

BATTLE CREEK BROWNFIELD REDEVELOPMENT AUTHORITY

Tuesday, October 15, 2019

A regular meeting of the Battle Creek Brownfield Redevelopment Authority was held on Tuesday, October 15, 2019 at 3:35 p.m. at the Frederick R. Brydges Customs Cargo Center, BCU Board Room. The following were in attendance: Messrs. Christensen, Davis, Stewart, and Wilson and Mmes. Darner, Fleury, Visger, and White.

Absent were: Messrs. Claywell, Czerney, Newsome, and McKernan.

Also, in attendance were: Messrs. Corder, Dearing, Gibson, Mumford, Reid, Sobieralski, and Ms. Young.

Mr. Stewart called the meeting to order at 3:53 p.m. Roll call of attendance was recorded.

APPROVAL OF MINUTES

MOTION: Mr. Christensen moved that the Battle Creek Brownfield Redevelopment Authority Board of Directors approve the minutes of the July 16, 2019 as presented. Ms. White supported the motion and it was unanimously approved.

BROWNFIELD PLAN #15 – 50 W. MICHIGAN AVENUE, LLC

Mr. Sobieralski stated that the Brownfield Plan #15 is associated with a 18,000 square foot building located at 50 W. Michigan Avenue in the downtown. The developer is proposing to rehabilitate the existing building into a rock-climbing gym that will include climbing walls for beginners and advanced climbers and space for other fitness activities. The project will include lead and asbestos abatement, interior and exterior demolition activities, site preparation, and environmental activities. The project (Battle Rock) is expected to commence in fall of 2019 and be completed within 12 months. Total capital investment is estimated at approximately \$4.7 million and is expected to generate five full-time and part-time jobs.

The BCBRA proposes to implement this Brownfield Plan to promote economic development and brownfield redevelopment within the city. The project will significantly improve the overall use of the property by replacing a currently vacant building with a development that will bring new life to the site. This Brownfield Plan allows the BCBRA to capture incremental taxes Tax Incremental Revenues (TIR), generated by redevelopment of the property for the reimbursement of the developer, 50 W. Michigan Avenue, LLC, for the costs of eligible activities required to prepare the property for safe redevelopment and reuse, reimbursement of the authority's actual administrative and operations costs, and funding of the authority's Local Brownfield Revolving Fund (LBRF). The capture and use of the TIR generated by 50 West's redevelopment are necessary to ensure the economic viability of the project. The estimated total cost of eligible activities for reimbursement for Tax Incremental Revenues under this plan is \$543,575.

MOTION: Ms. Fleury moved that the Battle Creek Brownfield Redevelopment Authority Board of Directors approve Brownfield Plan #15 for 50 W. Michigan Avenue, LLC, project Battle Rock as presented. Ms. White supported the motion and it was unanimously approved.

BASF TODA TAX CAPTURE

For the BASF TODA Brownfield Plan project, the Battle Creek Tax Increment Finance Authority (BCTIFA) loaned funds to the Battle Creek Brownfield Redevelopment Authority (BCBRA) for the project. The intent, as described in the Brownfield Plan for the project, was that the BCBRA would capture taxes from the parcel and use that revenue to pay back the BCTIFA. The BCTIFA acknowledged in the minutes that, “The BCBRA would capture taxes and repay the loan back to the BCTIFA as the new tax base comes through.” However, the BCTIFA did not officially relinquish its right to capture taxes on this parcel for the duration of the BCBRA’s payback period. This was an administrative oversight.

MOTION: Mr. Christensen moved that the Battle Creek Brownfield Redevelopment Authority Board of Directors acknowledges the BCTIFA’s relinquishment of its right to capture taxes on the BASF TODA site for the duration of the BCBRA’s loan repayment. The BCBRA also acknowledges that the BCTIFA’s taxing rights to capture are to be reinstated at the end of the loan repayment. Ms. Visger supported the motion and it was unanimously approved.

PUBLIC COMMENTS

No public comments were made.

ADJOURN

There being no further business, the meeting was adjourned at 4:00 p.m.