

Meeting Notes

Plainwell Mill Redevelopment Plan Development Forum – January 31, 2007 Plainwell, Michigan

GENERAL

The development forum was conducted on January 31, 2007, in Plainwell, Michigan. Three developers with experience in redevelopment of previous industrial properties in Michigan were invited to the meeting. The forum agenda (attached) and a package of summary information about the mill site and Plainwell was provided to the developers prior to the meeting. The initial introductions were followed by a walking and driving tour of Plainwell, and then a driving and walking tour of the Plainwell Mill property. After the tours, the meeting facilitator requested information on first impressions of Plainwell and the local redevelopment market, as well as associated redevelopment issues. A companion graphic, titled "Land Use – The Developer's Perspective" has been attached to help illustrate some of the land use ideas that were raised by the developers.

FORUM ATTENDEES

City Representatives

- Richard Brooks, Mayor
- Cathy Green, Brownfield Redevelopment Authority
- Jim Schaafsma (absent-excused)
- Jim Higgs, Planning Commission
- Emilie Schada, Downtown/Economic Development Manager
- Erik Wilson, City Manager

Weyerhaeuser Company Representatives

- Jennifer Hale, Weyerhaeuser Company (absent due to illness)
- Linda Hicken, RMT, Inc.
- Kathy Huibregtse, RMT, Inc.

Facilitators

- Paul Fontaine, JJR, Urban Planner
- Cheryl Zuellig, JJR, Landscape Architect
- Gene Hopkins, JJR, Preservation Architect

Developers

- Eric B. Larson, President and Chief Executive Officer
Larson Realty Group
- Ronald S. Mucha, Sr. Vice President
Morningside Equities Group, Inc.
- Grant R. Trigger, PE JD
Real Estate Interests Group, Inc

POINTS OF AGREEMENT

As part of the forum process, ideas that gained consensus during the discussion were written down and then reviewed by all the participants together. The following Points of Agreement are the result of this process and are meant to help provide direction as the planning and development process moves forward:

Editor's note: For clarification, the term multi-family residential in these notes refers to any type of residential land use that is not single family. Further the term does not imply specific densities or ownership structure (i.e. rental, home owner occupied, condominiums etc.)

- Plainwell needs to position itself in the regional market.
- Consolidate at core between downtown and mill site (limit redevelopment further away).
- City needs to have patience and vision.
- Pick a knowledgeable development partner who understands industrial site redevelopment.
- Provide public access to/along the river – River walk (width/character – TBD) – Vary the river walk.
- West end of site could stand alone with auto-oriented commercial.
- Multi-family residential (regardless of density) relates to river, but distance from water can be variable.
- City Hall as development anchor in building should be implemented soon.
- East portion of site, along Allegan develops as an extension of downtown commercial. Pedestrian friendly (not “Big Box”), urban commercial.
- Mill building reuse potential should determine what is saved/demolished – Not just “historic” (but it seems like the bulk may go).
- Plan should be flexible and still strengthen the vision.
- RFQ not an RFP – Pick your partner to help implement your vision.

DEVELOPERS' OBSERVATIONS

The following comments are those expressed by one or more of the invited developers. The comments were not necessarily the opinion of all of the developers or of the other attendees of the forum, and no attempt was made to reconcile differing opinions. The developers' comments, which are listed after the question posed by the forum facilitator, were meant to provide added insight to the planning process for the Plainwell mill site.

- 1. Plainwell First Impressions: After visiting the area, what do you think of when you think of Plainwell?**
 - a. Small, quaint.
 - b. Deans Ice Cream.
 - c. Open space/parks/water.
 - d. Feels like a lot of small towns.
 - e. Hard to understand the vision – Need to understand the city's vision first.
 - f. No critical mass of development – It is spread out.
 - g. Development not focused at the core -disconnected resources.
 - h. River access has not been maximized in Plainwell. River access should be prioritized.
 - i. What connects all the good ideas?
- 2. Market/Development Comments: What are your initial thoughts about redevelopment of the Mill site within Plainwell?**
 - a. Is there a market? In small community – You need to draw outside the community (market and investment) – So what is the draw? A destination attraction? What is a destination location? Frankenmuth is a destination. Does Plainwell want to be a destination?

