

CITY OF WYOMING, MICHIGAN
Minutes of the Committee of the Whole Meeting
October 3, 2016

PRESENT: Councilmembers Bolt, Burrill, Pastoor, Ver Hulst, Voorhees, Mayor Poll

ABSENT: Vanderwood

STAFF: Dooley, Holt, Isakson, Josefowicz, Stowell and VandenBerg

GUESTS: Stu Kingma, NAI Wisinski; Therese Thill, The Right Place; Mary Ann Sabo, Sabo PR; and Scott Smith, Dickinson Wright; Don Shoemaker, Franklin Partners, LLC; Gary Tamminga, Franklin Partners, LLC

Mayor Poll called the meeting to order in the West Conference Room, City Hall, at 5:35 p.m.

Holt explained that based on recent direction from Council, he has continued conversations to explore opportunities to develop Site 36. Given past partnerships in the City of Wyoming, Holt has been in conversation with Don Shoemaker with Franklin Partners, LLC. Holt introduced Shoemaker.

Shoemaker introduced Gary Tamminga and explained they are a development/redevelopment firm and have completed 17 large-scale projects in West Michigan, attracting manufacturing and other large industrial and commercial operations. Shoemaker noted previous efforts in Wyoming, including Priceline and the facility on Eastern Avenue where the roof was raised to accommodate the relocation of ABC Automotive Group. They have walked Site 36 before demolition, but at that time they had limited interest given the availability of industrial sites in West Michigan. There is now very limited industrial property on the market without building new. The site is really an opportunity with the infrastructure and amenities offered. The site needs a new vision to show potential manufacturers what this site could be for them. Franklin Partners can develop that vision for them.

Shoemaker discussed the agreement, noting his prior experience working with the City gives him faith that this agreement will help develop the site. Within 60 days, Shoemaker suggests developing a revitalized plan for the site, an expansion of marketing, website development, among other things to promote the site. Shoemaker explained when someone is interested, significant time is spent learning about them and working to make the site what they need.

Smith explained the agreement, noting the recitals set the tone for what we are trying to do. Smith reviewed the recitals. Smith noted Shoemaker suggested recital G, which includes visual improvements to the site, as well as marketing and events to refresh this opportunity in the public's mind. Recital J states goal, but also requires that any proposed occupant would require Council approval. This is a collaboration agreement. The agreement addresses the opportunity for the developer to have an option to purchase. Economic development opportunities will be considered according to the City's regular process. Smith drew attention to item 11B, which would allow for all parties to provide interpretations after signing the agreement. This section

would allow us to be creative as the agreement is carried out. This is a very collaborative process and we may have to reconsider things from time to time.

There was brief discussion regarding the site's per acre cost.

Shoemaker explained he does not plan to promote this site on a price per acre, but will promote the site, the workforce, the amenities, etc. Land cost is di minimis for industrial users compared to infrastructure and equipment.

Holt reminded Council of the history of the site and the City's role in the process. To date, the City's total cost is roughly \$330,000. Based on that, the City would need a little more than \$4,000 per acre to recoup those costs. If the City builds roads or other infrastructure, that number might change.

Smith clarified the net price received for the property must be split between the City and Lormax Stern.

Ver Hulst noted some confusion about the interface with this developer

Shoemaker explained Franklin Partners would help facilitate the construction of the buildings, because The Right Place doesn't build buildings. Kingma and NAI Wisinski is also part of the team trying to attract potential users. We would all be working in conjunction. We will use all the help we can get.

Kingma noted the only difference is that Shoemaker and Franklin Partners would need Council's approval of a proposed project. The process from a brokerage standpoint is the same.

Tamminga offered that Franklin Partners learns as much as possible about a company's operations to give them the best facility possible, but also make the move as seamless as possible. There is a lot of relationship-building that happens through the process.

Holt indicated the City has been approached by other site developers and that is what led us down this path. Others may not like a decision to enter into this partnership, but our experience with Franklin Partners has been fruitful and productive. There will be a resolution to enter into an agreement with Franklin Partners on tonight's agenda for your consideration.

The meeting adjourned at 6:11 p.m.

Kelli A. VandenBerg, City Clerk