MEMBERS PRESENT: Nathan Bolton; James Escamilla; Kevin Hess; Kyle Gulau; Jason Novotny; Tom Schlueter; Jasmine Vedua; Patti Owens; Doug Phillips; Vice Mayor Patrese Griffin; Nathan Bolton, Fritz Brown

MEMBERS ABSENT: Schleuter

CITY COMMISSIONERS/CITY STAFF PRESENT: Joe Agostinelli (Consultant to the BRA); Richard Cherry (Deputy City Attorney); Rebekah Kik (Planning and Economic Development Director); Jamie McCarthy (Development Coordinator); Antonio Mitchell (Community Investment Manager); Beth Cheeseman (Executive Administrative Assistant)

Meeting was called to order at 8:05 AM by Chair Patti Owens.

MOTION TO EXCUSE ABSENT MEMBERS: Mr. Hess moved to excuse absent members; supported by Vedua. Motion approved by voice vote unanimously.

APPROVAL OF AGENDA:

Mr. Phillips moved the approval of the agenda; supported by Mr. Novotny. Motion approved by voice vote unanimously.

APPROVAL OF THE MINUTES OF MAY 21, 2020: Mr. Escamilla moved the approval of the minutes; supported by Mr. Hess. Motion approved by voice vote unanimously.

NEW BUSINESS

Ms. McCarthy and Attorney Cherry provided recommended updates to the bylaws of the BRA. Two sections were in need of clarifying language.

- Section 3: Mayor has authority to appoint new members and then City commission grants consent
- Section 7: Allows the executive committee to appoint additional director to the executive committee, as needed
- Section 9: Specific language to allow participation by electronic equipment for voting purposes.

The goal of the recommended amendments is to align with the EDC bylaws.

Motion to approve the amendments to bylaws was made by Director Bolton, supported by Director Novotny. Motion approved unanimously.

Ms. McCarthy presented the slate of executive committee nominees to the board.

- Board Chair: Nathan Bolton
- Vice Chair: Kevan Hess
• Secretary/Treasurer: Jason Novotny

A motion to approve the board appointments was made by Director Escamilla and supported by Director Phillips. Motion was approved unanimously.

Outgoing Chair Owens appreciated the members who worked on the committee to identify new appointments. Owens switched chairperson to Bolton to chair the remainder of the meeting. Bolton thanked Owens and appreciates her mentorship.

266 E Michigan Avenue: Ms. McCarthy provided an update about staff working with a new owner at this property. Current Coney Island is located on the main floor of the building at 266 E. Michigan. There are three vacant floors above the commercial space that the owner is considering converting to residential space. The board discussed what the incentives look like in this location since it is in the Downtown Economic Growth Authority (DEGA). Interior work needs to be done – including ADA, sprinkling, and mechanical work. Some of the proposed activities would qualify for brownfield – it is a historical resource.

Mr. Agostinelli provided an explanation of how both BRA and DEGA could capture TIF in sequence. Only one TIF authority can capture each TIF dollar once. What’s being proposed is the BRA would capture TIF for the first 6-7 years and then stop, and then DEGA start capturing. The BRA’s role would be fairly short. Issue in front of you – developer from GR market is requesting from MEDC’s community revitalization program – which has the same program qualifying criteria as brownfield. There is an issue with this property and the historic resource qualifier. This requires the architect to certify that rehab is consistent with historic preservation. Since the developer is not pursuing historic tax credits on this project the architect cannot do so. A solution would be to qualify the property as functionally obsolete. Staff is asking the Board to authorize the city assessor to perform a determination of functional obsolescence.

Mr. Novotny asked if they are not pursuing tax credits is it reasonable to assume they will still have to follow guidelines set by our local Historic District Commission (HDC)? Mr. Agostinelli responded yes, they have to follow city historic rules. This project is not proposing changes in historic façade of building. In Mr. Agostinelli’s view what they’re proposing will be closely following the standards. Mr. Novotny concluded he is not uncomfortable with our HDC process. He just wanted assurance the functional obsolescence determination would not allow the developer to circumspect our local HDC.

Mr. Phillips commented that this is the first time we’ve seen this since DEGA was created. Do staff anticipate this sort of potential overlap going forward? Mr. Agostinelli commented that when DEGA was created the MEDC gave broad authority for capturing school taxes – those taxes can be used for public facing improvements. DEGA is unique in that there are no limitations on the use of its funds. Brownfield can only spend funds on specific activities. Mr. Agostinelli concluded that any deal that is “skinny” will likely require the brownfield to be involved. The reality is that brownfield will have a role within the DEGA boundary on some number of projects. DEGA does not have money right now and won’t for a while.

Motion to request the City Assessor to perform a determination of functional obsolescence at 266 E. Michigan Avenue was made by Director Escamilla, and supported by Director Hess. Motion was approved unanimously.

OLD BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS
STAFF UPDATES

Updates provided by Ms. McCarthy:

- New appointments to the EDC/BRA board of directors will hopefully be approved next month.
- The brownfield plan for 3406 Stadium Drive was approved at City Commission.
- Staff are working closely with Harrison Circle development team and EGLE to execute a grant agreement and approve the contract with EGLE – both went to city commission.
- Previous Board Chair Owens signed the agreement with developers because the developers are trying to move quickly, and this had to happen by the end of this month. The board gave the chair this authority at a special meeting on April 3, 2020.
- Harrison Circle properties at 525 E Ransom and 617 Harrison are closing tomorrow.

Director Bolton asked a clarifying question: until the city commission approves appointments are Doug and Tom to remain on the board? Jamie replied yes, that is how bylaws are written.

CITIZEN COMMENTS

Brian Pennings with Pennings & Sons provided citizen comment. He had a conversation a couple weeks ago with Joe Agostinelli. They discussed the opportunity to use brownfield to incentivize single family residential development within the city. Mr. Pennings encouraged the board to explore this opportunity in order to promote single-family development.

DIRECTOR’S COMMENTS

Director Hess thanked Director Phillips for his service to the board and for his insight. Director Owens also offered her gratitude for his service.

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ADJOURNMENT: 8:40 am

Beth Cheeseman
Beth Cheeseman, Recording Secretary

Patti M. Owens, Chair
Signature

Printed Name/Title