
**CITY OF KALAMAZOO
ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING
Thursday, August 15, 2024
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007**

MEMBERS PRESENT: Jason Novotny; Sharon Ferraro; Lucas Middleton; Rachel Bair; Kevan Hess; Kyle Gulau

MEMBERS ABSENT: Torean Greeley; Alonzo Wilson; Michael Gurnee; Andrew Schipper; Nathan Bolton

CITY STAFF PRESENT: Jamie McCarthy (Sustainable Development Coordinator); Jerrid Burdue (EDC Liaison/Neighborhood Business & Special Projects Coordinator); Jessica Wood (Attorney, Dickinson Wright); Logan Mulholland (Consultant, Fishbeck); Jared Chambers (Business Specialist); Heidi Waffle (Brownfield Project Assistant); Antonio Mitchell (CPED Director); Chelsie Downs-Hubbarth (Community Investment Manager)

Meeting was called to order at 7:47 AM by Chair Hess.

MOTION TO EXCUSE ABSENT MEMBERS: Director Ferraro moved to excuse absent members; seconded by Director Middleton. Motion approved by voice vote unanimously.

APPROVAL OF AGENDA: Director Novotny moved approval of the agenda as amended; seconded by Director Middleton. Motion approved by voice vote unanimously.

Mr. Burdue shared the contingency section of the approval of New Business Item F-2 could be removed, as the business had addressed the deficiencies prior to the meeting.

APPROVAL OF MINUTES: Director Ferraro moved approval of the minutes from the meeting of June 20, 2024; seconded by Director Middleton. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTORS' COMMENTS

None.

NEW BUSINESS

1. Approval of the Second amendment to the Approved 2024 Economic Development Corporation Budget.

Mr. Burdue shared information regarding a budget amendment to allow for additional meetings with Camoin Associates on the Economic Development Strategy. The additional costs are \$10,045. He said

they received a \$50,000 MEDC Redevelopment Ready Community technical assistance grant, which the city applied to this project. They would remain under budget if this amendment was made.

Director Novotny moved approval of the Second amendment to the Approved 2024 Economic Development Corporation Budget; seconded by Director Bair.

A roll call vote was taken, and the motion passed unanimously.

2. Approval of a recommendation to the City Clerk's Office for a 1-year approval of the Adult Use Retailer Permit to 2233 N Burdick Inc DBA Levels Cannabis, contingent on the Applicant correcting the zoning deficiencies by replacing four shrubs and one tree by August 31, 2024. If the Applicant fails to correct the deficiencies by August 31, 2024, then the recommendation is approval of a 90-day probationary renewal.

Mr. Burdue shared the business is only eligible for a one-year approval due to filing their personal property tax statement late.

Director Middleton moved approval of a recommendation to the City Clerk's Office for a 1-year approval of the Adult Use Retailer Permit to 2233 N Burdick Inc DBA Levels Cannabis, contingent on the Applicant correcting the zoning deficiencies by replacing four shrubs and one tree by August 31, 2024. If the Applicant fails to correct the deficiencies by August 31, 2024, then the recommendation is approval of a 90-day probationary renewal; seconded by Director Ferraro.

A roll call vote was taken, and the motion passed unanimously.

3. Approval of a recommendation to the City Clerk's Office for a 2-year approval of the Adult Use Retailer Permit to Nirvana Kalamazoo, LLC, contingent on the Applicant correcting the zoning deficiencies by replacing the doors on the dumpster enclosure by August 31, 2024. If the Applicant fails to correct the deficiencies by August 31, 2024, then the recommendation is approval of a 90-day probationary renewal.

Mr. Jerrid Burdue shared they are eligible for a two-year renewal. The only deficiency that needs to be corrected is the zoning issue regarding the dumpster enclosure.

Director Ferraro asked about the location of the listed manager, which stated an Arizona address. Cole Deanda, Nirvana representative, explained the owner is not a resident of Michigan.

Mr. Deanda explained they are addressing the items of deficiencies, and the gates should be on by Monday.

Director Middleton moved approval of a recommendation to the City Clerk's Office for a 2-year approval of the Adult Use Retailer Permit to Nirvana Kalamazoo, LLC, contingent on the Applicant correcting the zoning deficiencies by replacing the doors on the dumpster enclosure by August 31, 2024. If the Applicant fails to correct the deficiencies by August 31, 2024, then the recommendation is approval of a 90-day probationary renewal; seconded by Director Novotny.

A roll call vote was taken, and the motion passed unanimously.

4. Approval of a recommendation to the City Clerk's Office for a 1-year approval of the Adult Use Retailer Permit to J Elias Management Inc., DBA Puff Kalamazoo.

Mr. Burdue shared the business is only eligible for a one-year approval due to filing their personal property tax statement late. Mr. Chambers added this business is at silver-level status, so they are only eligible for a one-year approval anyways.