- b. Is Plainwell truly unique; with water – River frontage – General response: not unique but the river is an attribute. Plainwell is competing with other communities.
- c. Plainwell to Kalamazoo could be like Chelsea to Ann Arbor. (Editor's note: Chelsea relies on Ann Arbor for people, but provides a place for the people of Ann Arbor to go for meals and entertainment.)
- d. Mill site has to connect to the rest of the city.
- e. Need to identify what other communities are doing.
- f. Need a deliberate, specific, logical focus to community redevelopment efforts.
- g. Points of Differentiation – Mill committee efforts, corporate sponsor are benefits to Plainwell
- h. It is always good for a municipality to get land back on tax rolls.
- i. ASSET - Large amount of land adjacent to downtown with traffic volumes immediately nearby on MI 89.
- j. ASSET - Allegan Ave. (MI 89) – Helps retail by being visible – Need to provide more service oriented retail.
- k. ASSETS – London Grill as a draw, and a downtown grocery store.
- l. MISSING – Downtown vibrancy would help mill redevelopment.
- m. Possible solution: More restaurants – More choice – More vibrancy.
- n. What are the market demands? Fundamentally 36± acres are a no brainer for development, but do you have the market to effectively develop this area.
- o. Developers will not make a commitment without understanding what the community's vision is.

3. Land Use Issues/Comments: What types of land use would work on the Plainwell Mill Site?

- a. Riverfront (Water) – Open it to people and to the downtown. For example: One developer suggested that, if feasible, a public boat launch could be installed along the river.
- b. Allegan (MI 89) - Commercial uses are appropriate – Benefits are visibility/traffic/location to US-131 and downtown.
- c. The site could be divided into two zones – West side and east side (divided by narrow pinch point along the river. West parcel could be subdivided and developed earlier and separately.
- d. Utilize great building stock.
- e. Have an entertainment component.
- f. Move an existing destination to the core of the mill site.
- g. Condos on the river within walking distance to added amenities may work. Possibly with an urban feel.
- h. Multi-Family residential doesn't need to be right on a river walk/public park. A river walk/public park could be 10 to 50 feet wide, or more, based on other factors.
- i. Public access:
 - Respond to environmental conditions in terms of land/use.
 - Some developers may want to control river access, but not consistent with downtown.
 - Housing project alone won't meet developers need (usually look to combined retail and high density residential).
 - Public space – Create a "main" street want to live on.
- j. Could use the river for residential adjacent to public space. The space and the product along the riverwalk need to vary. Not all the same.
- k. Consider higher intensity commercial on west.
- l. The pinch point or neck (defined as the area north of Short Street and south of the river) creates planning challenges.
- m. To help address cash flow issues, it was also noted that the property could be divided into 2 or 3 parcels.
- n. Allegan (MI 89) – Front door to commercial use. Facilitate in and out turn lanes/lights. Extend pedestrian walkway on Allegan.
- o. Historic Preservation could be considered.
 - Make it visible/accessible.
 - Historic tax credits available – State and federal. Lots of strings.
 - Bulk of mill buildings likely will be demolished because of limited reuse potential – Although a development could create two large volume spaces (out of three floors).
 - Historic buildings may be suitable for residential. May help bridge gap between downtown and neighborhoods.

- Don't demolish too much too quickly.
- Keep because of reuse potential, not just because "historic."
- If historic designation happens, it should happen with a development partner.
- p. Mill reuse – Visions.
 - Residential application – Floor plate, good windows.
 - Big space – Yes, it could be recreation/soccer, but is there market?
 - Small retail seems viable.
 - Could also be office.
 - Newer structures (metal warehouse style) don't lend themselves to office/retail/residential.
 - If industrial/warehouse – Fine.
 - Recreational component – Indoor soccer, basketball. Highly popular in Plainwell.
 - If a high tech start-up company is interested - Take advantage of this opportunity.
- q. Development should be "flexible" and strengthen the vision.
- r. City Hall – Great idea. Anchor - Open up a spot on Main Street. City Hall creates activity on site, which is very good and important.
- s. Wouldn't put the DPW yard on the site – Use is inconsistent with vision.
- t. Public safety building – Do you want to commit that space? Once it is committed, can't change.
- u. Not likely that a developer is going to come in and develop the entire parcel in one piece.
- v. Don't need structured parking yet, but hopefully will need to be structured parking eventually. So surface parking area may need to transition to parking structure (consider implications in location).
- w. Establish the vision for the site, then figure out how many parking spaces are needed prior to demolition or construction. Too hard to go back later.

