

**BATTLE CREEK TAX INCREMENT FINANCE AUTHORITY**

**Tuesday, January 23, 2018**

At a regular meeting of the Battle Creek Tax Increment Finance Authority held on Tuesday, January 23, 2018 at 3:20 p.m. at the Frederick R. Brydges Customs Cargo Center. The following individuals were in attendance: Messrs. Bobrofsky, Bowman, Christensen, Czerney, Karre, Newsome, and Ms. Darner.

Absent were: Messrs. Claywell, Richmond, Stewart and Mmes. Fleury, Tuggle and White.

Also in attendance were: Messrs. Mumford, Pruiim (Rehmann Robson), Sobieralski, and Mmes. Hovarter, Jones, and Young.

Mr. Bobrofsky called the meeting to order at 3:20 p.m.

**APPROVAL OF AGENDA / ROLL CALL**

A revised agenda was provided. Roll call of attendance recorded.

**APPROVAL OF MINUTES**

MOTION: Mr. Karre moved that the BCTIFA Board of Directors approve the October 17, 2017 minutes as amended. Mr. Newsome supported the motion and it was unanimously approved.

MOTION: Mr. Czerney moved that the BCTIFA Board of Directors approve the December 19, 2017 minutes as presented. Mr. Bowman supported the motion and it was unanimously approved.

**APPROVAL OF AUDIT ENDING JUNE 30, 2017**

Mr. Brent Pruiim stated the Audit ending June 30, 2017 was submitted for board review. The audit is unmodified clean opinion, the highest level of assurance you will get on the financial statements.

MOTION: Mr. Bowman moved that the BCTIFA Board of Directors approve the Audit for fiscal year ending June 30, 2017 as presented and respectfully submits it for City Commission approval. Mr. Karre supported the motion and it was unanimously approved.

**APPROVAL OF ANNUAL REPORT 2016-17**

Ms. Hovarter presented the Annual Report for 2016-17 that was provided in the board packet on pages 44 and 45.

MOTION: Mr. Karre moved that the BCTIFA Board of Directors approve the Annual Report for FY 2016-17 as presented and respectfully submits it for City Commission approval. Mr. Christensen supported the motion and it was unanimously approved.

### **US ARMY CORPS OF ENGINEERS ACCESS AGREEMENT**

Mr. Sobieralski stated the US Army Corps of Engineers are looking to access the area of Nexthermal Corporation, Anatech, Harts Lake, II Stanley Company, Inc., Franklin Plastics, and the Shiga Drive property that was recently cleared. There is a range that they would like to delineate where they shot off canons (artillery line). The area of concern is behind II Stanley Company. An assessment will be performed where they x-ray the ground and should they find artillery, they will take care of the costs. The US Army Corps of Engineers will obtain a six-month easement to x-ray the grounds. The access agreement was included in the board packet on pages 55 and 56.

Ms. Jones will research whether the Denso facility located at 1475 Hill Brady Road would be included in the access agreement.

MOTION: Mr. Czerney moved that the BCTIFA Board of Directors approve the US Army Corps of Engineers access agreement as presented. Mr. Karre supported the motion and it was unanimously approved.

### **NEXTHERMAL LAND SALE**

Mr. Sobieralski presented the OHM Engineering documents confirming the wetlands behind Nexthermal. BCTIFA would exchange clearing and filling the wetlands area in for Nexthermal in exchange for Nexthermal acquiring the land to the east of their existing parking lot. Legal counsel and Nexthermal are working on an agreement. It is estimated to cost approximately \$90,000-\$100,000.

Mr. Mumford stated that the BCTIFA Board is being asked to approve the ultimate transfer of land deed once the land is cleared, filled, and balanced.

Mr. Sobieralski stated this would encourage Nexthermal to expand adding additional employment and investment.

MOTION: Mr. Karre moved that the BCTIFA Board of Directors approve the land transfer in exchange for land to be cleared, filled and balanced at Nexthermal. Mr. Bowman supported the motion and it was unanimously approved.