Director Middleton moved approval of a recommendation to the City Clerk's Office for a 1-year approval of the Adult Use Retailer Permit to J Elias Management Inc., DBA Puff Kalamazoo; seconded by Director Novotny.

A roll call vote was taken, and the motion passed unanimously.

5. Approval of a recommendation to the City Clerk's Office for a 2-year approval of the Adult Use Grower Class C (4) Permits to sweet Cut Grow, LLC.

Mr. Burdue shared staff is recommending a two-year approval.

Director Novotny moved approval of a recommendation to the City Clerk's Office for a 2-year approval of the Adult Use Grower Class C (4) Permits to sweet Cut Grow, LLC; seconded by Director Ferraro.

A roll call vote was taken, and the motion passed unanimously.

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

Attorney Wood explained a very recent supreme court case regarding recommending bodies and open meetings act. The ruling has been remanded, but for the time being the EDC board will pause moving Cannabis approval items to a consent agenda.

STAFF REPORTS AND UPDATES

1. 2024 Quarterly Budget Report

Mr. Burdue shared information on the budget, as found in the agenda packet.

Director Gulau asked if there has been any interest in the loans. Mr. Burdue said slight interest and that there have been considerations of using it for businesses impacted by construction. He said the main objective of the loan is job creation and they are discussing whether that extends to job retention. They are internally working through these issues.

Director Gulau asked if the \$500,000 loan has a renewable source of income. Mr. Burdue said it is a revolving loan, and so it will come back into the funds. Director Gulau asked over what timeframe. Ms. Downs-Hubbarth shared it would be in the account in the next budget year and explained the upcoming changes in how this loan will be reflected in the EDC budget.

Director Gulau said the changes of how this loan will be budgeted gives them an opportunity to restructure the program so the money will actually be used. He asked when the last time was this loan was used. Ms. McCarthy shared last year a loan was done with 215 E Michigan.

Chair Hess asked what is the timeframe on the loans from when they are applied for and when they are granted. Ms. Downs-Hubbarth was not sure, but she said it does take awhile as there is a personal guarantee involved.

2. 2025 Budget Planning

Mr. Burdue shared information on items they are looking to add to the 2025 budget, including: EDC branding, website services, business and talent attraction for the City, marketing and promotion of the City, Salesforce training, and implementation of the Economic Development Strategy.

Director Bair asked about the work of marketing and promoting the City, as well as the business and talent attraction, and how the EDC Board's work in those areas would align with or duplicate other entities that are doing that work. Mr. Burdue explained Southwest Michigan First exists as a regional partner and does not market directly for the City of Kalamazoo, so this could be more specific for business attraction in that aspect. In terms of potential partnership with the DDA or DEGA, they are focused on retail in the downtown, so the EDC Board could find ways to promote retail not just downtown, but city-wide. He said another partner that they will really want to engage with is Discover Kalamazoo and the great efforts they're doing. They are more-so attracting visitors to the county and city, but there is shared overlap.

Director Bair asked if this is a recommendation emerging from Camoin Associates' work on the Economic Development Strategy. Mr. Burdue said that is correct.

Director Gulau alluded to Mr. Burdue's comment on the strengths of the EDC that can be leveraged and asked what are their strengths. Mr. Burdue said it is not so much looking at the strengths of the EDC, but the City of Kalamazoo in general. He will lean on Camoin Associates for the strengths they come out with for the strategy. He mentioned the Kalamazoo Promise and zoning changes. He understands there are still improvements that need to be done to continue to be business friendly.

Director Gulau said as he looks at the list, he is excited about these things. He said when talking to other people in the community, it seems like one of the general issues is a perception problem with Kalamazoo and people coming downtown. He said when talking about marketing and website work, that it is cool they are thinking about moving that direction, as it might start solving a problem that is easily identifiable in a two-minute conversation with someone on the Kalamazoo Mall. He acknowledged the budget amounts are subject to change, but asked what type of amount they are thinking of to address some of these issues. Mr. Burdue shared potential amounts for the 2025 budget items that will be presented in a draft budget in September.

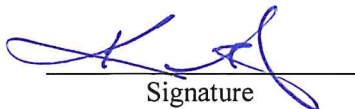
3. Kalamazoo Social Equity Cannabis Chamber Update

Mr. Burdue shared they are looking to have Rebecca Colett, Detroit Cannabis Project, give a virtual or in-person update presentation at the October board meeting.

4. Economic Development Strategy Update

Mr. Burdue shared the draft should be presented in September. In place of a focus group he had originally emailed directors about, they are going to send a report out to the group and directors can send their comments back or meet with Mr. Burdue to discuss one-on-one. They are looking at City Commission approval at their first meeting in October.

ADJOURNMENT: Meeting was adjourned at 8:12 AM by Chair Hess.


Signature


Printed Name/Chair


Heidi Waffle/Recording Clerk