

DDA Minutes
March 23, 2023

ITEM 1: CALL TO ORDER

In Attendance: Andrew Schultz, Dave Groendyk, Seth Ganton, Joe Wolf, Larry Loeks, Alexandra Copeland, Nick Loeks (late)

Absent: Chad Kerwin

ITEM 2: APPROVE AGENDA

Approved as-is

Motion: Larry Loeks

Support: Dave Groendyk

Motion Carries

ITEM 3: APPROVAL OF MEETING MINUTES FROM JANUARY 26, 2023

Approved as-is

Motion: Seth Ganton

Support: Joe Wolf

Motion Carries

ITEM 4: NEW BUSINESS

A. Q Corners Business Development Incentive Presentation

Matt Callander states that the economic climate is not feasible at the moment to continue with his residential/commercial project along Q Ave in the DDA. It is due to many factors including climbing interest rates. He introduced Joe Agostonelli, an economic developer and consultant from southern Michigan. Joe spent some time enlightening the DDA on the Brown Field Redevelopment project, a Tax increment financing course of action. If the state senate bill 129 passes, it would qualify Matt Callander's residential piece as a brownfield development site for numerous reasons. Regarding the project, Matt states that there is no formal ask now but simply just a conversation. They are exploring options if the Brown Field Program is a vital option once Senate Bill 129 passes. Matt states that the Brownfield program would be the only suitable path to take, otherwise his hands are tied economically until interest rates fall. The Brownfield program would only apply to the residential side of the Callander project. All housing property would be considered under the Brownfield program. The passing of Senate Bill 129 would allow for Tax increment financing such as allowing local school tax millages to be available to the Brownfield program. The DDA would have to approve such a plan, because they would forgo their tax collection portion on that development for 10-20 years. The current tax collection on that portion of the property is estimated at \$1,800 per year. The commercial side of the project along Q Ave would not be included in the plan. Regarding the commercial side of the Callander project, anyone looking to utilize the commercial side would need to "buy in" before he could afford to put a "shovel in the ground". The DDA would still be able to collect their portion of the tax revenue on the commercial portion when that develops, which would hopefully come after the residential side is developed. Eventually the DDA would see a realized increase in tax revenue once the brownfield plan runs its course. Essentially the

tax relief would go back to the developer of the project. Joe A. believed that the DDA could be party to the brownfield site if the DDA's property along Texas Drive is included.

Andrew Schultz asked if this would be a tax relief or simply a refund check?

Joe states that after numerous steps of reimbursement and sign offs through the brownfield program, a "check" will be paid to the Township. However, that could be years down the road.

The approval of a Brownfield program would take 60-90 days, after getting necessary local approvals from the DDA and Texas Township. The Callander project would then tentatively break ground in the summer of 2024.

Larry Loeks asked if the Brownfield project plan goes through, how will the Callander project be funded? Matt Callander responded, "privately funded."

Matt Callander states that under Senate Bill 129, there will be more obtainable housing and affordable units in his project as that will be a requirement for brownfield development. He mentioned planning to build more studios apartments instead of bigger ones to better meet the needs of younger tenants. On the residential side of the Callander project, the apartments will be on the taller side. There would be 100-120 or so residential units. However, on the commercial side, John stated that the CBD zoning will dictate the size of any structure.

Joe Wolf asked if the commercial piece of the Callander project would permanently stay commercial? Matt Callander responded, "yes."

The discussion was concluded with no formal ask, but that the Callander team would provide an update if and when State Senate Bill 129 passes.

B. DDA Board Vacancy

There were two applicants for one open board position. Paul Carlson of Ameriprise, and Steve Bosch of Bosch Architecture both applied for the open board member role. Both applicants were present and discussed themselves, their background, and why they wanted to be involved on the DDA. Paul Carlson stated that he wishes to make himself useful to the township to instill a conducive environment. Steve Bosch stated that as long-standing landowner and business owner in the DDA, he would be a good nominee.

