

HOLLAND CHARTER TOWNSHIP BROWNFIELD REDEVELOPMENT AUTHORITY

Regular Meeting

June 25, 2020

Chairman Bush called the meeting to order via teleconference due to the Coronavirus (COVID-19) pandemic at 2:00 PM and asked for a roll call of members present.

Present: Chairman Vince Bush, Vice-Chairman Ken Bosma, Secretary/Treasurer Doug Kuiper, Members John Said and James Stroop. Also present were Menaka Abel from Request Foods, Kurt Brauer and Sarah Harper from Warner, Norcross & Judd, and Holland Charter Township Assistant Assessor Erik Litts. Member Steve Bulthuis joined the meeting at approximately 2:30 PM.

Absent: None

Chairman Bush opened the meeting by giving an overview of the Brownfield Plan and Work Plan for Request Foods, located at 13044 Quincy Street, Holland, MI 49424. Request Foods is proposing to redevelop an industrial property, consisting of approximately 3.96 acres, which includes a vacant 30,456 square foot warehouse and 480 square foot industrial storage building. Request Foods will redevelop for food and equipment storage.

Sarah Harper from Warner, Norcross & Judd provided additional information, noting that Request Foods is excited to expand in Holland Township, and to turn an obsolete building into a productive food and equipment storage facility.

Menaka Abel from Request Foods noted that the facility will be used for equipment and food storage. The building needs to be brought up to a food-safe grade to be able to store food products. Their need for additional storage has increased over the last few years, as they have utilized third party vendors for their storage needs. This facility will also bring the storage closer to their existing headquarters.

Chairman Bush asked for any public comment – no one from the public had joined the call, no comments.

Member Said requested clarification regarding the food storage. Request Foods noted that it's dry goods storage, such as ingredients, and not cold storage. Said also asked about the gravel driveway, and Request Foods noted that the driveway is anticipated to be paved within the next year. Brauer from Warner, Norcross & Judd said that schematic drawings or renderings will be added to the Brownfield Plan, showing such things as the paved drive.

Member Stroop asked about water and sewer connection to the building, and if used as a warehouse, the need for bathrooms. Request Foods said that the water and sewer connections are slated to occur next year. The roof is slated for repair in 2020. Stroop asked also about any special assessments to connect to the Township system, and it was noted that we can provide that information to Request

Foods. Said commented that occupancy requirements may necessitate connecting to water and sewer sooner than their plan.

Member Bosma inquired about the revenue capture estimate, and the law regarding how school operating tax is captured. Brauer commented that MEDC (MSF - Michigan Strategic Fund) approves the capture of the 18 operating mills for school operating and SET tax. The MEDC can choose not to approve these taxes. Bosma also asked about the time limit to capture taxes, and suggested that it be limited to 15 years. Chairman Bush asked for clarification in that the capture is for 11 years as noted in the plan. Brauer noted that there are two TIF tables, one with an IFT tax approval, and one without an IFT approval. Depending on if it is approved, it changes the capture time period.

One other item noted by Bosma is the administrative fee charged by the Township to cover expenses, with an upfront fee in year 1 with a certain percentage each year thereafter. Kuiper noted that in the TIF table provided, there is a BRA administrative fee of 15% per year. Brauer questioned if that is similar to other Brownfield projects. Chairman Bush noted typically it is a \$5,000 upfront fee to cover costs, the 15% yearly fee is too high, and that a 2% yearly admin fee should be sufficient. Brauer clarified that the administrative fee comes out of the capture, and noted the TIF table can be recalculated based on the recommended admin fee.

Request Foods asked for clarification regarding the PA 198 application. Chairman Bush said that this is a Brownfield meeting, so that is a matter for the Board. Bush noted the timing of both the PA 198 and Brownfield should be fairly similar.

After the presentation by Warner, Norcross & Judd, and Request Foods, the committee discussed the administrative fee. Bosma commented that it would be nice to keep the admin fee consistent, and to make sure the Township covers its costs. Bosma also recommended that the time capture be limited to 15 years from date of executed agreement. Strop also liked the idea of consistency between projects in terms of administrative fee and time limit.

A motion was made by Bosma, supported by Strop, to recommend approval of the project to the Board, subject to changing the document to include a year 1 administrative fee of \$5,000, and subsequent yearly administrative fee of 2%, along with a maximum time limit capture of 15 years. Motion passed.

Under other business, Kuiper noted that Andrea from EGLE has offered to meet with the committee to provide updates and information on the Brownfield program.

Respectfully submitted,

Doug Kuiper, Secretary