

## **BATTLE CREEK TAX INCREMENT FINANCE AUTHORITY**

**Tuesday, July 21, 2020**

A regular meeting of the Battle Creek Tax Increment Finance Authority (BCTIFA) was held on Tuesday, July 21, 2020 at 3:00 pm via Zoom conference call. The following individuals were in attendance: Messrs. Christensen, Claywell, Davis, Hodge, Wilson, and Mmes. Darner, Fleury, Straub, and White.

Absent: Mr. Czerney and Ms. Visger.

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

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

### **APPROVAL OF MINUTES**

**MOTION:** Ms. Fleury moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the May 19, 2020 minutes as presented. Mr. Wilson supported the motion and it was unanimously approved.

### **AIRPORT TAXIWAY C**

Mr. Bowron presented background information regarding the memo that was included in the board package. Mr. Bowron was requesting \$22,778 in additional grant match funds for the third and final phase of Taxiway C. He stated that the project came in 30% higher than the estimate, however the total match for this project is 1.9%.

**MOTION:** Mr. Wilson moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the additional \$22,778 for the third and final phase of Taxiway C reconstruction. Mr. Christensen supported the motion and it was unanimously approved.

### **SKYLINE DRIVE/HILL BRADY ROAD**

Mr. Sobieralski presented some background information on the Skyline Drive/Hill Brady Road project. The Air National Guard is proposing a new roundabout entrance at the intersection of Skyline Drive and Hill Brady Road. The project consists of approximately \$20 million, \$237,200 of BCTIFA funds will be used for an engineering study and design work. This will allow staff to go after federal funds to support military communities. The \$237,200 was budgeted and programmed in the Capital Improvement budget for this fiscal year.

Mr. Christensen asked why the need for a roundabout as it was already a corner intersection. Mr. Gibson stated it is for safety and traffic control. There are many semitrucks that come through this area, the roundabout will allow trucks to move through without blocking traffic being more efficient.

**MOTION:** Mr. Christensen moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the additional expense of \$200 for the Hill Brady Road/Skyline Drive Engineering Project totaling \$237,200. Mr. Hodge supported the motion and it was unanimously approved.

**LAND SALE TO BCU (5.028 acres):**

Mr. Gibson stated that agenda items 4 and 5 are combined. BCU is planning to apply to the U.S. Economic Development Administration for Cares Act dollars to construct a multi-tenant facility. Parcel Identification Number (PIN) 3020-01-004-0 (3.328 acres) is BCTIFA-owned and PIN 3020-01-005-0 (1.702 acres) is owned by the City of Battle Creek. BCU is interested in constructing a building to support companies that are seeking a warehouse facility that are not available in our area. The Cares Act dollars are available at an 80/20 percent match. This makes it feasible for us to construct the site. BCU would need to own the site to submit the application. BCU is working with the City of Battle Creek to acquire their parcel which requires City Commission approval. BCU proposes to buy the 3.328 acres at \$10,000 per acres for the total amount of \$33,280 from the BCTIFA. BCU also proposes to buy the 1.702 acres from the City for the total amount of \$17,020. Three separate resolutions were included in the board package.

**MOTION:** Ms. Fleury moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the resolution for the land sale of 3.328 acres to Battle Creek Unlimited as presented. Ms. Straub supported the motion and it was unanimously approved.

**EDA RESOLUTION SUPPORT**

Mr. Gibson stated that the third proposed resolution extends its support to Battle Creek Unlimited for the grant application. The Battle Creek Tax Increment Finance Authority Board of Directors recognizes that Battle Creek Unlimited, as an economic development organization for the City of Battle Creek, is an applicant to the U.S. Department of Commerce, Economic Development Administration grant for the construction for economic development use of the Fort Custer Industrial Park – Multi-Tenant Industrial Space Complex, at 5200 W. Dickman Road. Battle Creek Unlimited will maintain the buildings and grounds as a 20-year project.

Mr. Sobieralski stated that staff applied for an EDA Cares Act grant for a larger facility. The feedback was that the request was too large. It was a great project and met the criteria, however, it was too large of a dollar amount. Plan B will be to construct a smaller building.

**MOTION:** Ms. Fleury moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the resolution of support for the EDA grant as presented. Ms. Straub supported the motion and it was unanimously approved.

**PROSPECT/PROJECT DEVELOPMENT UPDATE**

I-94 South Property – Mr. Corder provided an update on the project. A closing was held last week. The company is eager to move forward. The next step in the process is the establishment of an Industrial Development District. The documents have been submitted to the City and will be considered by the City Commission this evening. The application for tax abatement can be submitted subsequently. The tax abatement will be presented at the following City Commission meeting. The company is in the process of securing permits and look forward to earthwork once they are able.

West River Road Property – Mr. Corder provided an update on the project. The project has been affected by the COVID-19 pandemic. The company continues to work to finalize financing and are committed to the project moving forward. The due diligence will expire in August. The company anticipates needing a secondary extension on the due diligence, however a written request has not been made. The company is working with prospectus tenants for the facility.

Mr. Wilson requested not approving a secondary extension at this time, but to explain what their obstacles are and what we can do to help. A status update and impromptu meeting if it is required.

Airport Apron EDA Grant – staff plans to submit an EDA grant package under the Cares Act that will need the support from the City of Battle Creek. If the project meets the metrics from the EDA, match dollars will be required. Staff will be seeking board resolutions for this project going forward.

Mr. Mumford asked if the bridge to the Airport's Westside was still planned. Mr. Sobieralski stated it is still planned, speculative, and on our radar.

Mr. Gibson provided insight on what the EDA Cares Act and regular programming dollars require for application. There are two things the EDA will not put money toward: 1) Speculative projects. There has to be a company that signs an IRB, and an economic development benefit and direct beneficiary for the project; 2) Incubation. EDA does not like funding incubators.

### **COMMITTEE PROCESSES**

Mr. Sobieralski sought feedback from the BCTIFA Board as to whether there is a need for a Nominating Committee and Finance Committee and the processes of moving forward and holding virtual meetings.

He suggested moving forward just holding one or two budget workshops. Mr. Sobieralski stated he would work with BCTIFA Chair Alana White on how to move forward and return to the BCTIFA Board for consideration moving forward going forward.

Ms. White asked the new members if they felt they needed an orientation, refresher course on goals and duties, etc.

Mr. Wilson stated that he would be interested in a refresher course.

Ms. Straub stated that it is important for the entire board to have a refresher from time to time. As a new member, it would be beneficial.

Mr. Hodge stated that he agreed. History information on the BCTIFA as to how it was developed would be helpful.

Ms. White suggested 1:1 individual meeting with members (relationship building). This would inform us to what information is helpful, what level of details is needed when it comes to the budget. A list of specific questions could be compiled. The guidelines would be consistent with the Open and Public Meeting Act.

Ms. Fleury stated it would be helpful to know where the Committee's stand and what their responsibilities have been historically to help know what it will look like going forward.

Ms. White suggested that staff and others who support the BCTIFA Board should consider providing information on how staff does their day to day job.

Mr. Sobieralski stated that he will take this feedback and begin the process.

**PUBLIC COMMENTS**

Mr. Sobieralski asked the BCTIFA Board if they would prefer the board package as separate attachments, rather than one large attachment. It was consensus that they be emailed in the future as separate attachments.

The minutes would reflect that the Resolution for the EDA support grant the date on the resolution was Wednesday, July 21 and it should be corrected to read Tuesday, July 21. The resolution will be corrected and signed by Chair.

There being no further business, the meeting was adjourned at 3:48 p.m.