

KALAMAZOO COUNTY  
ECONOMIC DEVELOPMENT CORPORATION  
**MINUTES**

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**MEETING DATE:** Thursday, July 22, 2010  
**PLACE OF MEETING:** County Administration Building

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Present were: Clare Annen, Robert Barnard, Larry Baumgart, Ruth Blake, Leroy Crabtree, Marc Hatton, Ken Peregón, Julie Rogers, Anne Summerfield, Matthew VanDyk, Thell Woods  
Kalamazoo Township: George Cochran  
Staff Support: David Artley, Jeff Hawkins (consultant), Lotta Jarnfelt  
Guests: Peter Battani, Jill Bland, Warren Cook, John Faul, Connie Ferguson, Ron Kitchens  
Absent: Representatives from Augusta and Comstock  
Recording Secretary: Lori Pyatt

1. CALL TO ORDER

The meeting was called to order by Chairperson VanDyk at 4:03.

2. MEMBERS EXCUSED

There were no absences to excuse.

3. APPROVAL OF AGENDA

A motion to approve the agenda was made by Ms. Rogers, supported by Mr. Peregón and approved.

4. APPROVAL OF MINUTES

A motion to approve the June 17, 2010, Minutes as amended before the meeting was made by Mr. Woods, supported by Mr. Crabtree, and approved.

5. CITIZENS COMMENTS

There were no comments made.

6. DISCUSSION

Ron Kitchens and Jill Bland presented for South West Michigan First, they also spoke on the ways in which the EDC and SWMF assist one another for the betterment of the County.

Mr. Kitchens showed his PowerPoint on the functions and core beliefs of Southwest Michigan First, a local non-profit company who's staff had 125 years of combined experience. They believed in creating jobs by supporting people in process of business creation through private sector employment. SWMF's Mission was to be the regional catalyst for job and wealth creation, with a distinction between job creation vs. wealth creation.

The focus of SWMF was on:

- retention, recruitment and expansion of companies
- leadership and development
- public policy( advocacy)
- innovation
- community and government relations
- economic infrastructure

He explained:

- the funds they operated out of, including the only significant community based venture fund in the U.S. that will soon total \$100 million for company investment.
- the Southwest Michigan Innovation Center (a wholly owned subsidiary of SWMF) that had 100 years experience of incubating and accelerating pharmaceutical companies.
- the Michigan Medical Device Accelerator that would focus on accelerating ideas to market.
- the strategic alliances with other economic developers in the region.
- since the MEDC may not exist after January 1, 2011, SWMF was drafting a plan for its replacement in the region.
- while currently working with 286 companies, they expected to create 4,000 jobs between 2009-2013.
- their recruitment focus was projected to result in 3,000 jobs between 2009-2013.
- their innovation focus was projected to create 1000 jobs by 2013.
- they expected to see 15 announcements of new job creation each year.
- building the economic infrastructure by establishing such things as the medical school, maintaining healthy access to capital dollars and media outlets, and focusing on talent retention and development.
- SWMF's return on investment: direct jobs created—over 13,000; indirect jobs created—over 14,000.

In answer to several Board Members questions, Mr. Kitchens and Ms. Bland stated the following:

- The County EDC could partner with SWFM by:
  - working with the cities and townships on legal barriers to development.
  - buying up brownfield properties because many owners would not have the resources to clean up the sites. The EDC could help by working with the real estate community and demolishing obsolete buildings.
  - helping to develop strategies for reuse of brownfield properties which would be critical because so many large tracts of land in the southwest MI region had been put into agricultural trusts.
  - working with political entities on agreements for shared risk and shared reward. If this happened, Kalamazoo would be at a large advantage over peer communities.

- developing certain tools at the County EDC level could be redundant because SWMF (or the jurisdictions the property was located in) had already done that. This was the difficulty for county EDCs, that all county property was in another's jurisdiction.
- Although the perception was that SWMF was mainly involved in life sciences, advanced manufacturing was a main component of SWMF. Ms. Bland stated that media was more interested in the life sciences because it was new; it was a struggle to get media coverage for the less popular industries.
- Since bond transactions were mainly lawyer-driven bank transfers, there was not need for bond preparedness.
- With the exception of issuing bonds, the BRA could do everything the EDC could do. Discussion ensued on the details of issuing bonds for properties.
- SWMF didn't see a way for itself to market brownfield properties.

Mr. Kitchens hoped the County would become the experts on bringing all the parties to the table for shared risk/shared reward on the brownfield properties. Ms. Bland stated that EDCs were created to do tax-exempt Industrial Revenue Bonds, which were no longer used after the 1980's. VanBuren did one project in the sixteen years she was with them.

Mr. VanDyk and Ms. Rogers clarified that the EDC wanted to be ready should there be a company that said, 'We want a partner in a County Bond program'. Mr. Kitchens explained that since it was mainly a lawyer-driven bank transaction, there wasn't a need for bond preparedness. The main issue was that the EDC may not ever get a chance to issue the bonds, because most large tracts of land in Kalamazoo County were locked up in an agriculture zone or were environmentally damaged. Discussion ensued on issuing bonds and the roles of the BRA and EDC.

Mr. Kitchens said that building a sense of joint-cooperate and joint-responsibility with other entities to drive revitalization would have the biggest impact, as opposed to waiting for companies to ask for help. Ms. Bland gave the history of the County's EDC board.

## 7. REPORTS

- A. Bylaws Report in August – Mr. VanDyk said he met with County Legal; the bylaws would go out before the next meeting to be addressed there.
- B. Update on RZF Projects – Mr. Artley stated there were three entities being worked with and there were challenges with each. The bonds would have to be issued before December 31<sup>st</sup>.
- C. EDFP- Mr. Artley reported that a rewrite had been drafted; more information would be at a future meeting.

D. ACW Update & Event Center– Mr. VanDyk stated the committee was pushing forward and may have had a new commitment for another occupant.

8. ACTION AGENDA

There was nothing on the Action Agenda.

9. OTHER

There was nothing reported.

10. BOARD MEMBERS COMMENTS

-Ms. Rogers said that the door had to remain open at all times.

-Mr. Baumgart referred to the bundle of tools described in the Act. Mr. VanDyk stated the third section of the Act addressed that issue and it should be looked at.

-Mr. Woods agreed that the tools should be researched.

-Mr. Annen said he felt the evenings discussion heightened the need to hire a consultant.

11. ADJOURNMENT

A motion to adjourn the meeting was made by Ms. Rogers, supported by Ms. Blake, and was unanimously approved at 5:51 p.m.

**Next meeting Thursday, August 26, 2010**

Respectfully submitted: LP