4. Misconceptions about Development: What should the citizens of Plainwell understand about redevelopment in their community?

- a. Communities often equate value to the land sale.
- b. Most often the city has to help with land cost.
- c. Community residents often feel like the developer is out to "steal the asset."

5. Implementation/Funding: What timing, funding and zoning issues should be considered?

- a. Has Weyerhaeuser contemplated infusing money beyond the planning and remediation process?
- b. Create conditions that are attractive for investment/development.
- c. Look for development partners that have a track record – Not a first project opportunity – Select those that understand the environmental risk.
- d. A schedule of work to begin in 2009 is not that long when you consider planning/clean up etc.
- e. Could use as "showcase" of sustainability.
- f. Michigan Baseline Environmental Assessment – Excellent tool; Simple Business Tax (SBT) – Good development tool.
- g. State of Michigan's overall tax structure needs to be fixed to help economy to grow.
- h. Brownfield – Michigan - Superior to many other states.
- i. State isn't a hindrance to redevelopment.
- j. How should Plainwell present the mill to development firms?
 - Experienced developers are more interested in RFQs than RFPs.
 - RFQ – Select the developer.
 - RFP – You're selecting the plan (many won't respond to RFPs).
 - Also many developers look for the community to finance the upfront work – i.e., survey, market studies/time that is spent.
- k. Zoning – Developers prefer to have a clean canvas for widest flexibility.
- l. How far off is the City from being ready to issue an RFQ?
 - Not far off...Pieces need to be figured out.
 - Capture the vision and communicate it.
 - Continued conversation with the environmental issues – Communicate the zoning and land use limitations with a bubble diagram.

- Capitalize on City and Weyerhaeuser desire to do the job cooperatively.
- Not opposed to breaking the site up sooner rather than later.
- Wait more than a few months...it may be more strategic to wait longer – Wait to get a strong response from the development community.
- Development is unlikely to occur if the remedy has not been implemented. Consider developing a timeline that indicates when issuance of an RFQ would fit into the process.

6. The State-Of-The-State (of Michigan): What are the impacts of the economy in Michigan on redevelopment in Plainwell?

- a. Vacancies, foreclosures – Not a good time to sell houses, lease property or industrial facilities.
- b. Auto industry woes.
- c. State structural/taxation.
- d. Cyclical – It will come back – When?
- e. It is okay to be patient – Phasing becomes important.
- f. Southwest Michigan is not quite as dependent on auto industry as southeastern Michigan.
- g. Two year difficult state budget situation – Look at 2009 for activity.
- h. Can consider some redevelopment incentives: Downtown – Historic designation – Land bank/municipal owned to encourage development.

7. THE KALAMAZOO PROMISE: What are the impacts of the Kalamazoo Promise?

- a. As Kalamazoo grows so will the region.
- b. Any growth in Kalamazoo is good for Plainwell.
- c. Plainwell's vision needs to consider whether it is going to compete with or complement Kalamazoo.

8. City Comments/Reactions: How do the city representatives respond to some of the developers' comments?

- a. Opportunity to consolidate resources.
- b. Not surprised about state economy.
- c. Band shell needs to be more central.
- d. Land is being "invested" with a later return.
- e. City is patient.
- f. Plainwell is 13 miles to Kalamazoo, and 35 miles to Grand Rapids. Residents work in Grand Rapids and Kalamazoo. Plainwell provides the region with sewage treatment (serves five (5) communities). Plainwell residents attend cultural events in Kalamazoo.
- g. 95% occupancy in CBD (ground floor). 88% occupancy in industrial.
- h. What makes Plainwell unique? It is a "separate town." It has a sense of community. Good school system. Leads the county in school of choice. Plainwell Ice Cream & Deans Ice Cream.
- i. 70% of credit card receipts (London Grill) are from Grand Rapids (per London Grill).
- j. Plainwell asked - Do we want to own the mill? There has been community support for the ownership.

