

CITY OF COOPERSVILLE
REGULAR DOWNTOWN DEVELOPMENT AUTHORITY MEETING
Coopersville City Hall; 289 Danforth Street, Coopersville, Michigan

August 13, 2024

Board Chairman Veldman called the Informational Meeting to order at 5:13 P.M.

Roll Call

Present:

Chairman Veldman

Board Member Slater

Board Member Noel

Board Member VerBerkmoes

City Manager/DDA Director Dennis Luce

Staff - Terpstra

Board Member Orent

Board Member Datema

Board Member Gerard

Absent: Board Member DuPilka, Board Member Cooper

A brief slide presentation was shared documenting the work the DDA staff has completed and will continue to work on for the next fiscal year.

Information Meeting adjourned at 5:18pm

Regular Meeting called to order at 5:18pm.

Roll Call to be used from Informational Meeting, no change in roll call.

Motion by Board Member Slater with support by Board Member Noel to excuse the absence of Board Member Cooper. Motion carried unanimously.

Additions/Corrections to Agenda

None

Minutes

Board Member Slater noted that the Minutes from June 11 meeting incorrectly states Board Member Slater motioning to adjourn, Board Member Slater was absent. Motion by Board Member Noel with support from Board Member Gerard to approve the meeting minutes of June 11, 2024 with changes mentioned. Motion carried unanimously.

Citizen Input and Suggestions

None

Public Hearings

Becky Huttenga, Ottawa County Economic Development Coordinator gave a presentation to share information on the Brownfield Tax Increment Financing Housing Program. Public Act 381 was replaced in 2023 but Public Act 90 2023 to amend the Brownfield TIC to include housing development activities outside of contaminated or blighted

areas. The City of Coopersville does not have any other existing Brownfields, nor have they ever. The proposed Brownfield would use TIF (Tax Increment Financing) to offset the cost to the developer. The property Gull Lake Marina sits on across from the East Gateway was once considered contaminated and blighted, a brownfield was used to develop the property that exists today.

The local unit has to approve the Brownfield TIF before the County can approve, and because the property in discussion is located within the DDA District the DDA Board will have to approve a pass through agreement in order for the council to consider the approval.

Brownfield housing properties have to have a percentage of income qualified units for the term of the Brownfield plan with MSHDA (Michigan State Housing & Development Association) set rates.

Board Member Noel asked what those rates are. Huttenga responded that she does not know, though some people state that it almost is closer to market rates, but is figured by stats from your local city.

Board Member Veldman asked what the income requirements were and how is that formulated. Huttenga stated that MSHDA wants that number as high as possible, but the project still needs to be viable. Usually it's figured by taking controlled rent minus income qualified multiplied by number of units equals the TIF Capture for the plan.

Board Member Noel stated that as a board we want to help our city, not hurt it, but we have been in discussions for several years to raise the cap on what the DDA captures from the TIF. Huttenga stated that because there is a cap on the DDA capture it would exacerbate it. Board Member Slater wondered how that would work for the city with the increase cost with less tax base after 15 years, and asked to verify the term of this Brownfield. Huttenga stated that the rate has not yet been discussed. Director Luce stated that the DDA funds help city budget and raising the cap on the DDA could be a different type of discussion. Huttenga stated that some communities do a service agreement. The Scott Knowlton, Westwind Construction Developer, shared two statements: A- A service agreement is definitely on the table and B- there are 6.5 acres of commercial property on this acreage that would not be part of the Brownfield and they do have ideas on how to develop it that would benefit the city and the DDA.

Roman Wilson of Fishbeck shared some of the West Wine Experiences currently in existence and stated that West Wind is familiar with Brownfields. He also briefly shared the site plan showing that they plan to create a community base with lots of amenities for residents. He also gave several points that prove Brownfield Housing Developments can be beneficial to a community including affordable workforce, resident retention, new students, more residents, increased discretionary spending and a healthier population.

Board Member Gerard stated that he has some things to share as to what the City Council had been discussing and what his opinions were. He stated he is for the population increase but is against the income based housing. He has spoken with the President of the Coopersville School Board about the adding more children to the school system and Mike Michalak stated to him that he sees that as a non-issue. Board Member Gerard believes that as we move forward with the infrastructure projects we are working on this is a prime time to add a development like this, but again stated that his issue with it is the controlled rent for income based housing and stated that we already have quite a population of this in existence. He stated that overall we need to make sure the cities cost are covered for the long term. He stated the developer has been very easy to work with and last night, at the City Council meeting, the residents were very vocal and the meeting went off the rails. Board Member Gerard believes that the DDA has a better sense of what the city and businesses needs and believes we can come to some type of agreement. His last statement was that the council voted 4 to 2 at the meeting in approval of the Brownfield Development Project. This was a vote just to gage where each council member stood.

Board Member Veldman stated that typically our DDA hasn't had to deal with this type of situation but this poses a unique situation and from this project moving forward we need to be consistent in how we process each request. The request came to City Council in June and then went to the planning commission for further discussion before coming to the DDA.

Board Member Slater asked if Director Luce was looking to do a binding or non-binding vote. Director Luce stated that he was looking for direction and to discuss the options with all boards and councils. He would like to know if the DDA Board is in support or if they are against this project.

