



CITY OF GRAND HAVEN
BROWNFIELD REDEVELOPMENT AUTHORITY
ECONOMIC DEVELOPMENT CORPORATION

Regular Meeting

Monday, November 4, 2019, at 4:00 p.m.

Grand Haven City Hall

519 Washington Avenue, Grand Haven Michigan, 49417

MINUTES- Approved December 2, 2019

1. Call to Order / Roll Call

Chairperson Joy Gaasch called the meeting to order at 4:04 p.m.

Present: Chair Joy Gaasch, Tom Braciak, Mayor Geri McCaleb, Mayor Pro Tem Mike Fritz, Denny Van Hall, Brook Bisonet, John Hierholzer, Jim Bonamy, Eric Schmidt, Amy Bessinger

Absent:

Guests, Pat McGinnis, Trina Robinson, Becky Huttenga (Ottawa County EDC), Dave Walters (BLP), Roman Wilson (Fishbeck), Eric Helzer (River Caddis)

2. Approval of the minutes of the September 16, 2019 regular meeting.

Fritz moved, Bisonet seconded, CARRIED, to approve the minutes as presented.

3. New Business

- a. Request by Shelby State Bank (SSB) to subordinate the EDC loan to SSB for the purpose of refinancing the mortgage for 18 Washington. Currently the property is owned by Suzanne Neuman Family Trust.

Board members questioned how many creditors were in line in front of the EDC and why the subordination was being requested. Staff will follow up with Shelby State Bank to get more detail and will place this request on the agenda as needed.

- b. Presentation by Roman Wilson regarding 21 N Beacon and 726 Columbus redevelopments.

Approximately \$60,000 in eligible costs. Developer would plan to demolish the residence to the south to increase parking space and renovate the building on Beacon Boulevard for a restaurant. Due care will require a passive mitigation system. Total investment will be approximately \$1.5 million and 20 jobs. The restaurant would be the second one for this entity, the first one is located at Knapp's Corner in Grand Rapids (in prior location of Twisted Rooster).

There is hesitation to commit local only support and burden local taxing jurisdictions with the full load beyond the first year.

Motion by Bisonet to approve tax capture to the same extent/years committed by the Michigan Department of Energy, Great Lakes and the Environment and/or the Michigan Economic Development Corporation, second by Fritz. Motion carries.

- c. Discussion regarding Unicorn Tavern, owned by Garry Boyd, and possible EDC gap funding.

Garry gave the Board a summary of his journey in the restaurant industry and his desire to build a restaurant on Beechtree named the Unicorn Tavern, which he categorizes as "Belgian-inspired gastro." He is seeking gap financing to cover liquidity needs in opening a new business.

Board members expressed interest and asked staff to forward an application to him for completion in anticipation of a possible decision at the December EDC/BRA meeting.

- d. Discussion and possible action on Jackson Flats development.

Board members weighed the likelihood that this development could happen without the full amount requested, and observed that if the townhomes are built and a \$1 million grant is approved, the development would need a minimum of 14 years.

Motion by Brook, second by Tom, to allow for Jackson Flats to capture property taxes resulting from the Jackson Flats development for a period of 14 years or a total capture of \$3,644,000, whichever comes first, and request that the MSDDA permit 75% of the DDA capture to pass through to the Brownfield capture during the term of this plan amendment. Motion carries.

- e. Ongoing recent project updates:

1. Long Road Distillery loan payments (to the EDC and the Loutit Foundation) are being made timely.
2. Noto's loan payments are also being made timely to the EDC.

- f. EDC & BRA financials for September and October 2019 are provided in the agenda packet.

- g. Roman advised that a local developer has an offer in on the Wendy's and gas station properties and that environmental investigation is underway – in due diligence stage.

- 3. Adjournment at 5:19 p.m.

McCaleb moved, Fritz supported, CARRIED, to adjourn.