9. Additional Issues/Comments/Questions: What other comments or suggestions do you have for the City of Plainwell management and citizens?

- a. Create and communicate a project vision. As examples:
 - Move City Hall.
 - Include a riverwalk. Link Comfort Inn to Riverwalk
- b. Use the points of agreement (see end of minutes).
- c. Parcelization as appropriate.
- d. Road pattern will be important.
- e. Environmental needs to be acknowledged in final land use plans.
- f. Identify the Plainwell vision.
- g. Incorporate a band shell onto site.
- h. River- One of the developers expressed the preference for multi-family townhomes in relation to the river. Townhomes to have an urban feel as expressed earlier in the meeting. Placement may vary depending on environmental and planning conditions.

- i. Multi family not as hard to market on contaminated property. Single family is hard to sell—single family owners feel like they own the dirt.
 - Doesn't have to be remediated to residential vs. industrial – What will the cost implication be?
 - Development timeline needs to be laid out.
 - Environmental plan has to be defined before the development happens.
 - Capping approach could become part of the remedy.
 - Identify areas where building limitations exist.
 - Suggest a test drive of the vision – Get feedback from an unrelated developer.
 - "Limited residential" - Shouldn't be a problem for sophisticated developer.
- j. If Weyerhaeuser wasn't involved, redevelopment would be more of a challenge. Developers will want to understand their involvement.

10. Can I market multi family with deed restriction – Yes!

- a. Deed restrictions to accommodate remediation were discussed. Developer opinions on this topic varied.
- b. Developers have found on other projects that one of the problems most difficult to manage is indoor inhalation issues. (*Editor's note: Site conditions do not indicate need for active control of indoor air issues*).

11. Where would the developer's suggest the City and Weyerhaeuser could learn more about the process?

- a. Traverse City – State Hospital/Bay Front
- b. Ypsilanti – Dos and don'ts
- c. ULI – Great resource
- d. Joe Riley, Mayor of Charleston
- e. City of Owosso

12. How does the partnership engage the media?

- a. Public/private partnership should manage the message to encourage accurate reporting.

13. When should City Hall move happen?

- a. Have a presence as soon as possible (not necessarily in a permanent location).
- b. Don't get in the way of something else happening.

