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CITY OF KALAMAZOO  
LOCAL DEVELOPMENT FINANCE AUTHORITY  
Wednesday, May 15, 2013 - 7:30 a.m. • Southwest Michigan Innovation Center

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MEMBERS PRESENT: Jill Bland; Joan Dombrowski; Claire Eager\*; Kenneth Harnden; Alexander Lee; Bob Miller; Doug Phillips; Tom Skrobola\*\*

MEMBERS ABSENT: Michael Collins; Gary Start

CITY COMMISSIONERS/CITY STAFF/OTHERS PRESENT: Jerome Kisscorni (Executive Director of the EDC); John Kneas (Assistant City Attorney); Tonya Sloan (Administrative Secretary); Rob DeWit (SMIC)

Meeting was called to order at 7:30 a.m. by Chair Bland

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APPROVAL OF AGENDA: Mr. Miller moved approval of the agenda; supported by Mr. Phillips. Motion approved by voice vote unanimously.

APPROVAL OF THE MINUTES OF NOVEMBER 14, 2012: Mr. Lee moved approval of the minutes; supported by Ms. Dombrowski. Motion approved by voice vote unanimously.

\* Ms. Eager joined the meeting at 7:32 a.m.

APPROVAL OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING DECEMBER 31, 2013: Mr. Kisscorni reviewed the activity during the period. Mr. Phillips moved approval of the financial statements; supported by Mr. Lee. Motion approved by voice vote unanimously.

\*\* Mr. Skrobola joined the meeting at 7:34 a.m.

#### NEW BUSINESS

CONSIDERATION OF A RECOMMENDATION TO APPROVE THE OFFICERS FOR THE 2013-2014 PROGRAM YEAR: Ms. Bland indicated that the Executive Committee recommends that Jill Bland be appointed as Chair, Doug Phillips as Vice-Chair, and Joan Dombrowski as Secretary/Treasurer. Mr. Kisscorni noted that per the board's tradition, this will be the second term for those officers. Mr. Miller moved approval of the officers as recommended; supported by Mr. Lee. Motion approved by voice vote unanimously.

CONSIDERATION OF A RECOMMENDATION TO AMEND THE 2013 LDFA BUDGET TO ALLOW FOR THE 2014 REPAYMENT OF DEBT PER THE STATE DEPARTMENT OF TREASURY DEFICIT REDUCTION PLAN: Mr. Kisscorni stated that the city paid for infrastructure improvements to Parkview and Drake and is being reimbursed by the LDFA. The state is requiring those costs to be paid off by 2014. In order to do that, we will need to defer some planned expenditures to later years. Staff is recommending that the 2013 WMU infrastructure reimbursement of \$35,000 be deferred to 2015, the BTR marketing budget be reduced by \$4,300 and deferred to 2015, and the city administrative support be reduced by \$3,200, with reimbursement in 2015. Mr. Phillips moved approval of the budget amendments recommended by staff; supported by Mr. Harnden. Motion approved by roll call vote unanimously.

DISCUSSION REGARDING A RECOMMENDATION TO REDUCE THE \$35,000 REIMBURSEMENT TO WMU FOR BTR PARK INFRASTRUCTURE BY \$15,148 DUE TO THE SALE OF A PORTION OF RESEARCH WAY: Mr. Kisscorni indicated that a portion of Research Way is being vacated by the city for the Newell Rubbermaid project. A fee would normally be charged which is equal to the value of the land being vacated, in this case \$15,148, and the LDFA would have received that fee because it paid for the infrastructure. However, the city's Community Planning & Development Department waived the fee because the applicant was Western Michigan University. WMU will profit from the sale of the property to Newell Rubbermaid, so staff is recommending that WMU's reimbursement for infrastructure be reduced by the \$15,148 fee amount. Mr. Miller stated that the reduction is appropriate; otherwise it could be said that WMU is being paid twice for the infrastructure. He asked that WMU be allowed to work with the city regarding the value of the land.

#### COMMUNICATIONS & ANNOUNCEMENTS

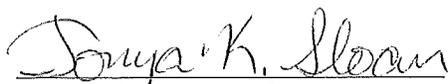
SMIC UPDATE: Mr. DeWit stated that the SMIC's 10<sup>th</sup> anniversary is this year. The labs are at 80% occupancy, and the offices at slightly over 90%. The SMIC has been used for events this year by MichBio, the Michigan Society of Toxicology and Southwest Michigan First. Launch MI Lab has hired an additional staff member to keep up with client demand.

BTR PARK UPDATE: Mr. Miller reported that Newell Rubbermaid will be moving their headquarters for design into the park. The soccer fields and Gibbs House uses will be reconfigured to accommodate the project. One hundred jobs are initially anticipated, and that number could increase over the next several years as future phases of the project are developed. Mophie will also be moving into the park and is working with a design firm on construction. With those two projects, all of the sites within the park will be sold. WMU plans to expand the park to the Colony Orchard property and is looking at tools and funding sources to do that.

ECONOMIC DEVELOPMENT UPDATE: Ms. Bland stated that Southwest Michigan First is encouraging companies to work together, and they are seeing success come from those relationships. Graphic Packaging, Cytec, American Axle and Whirlpool are all continuing to grow. The design sector is growing in this area, with 2,025 new jobs within a 30 mile radius of Kalamazoo since November. Southwest Michigan First is also working with educational institutions to address workforce challenges in hiring. Mr. Kisscorni indicated that the city has contracted with Southwest Michigan First for economic development services, and the first quarter of that contract has just been completed. City staff usually averaged 100 company visits per year; Southwest Michigan First had 58 in the first quarter.

NEXT MEETING DATE: Ms. Bland announced that the next board meeting will be held on November 20, 2013.

ADJOURNMENT: 8:31 a.m.

  
Tonya Sloan, Recording Secretary

  
Jill Bland, Chair