

BATTLE CREEK TAX INCREMENT FINANCE AUTHORITY

Tuesday, April 16, 2019

An annual meeting of the Battle Creek Tax Increment Finance Authority was held on Tuesday, April 16, 2019 at 3:00 p.m. at the Frederick R. Brydges Customs Cargo Center, BCU Board Room. The following individuals were in attendance: Messrs. Bowman, Christensen, Claywell, Czerney, Davis, McKernan, Newsome, Stewart and Mmes. Darner, Fleury, White.

Absent were: Messrs. Claywell, Kreter, and Ms. Visger.

Also in attendance were: Messrs. Bowron, Corder, Dearing, Gibson, Mumford, Reid, Sobieralski, Weaver, and Mmes. Hovarter, Jones, and Young.

Mr. Stewart called the meeting to order at 3:00 p.m. Roll call of attendance was recorded.

APPROVAL OF MINUTES

MOTION: Mr. McKernan moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the amended agenda as presented on the screen and the January 15, 2019 minutes as presented. Mr. Bowman supported the motion and it was unanimously approved.

AMEND FY 2018-19 / APPROVAL OF FY 2019-2020 GENERAL OPERATING BUDGETS

Mr. Sobieralski presented the BCTIFA General Operating budget that was provided in the board packet beginning on page 6 and covering the last two columns of the worksheet. Budget discussion ensued and it was concluded that the \$300,000 originally proposed for TODA, \$100,000 would go to the Capital Projects budget and \$200,000 would go to the General Operations budget.

MOTION: Mr. Czerney moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the proposed FY 2019-20 General Operating budget with the modification to transfer \$100,000 to line item (Business Unit 999.440) for a grand total of \$720,199. Mr. Christensen supported the motion and it was approved by majority vote. (8 Yes/2 No)

MOTION: Mr. Bowman moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to amend the FY 2018-19 General Operating budget as presented. Ms. Fleury supported the motion and it was unanimously approved.

AMEND FY 2018-19 / APPROVAL FY 2019-2020 CAPITAL BUDGETS

Mr. Sobieralski presented the BCTIFA Capital budget that was provided in the board packet beginning on page 8 and covering the last two columns of the worksheet.

Mr. Bowron was asked to cover the airport budget request for the implementation of new branding, logo and signage. As part of implementing the Strategic Business Plan and its goals and objectives the purpose of this project is to implement the rebranding of the airport. This includes production of new marketing materials with a new logo and the purchase and installation of new monument/wayfinding

signs for easy navigation to various facilities located at the airport. This would drive traffic to our airport.

MOTION: Mr. Czerney moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the proposed FY 2019-20 Capital Projects budget as presented with one modification, to add to the revenue section, a transfer of \$100,000 in from the BCTIFA General Operating budget. Mr. McKernan supported the motion and it was unanimously approved.

MOTION: Mr. Christensen moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to amend the FY 2018-19 Capital Projects budget as presented. Mr. Bowman supported the motion and it was unanimously approved.

NOMINATING COMMITTEE

Mr. Sobieralski stated there are two members whose terms will expire on April 28, 2019, Rod Christensen and Tim Czerney.

Re-appointments – The BCTIFA Board recommends to the City Commission the re-appointments of Rod Christensen and Tim Czerney each for a four-year term.

Resignation – The BCTIFA Board received a resignation letter from Mark Kreter. Mr. Kreter and family are relocating their residence to Benton Harbor, Michigan. Mr. Kreter served as a resident on the Board. In addition, Mike Bowman will be retiring from Denso Manufacturing Michigan on May 17, 2019 and will be resigning his position on the Board.

Election of Officers – this will take place after the City Commission ratifies the re-appointments.

MOTION: Mr. McKernan moved that the Battle Creek Tax Increment Finance Authority Board of Directors accept the resignation of Mark Kreter with regrets. Ms. White supported the motion and it was unanimously approved.

LAND SALE SHIGA DRIVE LOT #2

Mr. Sobieralski stated Battle Creek Unlimited has been working with some developers to develop a spec building. There are currently no remaining facilities left to lease in the Fort Custer Industrial Park. The former WKW building located at 215 N. Hill Brady Road was just purchased. Torishima Pump is leasing space at 4600 W. Dickman Road, Advantage Sintered Metals acquired the 5701 W. Dickman Road, and 4956 Wayne Road has been acquired for possibly a medical marijuana grow facility. BCU could possibly be an equity partner and the land could be sold at the same time. The developer could get traditional financing, however would need to have a percentage of the building leased. The developer is seeking guaranteed leases over a four-year period.

Mr. Stewart stated there are businesses actively needing space by 2020 or before. It has not hit crisis level but will be heading in that direction. This is an incredible opportunity. Mr. Sobieralski will return with a proposal of scenarios to review. BCU receives building requests every month.

Mr. Sobieralski stated the communities that have product available will be more successful in landing a new business, as well as current businesses in the Park could take advantage of the scenario as well. There are two lots remaining on Shiga Drive. Mr. Sobieralski is proposing using lot #2 for a spec building.

ROBBINS BUILDING UPDATE

Ms. Jones stated a flood occurred in the Robbins Building in February. The insurance company sent a check for \$10,000. Staff continues to work with the insurance company to finalize the ServPro claim of \$41,000. A meeting took place with the Battle Creek Public Schools (BCPS) on April 2, in regards to dissolving the Robbins Building Condo Association. This would mean the BCTIFA or BCPS would no longer pay into condo dues, bills would be expensed to shared tenants.

The BCTIFA and BCPS would continue to carry common bills such as the fire alarm, monitoring system, and water. The BCTIFA will continue to pay for water for the irrigation of the site.

MOTION: Mr. Christensen moved that the Battle Creek Tax Increment Finance Authority Board of Directors authorize the BCTIFA Chairman to execute all of the necessary documents to terminate the Robbins Building Condo Association, dissolve the Corporation and agree to a cost sharing arrangement with the BCPS. Ms. White supported the motion and it was unanimously approved.

Mr. Mumford indicated there is currently no agreement in place where the BCTIFA will purchase the BCPS unit before they move.

Ms. Jones stated she recently toured a childcare provider through the daycare suite. The daycare is interested in providing daycare for second and third shifts.

Ms. Jones stated the Robbins Building is still in a pending status with the realtor. She asked if we should take the building off the market or continue with the listing. Mr. Stewart suggested the Robbins Building Committee meet to decide the next course of action would be.

PROSPECT/PROJECT DEVELOPMENT UPDATE

Hill Brady Road Path – Ms. Jones provided an update on the status of the path. Staff is working with the City of Battle Creek on the final paperwork regarding easements along the path. There were six businesses that were required to sign easements associated with their land or a waiver for the appraisals. The project will be bid out in July and construction will begin in August. Land closures will take place from West Dickman Road to Skyline Drive.

PUBLIC COMMENTS

No public comments were made.

There being no further business, the meeting was adjourned at 4:26 p.m.