

**Economic Development Corporation Board Meeting
Oak Business Center
Minutes of December 6, 2016**

Present

Derwin Munroe
William Hammond
Councilman Kerry Nelson

Absent

Mayor Karen Weaver
Councilman Herbert Winfrey

Others Present

Peter Hughes, Skypoint Ventures
Dave Ollila, Skypoint Ventures
Richard Cummins, Simen, Figura & Parker Law
Mark Evans, Metro Community Dev.

Staff Present

Glenda R. Dunlap
Wade Goble
Gloria Shavers

I. MEETING CALL TO ORDER:

There being a quorum, the Economic Development Corporation board meeting was called to order by Councilman Kerry Nelson at 8:41 a.m.

II. PUBLIC COMMENTS:

There were no public comments.

III. Approval of Previous Meeting's Minutes

It was moved by Mr. Hammond and supported by Mr. Munroe to approve the September 13, 2016 minutes. Motion passed unanimously.

IV. Reaffirming Resolution

Councilman Nelson stated that the reaffirming resolution reaffirms the actions taken by the EDC President to carry out the OBC day to day operations between meetings.

It was moved by Mr. Hammond and supported by Mr. Munroe to approve the reaffirming resolution. Motion passed unanimously.

V. Financial Reports

EDC Financial Report for October 31, 2016

Mr. Goble reported on the Economic Development Corporation financial status for the period ended October 31, 2016.

It was moved by Mr. Hammond and supported by Mr. Munroe to approve the EDC October 31, 2016 financial reports. Motion passed unanimously.

- Budget to Actual Report
- Available Revenue

VI. **Oak Business Center Committee Report.**

o Occupancy Report

Ms. Dunlap gave a brief update on the occupancy report. She said OBC has three new tenants.
Players Income Tax is leasing unit 102
Community Foundation of Greater Flint is leasing unit 117
Family Choice Counseling Case Management is leasing unit 213.

Brown Enterprises is five months behind.

Councilman asked Ms. Shavers to contact Mr. Brown regarding rent.

All the other OBC tenants are current with their rent.

Ms. Dunlap mentioned that Chief Johnson came to see her last week. He wanted to know if a decision had been made regarding the Police Dept. leasing a unit to have a community presence. She explained to the Chief that she was working with the Law Department and one of his Captains as to whether or not the Police Department would be obligated to pay rent for the unit

The board discussed the situation further and the fact that the Police Department had the option of another space that had been made available in the Third Ward.

Mr. Evans stated that the Police had been awarded a Ruth Mott grant for the space and that time was of the essence for the expenditure of the funds.

o Metro Flint Youthbuild Update – Property Manager

Mr. Evans reported that the elevator was out of service for a week. The elevator has been repaired and is now working. The roof has been repaired and the roofing company will be coming back to make sure there are no more leaks. Mr. Evans stated that he hired two guys to do the maintenances service and the repairs.

It was moved by Mr. Hammond and supported by Mr. Munroe to accept the OBC report. Motion passed unanimously.

- Next Committee Meeting Tuesday, December 20, 2016, 3:00pm

VII. **Loan Review Committee Report**

Ms. Dunlap reported that all of the EDC loans were paid except for Banks & Banks, Pasadena Fresh Meat Market and Metro Medical Ambulance.

It was moved by Mr. Hammond and supported by Mr. Munroe to accept the EDC report. Motion passed unanimously.

- Next Committee Meeting Tuesday, December 27, 2016, 12:30 pm

VIII. **New Business**

Ferris Wheel Project Presentation (PA 210 of 2005)

Ms. Dunlap introduced Mr. Peter Hughes, Director of Real Estate for Skypoint Ventures. Ferris Wheel project is located at 615 S. Saginaw St in the Ferris Building. She said Mr. Hughes is requesting a Commercial Rehabilitation Exemption Certificate to rehab the Ferris Building. The term of the exemption can be from one to ten years. The Administration had agreed to two years. She stated that the first step towards approving the exemption was to create a district by Council resolution.

Mr. Hughes thanked the board for giving them the opportunity to present the Ferris Wheel project. He introduced his colleague, Mr. Dave Ollila who is Vice-President of Innovation for the project. The Ferris building was purchased in 2013. He said he and his colleagues has been brainstorming about what would be the best use for the Ferris Building. After spending several months conducting research and visiting cities throughout the nation that were doing similar projects, they came up with a concept for the Ferris Wheel project.

Mr. Hughes stated that the project needed the support of the City to leverage Michigan Community Revitalization Program (CRP) grant funds. Approval of a Commercial Rehab Exemption Cert would demonstrate that support, satisfying the program requirement.

Mr. Ollila explained the project in more detail. He added that the project would meet the needs of inventors, innovators, and entrepreneurs from all walks of life and stages of readiness who have products and business ideas but lack the expertise or resource to execute.

There were questions raised from the board regarding the project.

Councilman Nelson shared his thoughts on the project. He stated that the project sounded great and would be great for the City. He said when projects come before City Council and involve tax abatements, and freezing taxes, the first question asked, is how the project will benefit the city.

Councilman Nelson asked Mr. Ollila to explain the benefits for the City.

Ms. Dunlap explained the tax exemption on the Ferris Wheel project. Mr. Hughes is requesting a freeze on the taxes to rehab the building. After the exemption period, the city would be gaining new taxes based on the value of the building.

Councilman Nelson asked that Councilwoman Monica Galloway be informed about the development in her ward. He said Councilman Galloway would be pleased to know that there is no financial impact in creating a district.

XI. Old Business

Attorney Richard Cummins explained the management agreement extension request by the BOJI Group and provided a written memo. He concluded that there would be no deleterious effect if the EDC board declined to extend the agreement.

The members all agreed not to extend the management service agreement with the BOJI Group.

It was moved by Mr. Hammond and supported by Mr. Munroe not to extend the Management Service Agreement with the BOJI Group. Motion passed unanimously.

X. Other New Business

There was no other new business.

XI. ADJOURNMENT

With no further business to conduct, Mr. Hammond called for a motion to adjourn the meeting at 9:45 a.m. Mr. Munroe seconded the motion. Motion passed unanimously