### **SYSTEX PRODUCTS CORPORATION AGREEMENT**

Mr. Sobieralski presented the soil used to balance the Nexthermal site will be coming from the clearing and balancing at the Systex Products Corporation site located at 300 Buckner Drive. Approximately 125,000 cubic yards of fill will be removed from this site for a future bridge to the airport. Approximately 10,000 cubic yards will be delivered to Nexthermal and the remaining fill will be delivered to the airport. The grading plan, future road, and future bridge plans will not include the TAP Transport company located at the end of the cul-de-sac at Buckner Drive. The City of Battle Creek will solicit bids for the clearing project.

Mr. Sobieralski stated Systex Products Corporation is getting value from this project and they are considering expansion possibilities.

In addition to the future bridge to the airport, there are plans to reconfigure Buckner Drive for an additional intersection. MDOT will grant the additional intersection as there are no restrictions.

MOTION: Mr. Karre moved that the BCTIFA Board of Directors approve the agreement with Systex Products Corporation to convey the property in exchange of clearing, filling and balancing the site as presented. Mr. Bowman supported the motion and it was unanimously approved.

### **PROSPECT/PROJECT DEVELOPMENT UPDATE**

Mr. Sobieralski provided a Power Point presentation on the following:

Cypress Creek Renewables – has an interest in a parcel located in Fort Custer Industrial Park. The land is associated with Lawrence Lake and the military currently leases the property until 2041. The company would like to lease the property for 20 years for \$1,000 per acre/per year for a solar farm.

Mr. Sobieralski stated that staff would work with the military on the proposed site. It was the consensus of the BCTIFA Board to explore options.

Project Crown – is a Canadian company that will be visiting Battle Creek next week. The company may be interested in building new.

Robbins Building Update – Ms. Jones stated a Robbin Building Committee meeting was held on January 22. The Committee discussed possibly leasing the space as we have it for sale. It was discussed working with a realtor to see what options are available. The Committee reviewed a proposal. Legal Counsel has been pulled in to review the questions and provide answers. A special meeting may be needed if we continue receiving proposals. There have been many requests to see Suite D. The roof work has been placed on hold, only two of three quotes were received.

Mr. Christensen stated Manpower has listed their suite for sale. Battle Creek Public Schools currently has a commissary in the basement where they produced lunches for elementary schools.

President's Fort Custer Industrial Park Forum – a breakfast event will be held on Tuesday, January 30, at 7:30-9:00 AM at the Battle Creek Country Club.

2018 Economic Outlook – a breakfast event will be held on Thursday, February 8, at 7:00 – 9:00 AM at McCamly Plaza Hotel.

Upcoming Meeting Schedule – Mr. Sobieralski asked the BCTIFA Board to place holds on the following meeting dates: February 27 at 3:00 PM; March 20 at 3:00 PM; and April 17 is the Annual Meeting at 3:00 PM. If the meetings are not necessary, staff will inform of a cancelled meeting one week in advance.

Budget Committee – meeting dates will be provided for upcoming meetings.

Nominating Committee – three board members terms will expire in April: Albert Bobrofsky, Nelson Karre, and Betty Tuggle. The election of new officers will also be required.

Missile Defense Update – the \$700 Billion Emergency Defense Spending Bill was signed in December 2017 had language talking about a 60-day clock that would start and expire on February 12-14. A letter was sent to the MDA, throwing support for the Fort Custer sites. The MDA sent a return letter to Senator Gary Peters saying we have been instructed in the second quarter of FY 2018 to make a decision of a site being chosen. The fiscal year starts in October. There is a total of four sites: Ohio, New York, and Battle Creek, MI with.

two sites. In Ohio, approximately 40 facilities need to be removed to make it shovel ready. In New York, a state highway must be removed. Battle Creek, MI is shovel ready and has the capability to build out.

#### **PUBLIC COMMENTS**

No public comments were made.

#### **ADJOURN**

There being no further business, the meeting was adjourned at 4:15 p.m.