

CITY OF HUDSONVILLE



MEETING MINUTES

May 1, 2024

Voting Members Present: Doug Butterworth, Andrew Gemmen, Jack Groot, Mayor Mark Mayor Northrup, Kirk Perschbacher, Duane Smith and Matt Van Woerkom

Non-Voting Attendees: Jared Belka Warner Norcross + Judd, Jami Buth – Veneklasen Construction, Ethan Cowlbeck Planning Intern, R. Tyler Dotson, Lindsey Hicks, Becky Huttenga – Ottawa County Economic Development Coordinator, Trevor Petroelje - MOXIE, Olivia Selby - Fishbeck, Andrew Smith, Dana Sorensen – Hudsonville Lanes, and Dan Strikwerda

Voting Members Absent: Jodi Cole Meyer, Philip Koning, and Todd Penning

1. Call to Order:
Groot called the meeting to order at 3:30 p.m.
2. Approval of Minutes:
There was a motion by Perschbacher, support by Mayor Northrup and unanimous approval to approve the March 6, 2024 minutes.
3. DDA and TIF Financial Report:
The DDA financial statements were presented. There was a motion by VanWoerkom, support by D. Smith and unanimous approval to accept the financial statements dated April 22, 2024.
4. Annual DDA and TIF budget for FY 2024-2025:
A. Smith presented the budget for the upcoming fiscal year. No big surprises. The TIF fund has a budget deficit of \$176,400 due to the parking lot that is approved for construction along School Avenue at a cost of \$180,000. Lawn mowing costs have increased significantly.

The DDA levies 1 mil. It will stay at that rate, which covers operating cost, including DPW maintenance. The DDA Operating Fund has a surplus of \$3,100.

There was a motion by VanWoerkom, support by Mayor Northrup and unanimous approval of the DDA and TIF budget for FY 2024-2025.
5. The Brownfield Plan Tax Increment Pass-through Agreement for Terra Station:
There was a request for over \$5 million from the MEDC. The award was \$1.5 million. This left a financial gap that needs to be addressed. There is also a gap in the availability of workforce housing. There will be 35 units at 80-95% AMI for the life of the project. The Ottawa County Brownfield Fund can capture up to 5 years, but they approved about 2 years.

This will lock in the rental rates for the life of the plan of about 15 years. The statute allows for up to 30 years. Residents will need to qualify based on their income to ensure this project provides workforce housing. When this tax increment pass-through ends local taxes will be about \$375,000 and the DDA millage will be about \$16,000 per year. Upcoming approvals will be needed from the Ottawa County Board and City Commission for the Brownfield Plan.

There was a motion by Perschbacher, support by Mayor Northrup with unanimous approval of the Brownfield Plan Tax Increment Pass-through Agreement for Terra Station.

6. The Brownfield Plan Tax Increment Pass-through Agreement for Prospect Flats:

Perschbacher has been hired to work on this project so he will abstain from voting. The proposal is for 5 units at 90% AMI for the life of the plan of about 16 years. All of the units in the project are in the 80-120% AMI range. Demolition is covered by this funding, including the removal of an underground storage tank. The finance gap is \$1.9 million. This plan proposes 1-year of capture for the Ottawa County Brownfield Fund. The Ottawa County Brownfield Authority has not reviewed this project. The years of the plan can be reduced due to tax rates increasing faster than the conservative rate implemented in the plan.

There was a motion by Mayor Northrup and support by Butterworth to approve the Brownfield Plan Tax Increment Pass-through Agreement for Prospect Flats.

Yes 6

No 0

Abstain 1 (Perschbacher)

7. Hudsonville Lanes Redevelopment Liquor License Review:

They are obtaining a Redevelopment License and an SDM license. This is the only bowling alley in the state without a liquor license. They are also not open on Sunday. A requirement for this license is the need to spend \$75,000 in improvements which they have easily done.

There was a motion by Mayor Northrup, support by Perschbacher and unanimous approval to recommend the approval of House of Thunder, Inc for a redevelopment liquor license and SDM license to the City Commission.

8. 5527 32nd Avenue:

This property just had an estate sale. It is going to go on the market. It is contiguous to existing DDA property.

There was a motion by Mayor Northrup, support by Groot and unanimous approval to request that the City Commission consider the purchase of 5527 32nd Ave for future development.

9. Private projects update:

- A Master Plan Map Amendment is in process for the property at 6365 Balsam Drive behind Signatures.
- A hotel wants to go in at South Buttermilk Court. Funding is an issue due to construction costs.

10. Adjourn:
The meeting was adjourned at 4:50 p.m.

Respectfully Submitted,
Daniel J. Strikwerda, AICP
DDA Interim Director