

DRAFT – Minutes have not been approved.

BATTLE CREEK TAX INCREMENT FINANCE AUTHORITY

Tuesday, May 17, 2022

At a regular meeting of the Battle Creek Tax Increment Finance Authority (BCTIFA) held on Tuesday, May 17, 2022, at 3:05 p.m. located at the Frederick R. Brydges Customs Cargo Center, BCU Office Board Room. The following individuals were in attendance: Messrs. Christensen, Claywell, Czerney, Davis, Wilson and Mmes. Darner, Fleury, Straub, Visger and White.

Absent: Mr. Hodge.

Also, in attendance were: Messrs. Corder, Dearing, Hughes, Sobieralski, and Mmes. Jones, Matuschka, and Mullett.

Ms. White called the meeting to order at 3:05 p.m. Roll call of attendance was recorded.

APPROVAL OF MINUTES

MOTION: Mr. Czerney moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the March 7, 2022, special meeting minutes as presented. Mr. Wilson supported the motion, and it was unanimously approved.

AMEND FY 2021-2022 GENERAL OPERATING BUDGET

Mr. Sobieralski presented a summary of changes on the FY 2021-2022 amended operating budget. The summary and budget were provided in the board package. He stated that the BCTIFA Finance Committee held a meeting approximately two weeks ago and recommends approval.

MOTION: Ms. Fleury moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to amend the FY 2021-2022 general operating budget as presented. Mr. Christensen supported the motion, and it was unanimously approved.

AMEND FY 2021-2022 CAPITAL BUDGET

Mr. Sobieralski presented a summary of changes on the FY 2021-2022 amended capital budget. The summary and budget were provided in the board package. He stated that the reasons the airport budget items are down is due a staff change, and a few items were not addressed that will be carried over into the next fiscal year.

MOTION: Ms. Straub moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to amend the FY 2021-2022 capital budget as presented. Mr. Christensen supported the motion, and it was unanimously approved.

APPROVE FY 2022-2023 GENERAL OPERATING BUDGET

Mr. Sobieralski presented a summary of the FY 2022-2023 general operating budget. The summary and budget were provided in the board package. Mr. Sobieralski stated that major expense changes from

2022 include adding a budget line item modeling a loan for a new bond payment for the airport apron and the Skyline Road roundabout. This amount could rise or decrease based on the bond market. The City of Battle Creek will cover this year's airport contributions via ARPA dollars.

MOTION: Mr. Czerney moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the proposed FY 2022-2023 general operating budget as presented. Mr. Christensen supported the motion, and it was unanimously approved.

APPROVE FY 2022-2023 CAPITAL BUDGET

Mr. Sobieralski presented a summary of the FY 2022-2023 capital budget. The summary and budget were provided in the board package. Mr. Sobieralski stated that a major expense change from 2022 includes a new line item for lump sum airport capital items (a supplemental schedule was provided at the meeting).

Ms. Fleury stated that the City of Battle Creek has agreed to cover the operating expenses for the airport for the FY 2022-2023 budgeting year using ARPA funding. However, the city does not want to create something they cannot support in the future. Ms. Fleury stated preliminary discussions continue for a county-wide transportation authority. Ms. Fleury stated that if that were to happen, the city would no longer have to provide a \$1 million subsidy to transit through the general fund. That money could be the supplemental support to the airport operations. Again, this is only in the preliminary stages. If the city is not able to support the airport, additional discussions would need to take place with BCU and BCTIFA. The airport is valued as an economic driver and a plan is in place to make it sustainable. Ms. Fleury stated that there are investments that need to be made to get the airport there. Noting that it is not there yet.

Ms. White suggested that the BCTIFA create some expectations or guidelines for the airport. The challenge during budget planning is whether we can support and what the future needs are for the airport.

Mr. Christensen suggested that the MOU be done on annual basis.

Mr. Czerney stated we address the MOU strictly to the capital project budget. During the Finance Committee meeting, it was discussed that the BCTIFA still needs to take the position with the airport to monitor the projects spending allowances up to 15%.

Mr. Sobieralski stated that he is creating a spreadsheet on a 10-year projection for both BCU and BCTIFA as the bond attorneys will want this information. BCU's request will become less over the years as the hotel project revenue will be projected off that project.

MOTION: Ms. White moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve the proposed FY 2022-2023 capital budget as presented. Ms. Darner supported the motion, and it was unanimously approved.

DEVELOP MEMO OF UNDERSTANDING

MOTION: Ms. White moved that the Battle Creek Tax Increment Finance Authority Board of Directors move to allow BCU and City staff to begin a MOU process related to the airport budget and BCTIFA capital budget yearly. Mr. Christensen supported the motion, and it was unanimously approved.

RENEWAL OF GOVERNMENT LEASE WITH MARINE CORPS

Mr. Sobieralski stated that each year the BCTIFA renews the Marine Corps lease for Lawrence Lake. The Marine Corps uses the lake as its training site. Mr. Sobieralski recommended the Marine Corps execute a lease renewal beginning June 1, 2022 to May 31, 2027.

MOTION: Ms. Straub moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve up to a 5-year lease term with the Marine Corps. Mr. Wilson supported the motion, and it was unanimously approved.

PROSPECT/PROJECT DEVELOPMENT UPDATE

Mr. Corder provided an update on the following:

Project Viking – the project is moving forward slowly. The company expects to break ground later this summer. There have been supply chain issues.

Watkins Road – the project is currently under construction and on schedule. The Calhoun County area of the road was to be graded and repaved.

Drone Conference – Mr. Corder attended a drone event in Orlando, Florida and talked with Grand Sky group and individuals about creating a drone park in Battle Creek. Our plans are to move forward with that development at the airport.

PUBLIC COMMENTS

Mr. Dearing provided an update on the river naturalization project. He stated that with the help of BCU they are working hard to secure additional funding.

ADJOURN MEETING

MOTION: Mr. Christensen moved that the Battle Creek Tax Increment Finance Authority Board of Directors approve to adjourn the meeting. Mr. Wilson supported the motion, and it was unanimously approved.

There being no further business, the meeting was adjourned at 3:40 p.m.