

**KALAMAZOO COUNTY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING**

MEETING DATE: Thursday, April 26, 2018
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, 207a
TIME: After BRA Regular and Annual Meetings

ANNUAL MEETING AGENDA

1. Call to Order
2. Members Excused
3. Approval of the Agenda
4. Approval of Minutes:
 - a. EDC Minutes of Annual Meeting of April 27, 2017
 - b. EDC Minutes of Special Meeting of February 22, 2018
5. Citizens Comments (4 minutes each / Please state name and address)
6. Discussion and/or Action Calendar
 - a. **Election of Officers – Slate**
 - i. Chair – Andy Wenzel
 - ii. Vice Chair – Ken Peregou
 - iii. Secretary – Christopher Carew
 - iv. Treasurer – Christopher Carew
 - b. **Other nominations**
 - c. **Close nominations** – Any seat with more than one nomination will call for a secret ballot
 - d. **Cast Ballots**
7. Staff Update
 - a. Hark Orchids update
8. Other
9. Board Member Comments
10. Adjournment

Next Meeting: April 25, 2019 (Room 207a, County Admin. Bldg)
PLEASE CALL 384-8305 OR EMAIL RAGROV@KALCOUNTY.COM
IF YOU ARE UNABLE TO ATTEND THE MEETING

**KALAMAZOO COUNTY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING**

MEETING DATE: Thursday, April 27, 2017
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, 207a
TIME: After BRA Regular and Annual Meetings

ANNUAL MEETING MINUTES

Present: Joe Agostinelli, Connie Ferguson, Travis Grimwood, Julie Rogers, Andy Wenzel, Douglas Milburn, Chris Carew, Ken Peregon, Habib Mandwee

Members Excused: Jim Spurr, Jodi Milks

Kalamazoo Township: Dexter Mitchell

Staff: Lotta Jarnefelt, Rachael Grover

Consultant: Jeff Hawkins

Recording Secretary: Rachael Grover

Community: 4

1. Chair Wenzel called the meeting to Order at 5:47 p.m.
2. Members Excused: Jim Spurr, Jodi Milks
3. Approval of the Agenda: **Agostinelli moved and Rogers seconded the approval of the Agenda Motion Carried.**
4. Approval of Minutes: **Agostinelli moved and Ferguson seconded the approval of the May 26, 2016 Annual meeting minutes. Motion Carried.**
5. Citizens Comments: Mike Gurnee from the MDEQ thanked the Board for collaboration and working together in his first year and he hopes to be of help moving forward.
6. Discussion and/or Action Calendar
 - a. **Election of Officers – Slate**
 - i. Chair – Andy Wenzel
 - ii. Vice Chair – Ken Peregon
 - iii. Secretary – Christopher Carew
 - iv. Treasurer – Christopher Carew

Rogers moved and Agostinelli seconded the approval of the Slate of Officers. Motion Carried.
7. Other
8. Board Member Comments
9. Adjournment at 5:52

Next Meeting: April 26, 2018 (Room 207a, County Admin. Bldg)
PLEASE CALL 384-8305 OR EMAIL RAGROV@KALCOUNTY.COM
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**KALAMAZOO COUNTY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING**

MEETING DATE: Thursday, February 22, 2018
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, 207a
TIME: ~ 4:00 PM – Immediately after the BRA

MINUTES – Special Meeting

Present: Joe Agostinelli, Connie Ferguson, Julie Rogers, Ken Peregon, Jodi Milks, Andy Wenzel, Travis Grimwood, Habib Mandwee

Members Excused: Jim Spurr, Chris Carew, Doug Milburn

Kalamazoo Township: Sherine Miller

Staff: Lotta Jarnefelt, Rachael Grover

Consultant: Jeff Hawkins

Recording Secretary: Rachael Grover

Community: 3 community

1. Chair Wenzel called the special meeting to Order at 5:40 p.m.
2. Members Excused: Carew, Spurr, Milburn
3. Approval of the Agenda: **Ferguson motioned and Peregon seconded the approval of the agenda. Motion carried.**
4. Approval of Minutes:
 - a. September 28, 2017 Special Meeting
 - b. January 18, 2018 Special Meeting

