

KALAMAZOO COUNTY
ECONOMIC DEVELOPMENT CORPORATION
MINUTES

MEETING DATE: Thursday, August 26, 2010
PLACE OF MEETING: County Administration Building

Present were: Clare Annen, Larry Baumgart, Ruth Blake, Julie Rogers, Anne Summerfield, Matthew VanDyk, Thell Woods
Staff Support: David Artley, Jeff Hawkins (consultant)
Absent: Robert Barnard, Leroy Crabtree, Ken Peregon, Representatives from Kalamazoo, Augusta and Comstock
Recording Secretary: Lori Pyatt

1. CALL TO ORDER

Chairperson VanDyk called the meeting to order at 5:45pm.

2. ABSENCES

Mr. Peregon had asked for an excused absence; the absences of Mr. Barnard and Mr. Crabtree were determined to be unexcused.

3. APPROVAL OF AGENDA

A motion to approve the agenda was made, supported, and approved.

4. APPROVAL OF MINUTES

Mr. Baumgart requested a change to the second paragraph under item six to signify that Southwest Michigan First was interested in creating primary jobs.

A motion to approve the July 22nd Minutes as *revised* was made, supported and approved.

5. CITIZENS COMMENTS

There were no comments made.

6. ACTION AGENDA

A. OATH OF OFFICE – this was not required, therefore, not addressed.

B. ACCEPT LETTER OF RESIGNATION –

A motion to accept Mr. Hatton's letter of resignation was made by Ms. Rogers, supported by Mr. Woods, and approved.

C. MOVING MEETING TO SEPTEMBER 16TH.

A motion to move the September 23rd meeting to September 16th was made by Ms. Summerfield, supported by Ms. Rogers, and approved.

D. LETTER FROM COUNTY ADMINSTRATOR

The following Tuesday, Mr. VanDyk and Ms. Rogers would meet with County Administrator, Peter Battani, to discuss:

- the \$125,000 request for the BRA
- the role of the EDC in the County

It appeared that the County BOC would like to un-freeze the EDF and would like to discuss who should be involved in vetting applications. Discussion happened two years prior, but nothing had really changed since then. The County seemed to indicate that SWMF would be in a better position to serve in the vetting role.

Mr. VanDyk stated he would be asking why the County thought SWMF was in a better position to handle this function. Mr. Artley hypothesized that the County wanted a body with more experience in handling loans in the banking industry. Ms. Summerfield wondered if the banks were paying money to be affiliated with SWMF and how this would affect the County's open bid process. The County had once proposed that there would be a 5-member sub-committee of the EDC who would handle the loan processes.

Mr. Artley thought that SWMF would be asked to convene a committee of people with loan experience, the assumption being that people with hands-on experience would be familiar with the whole host of qualifiers. He added that, even if the fund were un-frozen in October, it would be December or January before things would 'start rolling'. Many items still needed to be discussed, including conflicts of interest.

Mr. Woods noted that since SWMF's focus was on primary job creation, the EDC was probably in a better position to serve the interests of the entire County; he didn't think the fund needed to go only to the businesses within the focus of SWMF. Mr. Annen wondered if the County was looking to dissolve the EDC. Ms. Blake thought it was a prime opportunity to compliment SWMF; if the EDC retained the ability to fund loans, it would be in a position to receive from SWMF applications from businesses that weren't primary job creators. Mr. Baumgart agreed.

Ms. Summerfield noted that SWMF seemed less interested in business located in the center of town—the core urban community. Ms. Rogers added she thought SWMF had a different area of interest that a broader group on the EDC would have. She recalled the discussions fleshing out cooperative plans in the past, and hoped to become involved in gap financing and/or to help create a hybrid grant/loan fund.

Mr. VanDyk asked the members to email him their questions and concerns. A few members proposed the possibility that the EDC's role could be reduced to nothing. Mr. VanDyk wasn't sure what the future of the EDC would be, but he didn't think the County would let the EDC dissolve.

Mr. Annen suggested that the list of businesses the EDC had helped be brought to the meeting, to examine how SWMF could have assisted in those endeavors. Ms. Blake suggested that names of other applications, even if they didn't pan out, should be brought to the meeting as well. (Mr. Baumgart excused himself during this discussion.)

Mr. Artley summarized the proposed application process:

- Applications would come to the EDC.
- The EDC would take them to the SWMF sub-committee.

- That committee would deliberate and make a recommendation.
- County staff would take the recommendation to the County BOC.

Mr. VanDyk asked the group to remember that the EDC hadn't had much authority up to that point. Ms. Blake asked for an email update soon after the meeting. Ms. Rogers suggested that the EDC vote on the issue, and present a resolution to the CBOC the same night the issue was on their agenda.

Later, Mr. Annen recalled how SWMF encouraged the EDC to work with the BRA to clean up and prepare properties for new businesses to come in to the area.

7. REPORT

- A. Bylaws Report – This was deferred until September.
- B. Update from Staff on application for RZF projects – The one remaining application had passed several rigorous hurdles. Next steps included going before the County BOC for a vote on October 5th. Discussion turned to the EDC's authority to approve the project; it would probably be issued through the Michigan Strategic Fund. (Ms. Rogers excused herself during this discussion.)
- C. EDFP – This was discussed during the BRA.
- D. ACW Update – put on hold until after Labor Day
- E. Event Center – put on hold until after Labor Day

8. OTHER

Mr. Woods suggested that the members review the report by Upjohn dated July 22nd on the local economy. Mr. Artley stated he would distribute via: email.

9. BOARD MEMBERS COMMENTS

There were no comments made.

10. ADJOURNMENT

A motion to adjourn the meeting was made by Ms. Summerfield, supported by Ms. Blake, and was unanimously approved at 6:19pm.

***Next Meeting, September 16, 2010
(Note the change in week)***

Respectfully submitted: LP