider. Mrdeza indicated that based on the staff review, he was recommending an increase in incentive funding of \$35,836.93 between the two projects. The staff felt that under the circumstances, this was reasonable since the additional amount would most likely have been originally considered had the initial estimates been more accurate.

In addition, Mrdeza provided revised incentive program guidelines for the Board to consider moving forward. These guidelines include an initial meeting between the applicant and the Board to discuss the proposed project, the submission of construction bids and not engineering estimates, and the inclusion of unit pricing in the bids received. Also, any request for 100% funding (such as driveway closures) will require three construction bids in order to be considered.

Discussion ensued and each Board member had a chance to comment on the recommendation to increase incentive funding as well as on the proposed guidelines. As a result of the discussion, it was moved by Hunter, seconded by Smith, to approve a combined increase in incentive funding between the McLaren and Popeye's projects of \$35,836.93. **The motion was passed with a vote of 5 in favor, 1 abstaining (Driessnack), and 1 objection (McAvoy).**

In the case of the proposed guidelines, it was recommended to eliminate the provision that the applicant could avoid meeting with the DDA Board on projects that did not require Planning Commission review. As a result, all requests for incentive funds from the DDA will require a conceptual meeting between the DDA Board and the developer. It was then moved by Driessnack, seconded by McAvoy, to adopt the guidelines for the use of incentive funds as amended. **The motion passed unanimously.** Mrdeza indicated that these will now be placed on the City's web site in order to be more accessible.

V. Other Business

There was no Other Business for the Board to discuss.

VI. Adjourn

There being no other business, the meeting adjourned at 10:49 am.

