

**BATTLE CREEK TAX INCREMENT FINANCE AUTHORITY**

**Tuesday, October 20, 2020**

A regular meeting of the Battle Creek Tax Increment Finance Authority (BCTIFA) was held on Tuesday, October 20, 2020 at 3:00 pm via virtual Zoom conference call. The following individuals were in attendance: Messrs. Christensen, Claywell, Czerney, Davis, Wilson, and Mmes., Fleury and White.

Absent: Mr. Hodge and Mmes. Darner, Straub, and Visger.

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

Ms. White called the meeting to order at 3:00 pm. Roll call of attendance was recorded.

**APPROVAL OF MINUTES**

**MOTION:** Mr. Christensen moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the September 15, 2020 minutes as amended and presented. Mr. Davis supported the motion, and it was unanimously approved.

**CONVEY EASEMENT OF BCTIFA LAND TO WSI**

Mr. Sobieralski presented the board with a proposed convey of an easement of BCTIFA-owned property to WSI for a parking lot expansion. WSI is located at 201 Fritz Keiper Blvd.

Mr. Czerney informed the Board that VIB, Inc. owns the property and leases it to WSI. WSI is the business that operates out of it. The easement may need to be given to VIB, Inc.

Mr. Mumford asked whether the business was seeking a temporary easement (6-9 months) during construction and that they would provide any improvements to the easement for parking purposes, and the business would restore the property when finished.

Mr. Sobieralski stated that the easement will be used for permanent parking including asphalt to expand their current parking lot.

Mr. Czerney stated that WSI will be expanding its office to accommodate for additional jobs. The easement will be necessary to accommodate for additional parking.

Mr. Mumford questioned the taxation of the property. Why would VIB, Inc. not own the easement and be taxed for the property?

Mr. Sobieralski stated that the business is looking to invest more into the facility. The BCTIFA-owned property would only be used if MDOT planned to construct or widen West Dickman Road (M-96).

Mr. Mumford stated that we can provide a Deed to VIB, Inc. subject to the MDOT rights of an easement.

Mr. Czerney stated that would be acceptable to VIB, Inc. He would also abstain from voting on this matter.

Ms. Fleury asked for clarification on the staff request to convey the easement versus Deed the property to VIB, Inc.

Mr. Sobieralski stated that the easement was requested and both WSI and VIB, Inc. was not aware they could purchase the property. Since the property can be purchased, it will go on the tax roll.

MOTION: Mr. Davis moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to convey the proposed property, Deed to VIB, Inc. for the sum of \$1.00, subject to the State of Michigan MDOT easement rights. Mr. Wilson supported the motion, and it was approved. Mr. Czerney abstained from the vote.

#### **CONSIDER PHASE I & PHASE II SALES AGREEMENT FOR I-94 PROPERTIES**

Mr. Sobieralski stated that the I-94 property was sold to Industrial Partners USA LLC in three phases. The company recently broke ground on Phase 1 at the end of September. Construction is underway and steel will be raised very soon. The company has received lots of activity on Phase I. Staff continues ongoing discussion with the developer on a weekly basis. Multiple companies are interested in the first building.

Mr. Sobieralski presented the Board with the multiple phases that was decided upon when the property was sold. Phase 1 included providing \$150,000 at closing and a Promissory Note for \$150,000. The developer would be unable to move to Phase 2 until the developer invests \$10 million into Phase 1. The developer would be willing to pay the obligated purchase price of Phase I and Phase 2.

The prospect interested in leasing the spec building has approximately 200 jobs.

A site drawing of the proposed parcels was presented. Parcel A included 55.14 acres; 25 acres currently under development; Parcel B includes 17.3 acres in Phase 2; and Parcel C is 17.2 acres is Phase 3.

No action was necessary at the meeting today.

Mr. Sobieralski stated that a special meeting may be necessary if the developer changes the parameters.

Mr. Mumford stated that the BCTIFA Board has already approved the development agreement which outlines, the developer pays \$150,000 for Parcel A and the developer invests \$10 million. Staff has the authority to allow the option of Parcel B without a special meeting. If the developer deviates from the original plan, then a special meeting is needed.

Ms. White stated that staff has the authority to move the project forward if the two conditions were met.

#### **TREE REMOVAL AND REPLACEMENT PLAN**

Mr. Sobieralski stated that staff has mentioned the trees along West Dickman Road in past meetings. The BCTIFA owns several acres of land and the streets right of way around the Fort Custer Industrial Park. The existing pine trees notably along West Dickman Road have aged and are dying. Staff proposes to develop a proposal to eliminate the trees and possibly work with the City's Arborist to diversify the types of trees for replacement.

Mr. Sobieralski stated that the cost to remove and replace the trees will need to be worked into next year's budget or he suggested that the costs be divided into multiple years.

Mr. Sobieralski stated that some Fort Custer Industrial Park tenants has brought the dying trees to his attention a few times.

Mr. Czerney stated that it is a combination of the age, but the trees have a blight or disease that affects evergreens.

Ms. Fleury stated that the plan should be presented to the City's Tree Committee. There are several experts on the Tree Committee that would be able to help and provide input including the Arborist.

Staff will develop a plan and work with the City's Tree Committee and propose it to the BCTIFA Board for consideration.

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

Mr. Corder provided an update on the following pipeline projects:

**Project Viking:** The company is interested in the two Shiga Drive parcels. The site consultant is currently in Battle Creek this week for a community site visit.

**Project Triplet:** This is the spec building project located at I-94 South.

**Project Spectrum:** This is a European manufacturer looking at the former Clyde Union Pump building. The company is planning a site visit at the end of October or early November.

**Project Hickory:** This company is a Japanese company that relocated from Jackson, Michigan. The company started operations in the Customs Cargo Center office space.

**Project Beacon:** This is a food industry company that was discussed at the last BCTIFA meeting. The company continues working with BCU, City and Bedford to align parcels at the hilltop North of BCU for the project.

***Project Branch:*** This is a PPE manufacturer interested in the Lotte building. The company manufactures gloves, gowns, face masks and is interested in Battle Creek.

**PUBLIC COMMENTS**

No public comments were made.

There being no further business, the meeting was adjourned at 3:27 p.m.