

# KALAMAZOO COUNTY ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

**MEETING DATE:** Thursday, April 23, 2009  
**PLACE OF MEETING:** County Administration Building

## **MINUTES**

Present were: Marc Hatton, Robert Barnard, Thell Woods, Clare Annen, Ken Peregón, Julie Rogers, Ruth Blake, Matthew VanDyk, Art Hoekstra  
Absent: Larry Baumgart, Katrina Schuur  
Ex-officio: George Cochran, Kalamazoo Township  
Staff Support: Lotta Jarnefelt, David Artley, Jeff Hawkins (consultant)  
Recording Secretary: Tracy Free  
Guests for presentations: Portage – Chris Forth, City of Portage and Developer Gordon Groves. DKI – Ken Nacci, CEO DKI; James Dally, CEO of MAVCON; Steve Diesler, DKI; and Steve Sielatycki, Attorney for MAVCON.

- I. Meeting called to order – by Chair Mr. Woods at 4:20 pm
- II. Approval of Minutes: Clare Annen made a motion to approve the March 26, 2009 minutes. Ken Peregón seconded the motion. The vote was unanimous 9-0.
- III. Citizens Comments  
None to report.
- IV. Staff Report  
None to Report
- V. Economic Development Fund Program (EDFP)  
Portage Creek Landings – City Centre
  - A. Location
    1. Near the intersection of Shaver Road and West Centre Avenue
    2. Separate buildings with significant open space and other amenities – retail, office space and dining opportunities and residential loft apartments
  - B. Four Phases
    1. Phase One is complete including Walgreen’s store at corner of West Centre and Shaver road
    2. Phase Two is underway and includes a new branch office for Huntington Bank and several public infrastructure improvements including drives, underground utilities, site lighting, among others. Infrastructure cost is estimated at \$250,000 of which the County is being asked to commit \$40,000 or 16%. The City of Portage has already invested over \$1,000,000 in Phases One and Two.
    3. Phase Three will be to relocate the drainage ditch and enclose it. The project requires review and approval by the Michigan Department of Environmental Quality (MDEQ). PCL Curtis submitted an application and fee to the MDEQ. MDEQ will issue the permit within 30-90 days following

the September 25, 2008 public hearing.

4. Phase Four, if approved, by the Kalamazoo County Board of Commissioners, construction work would begin within 30 days depending on weather conditions.

C. Cost of Project

1. PCL Curtis, LLC

- a. Spent - \$17,500 to date including the MDEQ permit application and civil engineering fees.
- b. Will be responsible for any cost overrun.

2. City of Portage

- a. Invested more than \$1 million in public infrastructure projects to improve traffic flow and safety within the Shaver Road and West Centre Avenue intersection
- b. Installed a storm water treatment device to remove contaminant from the storm water flowing through the drain before the storm water discharges into the Portage Creek
- c. City of Portage will fund all costs to maintain the sediment basin, pipe and appurtenances in perpetuity after installation is complete.
- d. Funding denied by City of Portage for costs associated to relocate/enclose the drainage ditch.

D. Why this project is important to the County or Unit of Government

1. The Portage City Centre is the geographic area that best serves as the "identifying" center and "heart" of the City of Portage
2. It will provide shopping, office, dining and residential opportunities for both Portage and Kalamazoo County residents/visitor.
3. New jobs and /or retention of existing jobs. (Estimation of 275 new jobs.)
4. Enclosing the drain and constructing a sediment basin will substantially reduce the amount of sediment deposited into the Portage Creek from the drain
5. The design of the drain together with the type of vegetation will help to further filter contaminants from the water.
6. Will strengthen the tax base and increase job opportunities in Portage and Kalamazoo County.

VI. Economic Development Fund Program (EDFP)  
DKI/Kalamazoo

A. General Description

1. Renovating of four historic buildings in downtown Kalamazoo.

B. Location

1. 105-129 East Michigan Avenue, Kalamazoo, Michigan.

C. Timeline for the project

1. Three to Four months.

D. Total Development Expenses \$4,299,373.00

E. Reasons why this project is important to the County /  
Unit Of Government.

1. Save the historical Structures
2. Provide an increased tax base for the City of Kalamazoo
3. Provide desired retail space for new business
4. Create jobs for downtown Kalamazoo:
  - a. Will generate 40,000 man hours at \$32.00 /hour average rate pay.
  - b. The first floor retail would generate 72 employees at \$10.00 hour average pay
5. Assist in employee retention with high-quality HUD rate and market rate rental apartments for downtown employees
6. Create a glasship LEED certified building to debut the green movement in downtown Kalamazoo
7. Remove the blight of the building from the streetscape
8. Remove the safety hazardous in the building adjacent property to owners and pedestrians.

**VII. Discussion and Recommendation on Portage Request **action****

Robert Barnard made a motion as follows: “I move that the EDC recommend to the County Board of Commissioners that it consider and approve a grant award in the amount of \$40,000 for the Portage Economic Development project with C.L. Curtis at the Northwest corner of Shaver and Centre Streets. The project is specifically the changing of the course and the covering of the Portage City Creek. The grant is contingent on completion of the infrastructure as presented to the EDC on April 23, 2009.” Clare Annen seconded the motion.

The County portion of Phase II represents 16% of the project of \$250,000. EDC members questioned the presenters in depth about the four phases of the project. The Creek sometimes referred to as Portage Village Drain is under the jurisdiction of the City of Portage and not the County Drain Commissioner. Moving and covering of the Creek will enhance and enable the full successful development of the overall site. The City of Portage has invested over \$1 million dollars in public infrastructure to improve traffic flow, the site and safety.

The first phase of this site (the Walgreens Store- 40 new jobs) is complete. The second phase which will include a Huntington Bank (10 new jobs) is in progress. The relocation and covering of the Portage Village Creek/Drain will be a part of Phase II. Eventually other phases will create new commerce and additional new jobs in Portage Creek Landing.

Following substantive discussion by EDC, the motion carried unanimously.

**VIII. Discussion and Recommendation on DKI/ Kalamazoo Request **action****

Robert Barnard made a motion as follows: “I move that the EDC recommend to the County Board of Commissioners that it consider and approve a grant award in the amount of \$100,000 for the DKI 100 Block Michigan Avenue project with

Mavcon in the 100 Block Michigan Avenue of Downtown Kalamazoo. The project involves renovation and rehabilitation of four building and the creation of 20 new residential units on the 2<sup>nd</sup> and 3<sup>rd</sup> floors. The grant is contingent upon completion of the work as presented on April 23, 2009 to the EDC.”

Julie Rogers seconded the motion.  
The motion carried unanimously.

IX. Event – Economic Development. Education. Employment

A. Date of Event: Friday, May 1, 2009 from 8am to 11:30

B. Location: Radisson Plaza Hotel

C. Guest Speakers: Ron Kitchens, Chief Executive Officer of Southwest Michigan First, Ron Fuller, Superintendent of KRESA and Bob Straits, director of the Upjohn Institute

X. Other – None

XI. Board Member Comments - None

XII. Adjournment - Motion offered by Annen; supported by Hatton; passed unanimously at 5:38.

*Next Meeting is Thursday, May 28, 2009 @ 4:00 pm in Room 207A.*

PLEASE CALL 384-8304 OR EMAIL [DPARTL@KALCOUNTY.COM](mailto:DPARTL@KALCOUNTY.COM) IF YOU ARE UNABLE TO ATTEND THE MEETING. IT IS IMPORTANT THAT WE HAVE A QUORUM. Thank You!