Peregon moved to approve the minutes for both special meetings as provided in the packet. Mandwee seconded the approval. Motion carried.
5. Citizens Comments: None
6. **Discussion/Action Calendar:** ~ Packets are available before the meeting
 - a. MDEQ Loan application for Jhamin, LLC - \$115,000 plus interest
Request for EDC as the applicant for an MDEQ Loan for the installation of a sub-slab depressurization system and for the demolition of a blighted building that is an attractive nuisance.
 - i. Loan Reimbursement Agreement Draft
This agreement is based on the same agreement for the Eliza Street project (which was drafted by Varnum) except with the removal of TIF reference to repay the loan because that is not the case with this project.

Draft is currently with Jhamin LLC. Staff recommending approval to authorize Chair to execute the Loan Reimbursement Agreement with Jhamin LLC as long as Jhamin does not have any changes to the agreement
Agostinelli motioned to authorize Chair to execute the Loan Reimbursement Agreement. Milks supported the motion. Motion carried.

- ii. County Resolution Draft – 3/6/2018 County Commission meeting

No action required.

- iii. Loan Application – approval to submit contingent on County Resolution.

Peregon moved to approve submittal of the Loan Application to the MDEQ contingent upon the County passing the Resolution on March 6, 2018. Ferguson supported the motion. Motion carried.

7. Other

- a. MEDC Interlocal Agreement update

Chair reviewed the Resolution that was adopted by the Executive Committee of the MEDC as provided in the packet. Resolution includes the language that this EDC requested regarding providing at least 90 days' notice of proposed amendments to each Interlocal partner.

Update from the MEDC is that all partners agreed to approve amendment to the Interlocal agreement and they are in the process of filing with clerks and the Office of the Great Seal.

8. Board Member Comments

Jarnefelt reminded Board to send a representative to the MEDC Annual meeting each year.

Wenzel attended the last MEDC Annual meeting and agrees it is important to send a representative.

9. Adjournment at 5:50 p.m.

Next meeting - Annual meeting on April 26, 2018

**PLEASE CALL 384-8305 OR EMAIL RAGROV@KALCOUNTY.COM
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KALAMAZOO COUNTY GOVERNMENT

In the Pursuit of Extraordinary Governance...

MEMORANDUM

Date: April 19, 2018

To: Kalamazoo County EDC

From: Lotta Jarnefelt

Re: 2018 Annual Status Report on Hark Orchids

The Planning & Development Department is tasked with monitoring the annual reporting that is part of the Forgivable Commercial Term Note with Hark Orchids in Midlink Business Park in Comstock Township. Hark Orchids has submitted a 2018 report as required.

In June of 2012, the County Board of Commissioners approved a loan for \$250,000 to Hark Orchids as part of the County Economic Development Fund Program. This loan/grant was the last one given out by the Economic Development Fund Program, which was dismantled at the end of 2012. The loan was to be converted to a grant upon the hiring of 80 qualified new jobs by June 30, 2017.

Hark Orchids has met the jobs requirement. A review and opinion by outside legal counsel on March 12, 2018, states that the loan has been deemed to have been a grant, subject to the repayment provisions the Forgivable Commercial Term Note, and all principal and accrued and unpaid interest on the Loan shall be automatically forgiven, without need for further action on the part of the County.

There are still other requirements outlined in the Note that stay in effect. If within 10 years from the execution date of this agreement (on or before October 22, 2022) 25% of workforce or operations are moved outside of Kalamazoo County or Hark Orchids fails to maintain them, the grant has to be repaid back with interest within 30 days as outlined in the Note.

Therefore, a status report of the Hark Orchids Company will be presented to the County Board of Commissioners annually until the October 22, 2022 deadline, either as a memo or a presentation. The report includes the number of qualified new jobs created, education level of the work force, average wage and total investments made.

At this point Hark is meeting the requirements in the Note with a workforce of 95.5 as of Q1 of 2018 (minimum required to meet MEDC and County milestone by June 30, 2017 was 80). Average wage is reported as \$11.23 (excluding management).

Southwest Michigan First reports that Hark Orchids has met the MEDC milestones and is now in the MEDC's monitoring stage through September 2019.