There is currently one open board position, but there was some discussion on how one current board member is not very active, but their term runs through April 2026. After reviewing the DDA bylaws, there is a clause (#5) about attendance requirements, but no formal policy is in place. Depending on future discussion with the individual and changes to the bylaws that are specific regarding attendance policies, there may be another board position open soon. After this discussion, Steve Bosch gracefully asked the board consider Paul Carlson for the one current, open position, and that he would remain interested down the road whenever a board role does open.

Andrew Schultz makes a motion to induct Paul Carlson into the DDA, pending township approval.

Support: Dave Groendyk

Motion Carries

C. DDA Contact List & Communication Distribution

After Natalie left the secretary position in January 2023, she provided Andrew with a current distribution list of DDA contacts. After some review, Andrew found that many members on the DDA email contact list were not business or property owners. Some contacts were for business owners outside the area, general residents, or even one person who was deceased. Prior to updating the list, he wanted feedback from the board on who should be on the distribution list. After board discussion, it was concluded that the list should be updated to reflect only business and property owners in the DDA boundaries. This list would be used specifically for communication about DDA business. A separate “interested parties” list would be kept in case of broader communication that was needed and may include businesses from commercial areas on 9th St. or 12th St. in the township. Agendas and public content are still posted regularly online prior to meetings as required.

D. 2022 Capture Report

Trish Roberts, township treasurer, reported DDA tax capture figures for 2022. Most taxes have been received with a few exceptions. The total tax capture, when complete, should total about \$190,000 for 2022 taxes

Larry Loeks asked if there would be a property value adjustment in 2023, affecting taxable value of properties in the DDA. Trish said this comes from the county level, and it is not finalized, but estimated to be about a 5% increase.

ITEM 5: OLD BUSINESS

A. 2023 Event Planning

Andrew brought up that it would be nice for the DDA to host an event beyond the Christmas tree lighting towards the end of the year. The board acknowledged that business owners are stretched thin to help coordinate, so any event would require an outside firm to manage and promote it. The township uses Kalamazoo Experiential Learning Center for their Concert in the Park series. Andrew offered to reach out to them before the next meeting to see what that would look like for the DDA to host an event.

ITEM 6: ADDITIONAL COMMENTS

- Brooke offered sponsorship opportunities to businesses in the DDA for the Concert in the Park series at \$350 per sponsorship.
- Larry asked about status of fixing the lighting along the trailway from the township hall (east-west) to 8th St. Due to limited staffing on the township side, and the ice storm last month, this task has not been completed. It is expected to be done next week.
- Larry asked on the status of the open maintenance manager position for the township. No one has yet to be hired for this vacant role, which would include duties like maintaining trailways, bathrooms, trash, etc. in the township, as well as the DDA. The position is posted online at \$17-\$22 per hour for a part time role. Eric Wilson, township superintendent, suggests possibly splitting that cost for the labor with the DDA as a concept to attract a full-time person.

- Andrew commented on the purpose of the DDA to help facilitate vehicular and pedestrian connection in the district. There is a cross access agreement recorded on the Fletcher's Pub property with Dollar General, but the DG landlord has not agreed in return. Why did this connection not happen. People frequently try to drive through the brewery's parking lot to find their way over to Fletcher's. Could the DDA help pay for this connection, especially now that there is a construction crew onsite for the mixed-use project on the north end of the Fletcher's parcel. Trish offered to reach out to the Dollar General landlord along with Andrew about what chances we would have to help make that connect as the DDA.
- Nick Loeks mentioned Kalamazoo County will begin reimbursing local governments for all new water main developments going forward. This is a reimbursement, not an upfront payment, and only applies to government funded projects. On that note, the county would like to know what water main projects are projected in the 5-year capital improvement plan.

ITEM 7: ADJOURNMENT

With no further comments, the meeting was adjourned at 10:30 am

Motion: Andrew

Support: Larry

Motion Carries

Respectfully submitted,
Andrew Schultz