CITY OF PLAINWELL



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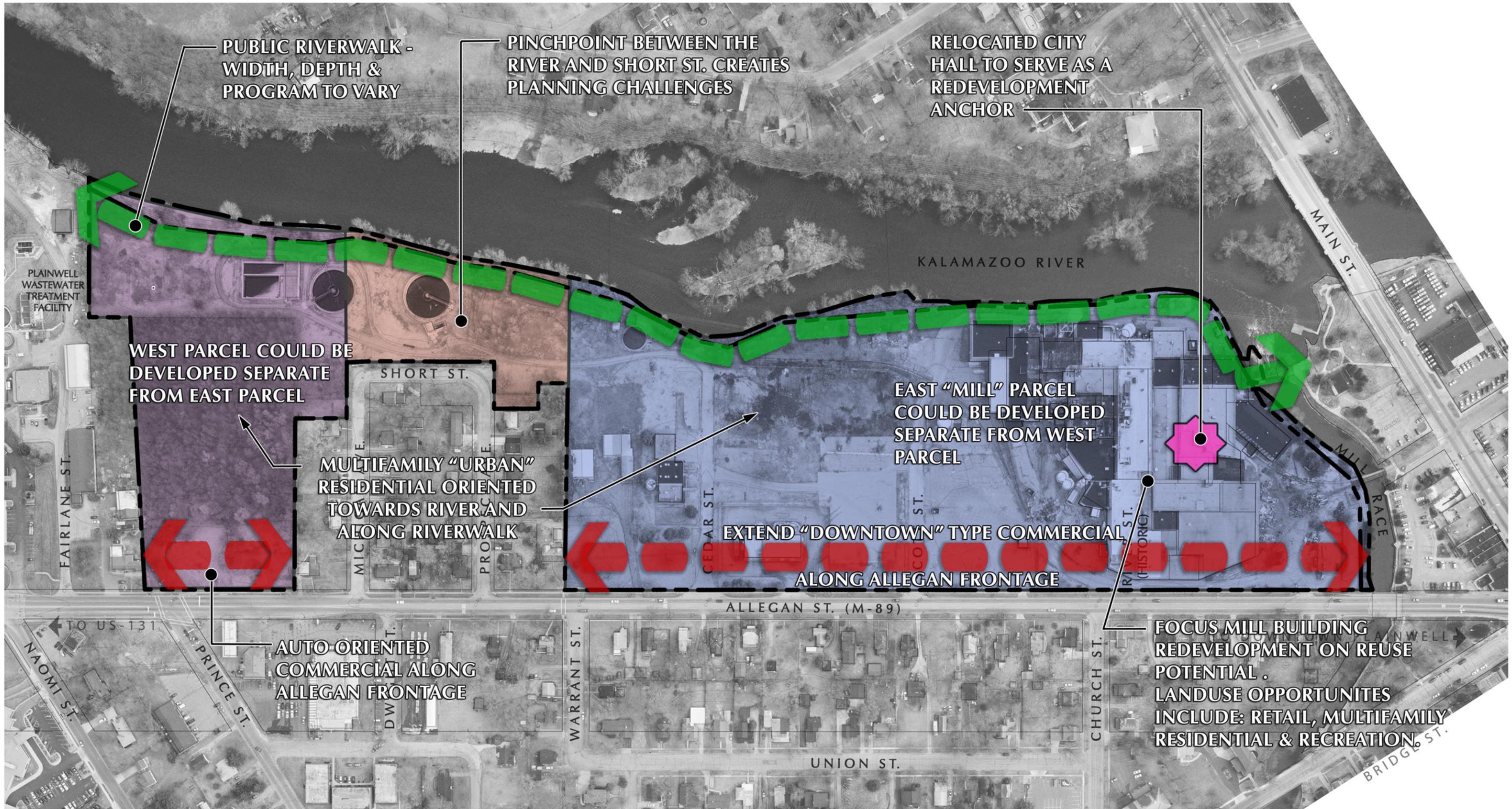
Plainwell Paper Mill - Redevelopment Plan

Development Forum

Wednesday, January 31, 2007
9:30 AM – 6:30 PM (EST)
Plainwell Mill Office

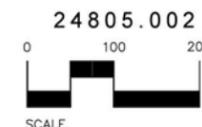
Agenda

9:30 – 10:00 a.m.	Breakfast
10:00 – 11:00 a.m.	Introductions
20 min	Introductions (Paul)
10 min	Plainwell Welcome - Community update and Mill Site background (Erik)
10 min	Weyerhaeuser involvement and brief description of process (Jennifer)
20 min	Review agenda and discuss forum goals (Paul)
11:00 – 12:30 p.m.	Site/Downtown Tour.
10 min	Discuss health and safety considerations (Erik)
40 min	Site tour (Cheryl and Erik)
40 min	Building tour (Gene and Erik)
12:30 – 1:30 p.m.	Lunch
1:30 – 4:30 p.m.	The Developer's Perspective – Afternoon Workshop
	The goal of the afternoon session is to determine points of developer agreement to create a framework for action/next steps.
40 min	Mill Building – Issues and Solutions (Paul/ Gene/Cheryl)
40 min	Site – Issues and Solutions (Paul/ Cheryl)
10 min	Break
40 min	What are the roadblocks? (Paul/ Cheryl)
40 min	What can be done to minimize the roadblocks? (Paul/ Cheryl)
4:30 – 5:00 p.m.	Break
5:00 – 6:30 p.m.	Wrap-up dinner.
	Detailed discussion on next steps; getting ready for redevelopment.



LAND USE - THE DEVELOPER'S PERSPECTIVE

PLAINWELL PAPER MILL
 200 ALLEGAN STREET
 PLAINWELL, MI 49080



February 2007
JJR landscape architecture
 planning
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 civil engineering
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