Board member Slater stated that more than likely as long as there is a service agreement and it would not overwhelm or greatly impact the city he would be in favor. Board Member Noel shares some of Board Member Gerard's hesitations and stated with the cost of business we more than likely won't see a project like this

happening without a Brownfield. He stated that as a business owner he finds it hard to argue with but also as someone who was born and raised here he understands the small town feel. Board Member Gerard stated that cities that don't move forward... and did not finish his statement. He feels the DDA represents the businesses and citizens of Coopersville very well.

Board Member VerBerkmoes stated that she has received several statements and questions at her place of business about the abatements happening all around Coopersville, and people are not happy that those receiving the largest tax breaks are also those that are able to pay it. She also stated that many people are worried about utilities and the school. Director Luce stated that it is important to note that the Coopersville School District has a 20-22% rate of School of Choice Students. The infrastructure is good on water supply and by the time this project is complete waste water will be a non-issue.

Board Member Noel asked if this project was possible without this time of assistance.

Scott Knowlton, Westwind Construction Developer, stated that the property has been vacant and for sale for 25 years. He will not build without some type of assistance situation. He also stated that they do pay taxes, because it starts at a baseline. He also wanted to give an example which he normally does not do but because it was a small group for this discussion has decided to share. In 2016/2017 the cost to build was about \$140,000 to \$150,000 a door and now in 2024 it's about \$240,000 a door. (A door means a unit). Because they need the assistance to build with construction costs that's why they are requesting a Brownfield Development. Typically West Wind Properties do not allow for any income based units.

Board Member Slater stated that if he still had a functioning business in Coopersville he would want this development. Board Member Verberkmoes stated that she has heard a lot of negative, Board Member Slater stated that he can see both sides by bringing the new in and also keeping what we already have. Board Member Noel wondered if it was because of the tax rates in our area that they are requesting the Brownfield. The Developer stated that yes, Coopersville has a very high millage rate but the Brownfield can help off set that. Board Member VerBerkmoes asked if they would be looking for more tax breaks down the road and the Developer stated No.

Director Luce asked if any other board members had anything to share. Board Member Datema stated that he would be on the same page as Board Members Noel and Gerard as long as the infrastructure could maintain it. Board Member Orent stated that whenever he talks to people outside of the city they share that there is no housing available in the city. Board Member Noel asked if those same friends would live in apartments such as these. Board Member Orent stated yes, because houses in this area are too expensive. Board Member Gerard verified this was listed for discussion only and Director Luce stated Yes.

Petitions & Communications

7.A – Discussion ensued via the speakers in the prior paragraph.

7.B – At the beginning of the meeting we held our bi-annual Informational Meeting with slides showing what both DDA staff members are working on. Board Member Gerard stated that he really loves the direction the Discover Coopersville Brand is going. Board Member Datema stated that him and Board Member Orent are talking about how they can use their skills to benefit Summerfest activities. Staff Terpstra stated that she did share the information at a Summerfest committee meeting and it was stated that they would rather not spend the fees listed on something like that because their event is non-profit to raise money for several things throughout the community. Board Member Datema stated that maybe the DDA could make use of the suggested drone video footage especially adding in Summerfest. Staff Terpstra stated that she keeps her role with the City of Coopersville and Summerfest Committee as separate as possible. Board Member Noel stated that beyond Summerfest we need to continue to maintain and build on what we've created and how well everything is working. Staff Terpstra stated that when considering the Brownfield discussion and a development we need to get in front of the media and works to stay ahead because we want to attract people that will spend their time, money and talents in our City.

7.C – Annually the board as a whole needs to appoint an Executive Committee consisting of the Board Chairman, Vice Chairman and Board Executive. Director Luce asked if there were any nominations or volunteers for the

Chairman position. Board Member Slater renominated Board Member Veldman. Board Member Veldman stated that he would accept unless there was someone else interested in the position. All board members voted in favor of Board Member Veldman remaining Board Chairman. Board Member Veldman asked if there were any nominations for Vice Chairman. Board Member Slater asked that he not be nominated due to life changes, but would like to nominate Board Member Noel. Board Member Noel excepts, vote carries unanimously. Chairman Veldman asked for nominations or Volunteers for Board Executive. Board Member Datema volunteers. Vote carries unanimously.

DDA Information Packet

Motion by Board Member Noel with support by Board Member Gerard to receive and file the DDA Information Packet. Motion carried unanimously.

Citizen's Input and Suggestions

None

City Manager/DDA Director's Report

Awesome job to all those that helped or volunteered with Summerfest, it was a great turnout. And a large thanks to Circle of Friends with the Pancake Breakfast.

Marketing & Economic Development Administrator Comments

Has spoken with a few businesses that were interested in applying for the building incentive grant and they just didn't feel the timeline would work for them to apply.

Board Member Gerard

He has been contacted by several Main Street Merchants about the status of the blue building that is for sale. Questioning if we need to take action as a board to fix the front of the building. Director Luce stated that we could have PCI inspect the property. Board member Gerard will be absent in September.

Adjournment

Motion by Board Member Slater with support from Board Member Gerard to adjourn the meeting. Motion passed unanimously. Meeting adjourned at 6:40pm.

Chairman, Ron Veldman