

Frankenmuth Economic Development Corporation  
Meeting Minutes  
Thursday, March 18, 2021

Attending: (In Person) Chris Rittmueller, Michael Fassezke, Todd Jennings, Beth Reindel, Mike Fassezke and (By Zoom) Abby Curtis, Fred Edmond, John Benson, Brandon Muller, Vickie Schmitzer and Tamara Tsulaia

Absent: Jamie Furbush and Tim Hildner

Also attending were: (By Zoom) Joann Crary of Saginaw Future, (In person) Mary Ann Ackerman and Sheila Stamiris

There was no public input. Chairman Rittmueller welcome newly appointed member, Fred Edmond to the board.

The minutes of the EDC meeting of February 18, 2021, were approved. Benson moved; Fassezke seconded.

Frankenmuth Business Park. Two companies have expressed interest in purchasing land in the Business Park: Frankenmuth Brewery and Zimco Realty Holdings.

Stamiris asks the EDC to define standard terms for both companies and to discuss how to locate them on the site. She summarized:

- The Frankenmuth Brewery seeks two acres of land to build a brewing facility including a 10,000 – 15,000 square feet steel building with about \$1.5 million in investment to employ 7-10 employees, retained or new jobs created. The purpose of the facility is to brew beer, package shipments, store and ship from this location. The facility is enclosed anticipating no noise, smells or outdoor storage. The owners are considering a Holly location in a site they already own. The Brewery may need more acreage to accommodate turning ratios of semi-trucks.

Previously, the City had a purchase agreement with the Brewery for four acres of land, sold at \$25,000 per acre. The agreement was terminated after two years.

- Zimco Realty Holdings seeks to purchase two to three acres to build a 30,000 square foot building with about \$10+ million invested in facility and equipment employing 10-15 persons over the next 3-5 years. The development will house a new Additive Manufacturing (3D Printing) company serving the military, government, aerospace industries. The company wants to offer full services in metallic and polymer processes, post-production treatment, machining and testing. Currently, the company is located in Chicago and would relocate to Frankenmuth. Scott Zimmer shares that this process will create no noise or smells with full indoor storage. The site may also serve as a warehouse of Air Advantage.

With 9.6 acres available for development, the EDC recommends focusing on the “south” parcels with the Brewery’s two acres located farthest south and Zimco’s 2-3 acres north of the Brewery’s. Fassezke moved; Southgate seconded.

In the original Brewery purchase negotiation, the agreement set a sale price per acre of \$ 25,000 Acre, required \$5,000 in earnest money that would be applied to the sale price, allowed a 180-Day Investigation Period, recognized the development requirements established when the City annexed the land and required closing to be no later than 15 days after the investigation period has expired.

With discussion, it was agreed that the terms should be refined to tighten the timelines and will include a requirement for the Company to provide a conceptual site plan prior to Council presentation and a determination of financing in some form prior to closing. Brandon Muller will assist staff with detailing the sale terms.

After discussion, the EDC recommends that the City work with the Frankenmuth Brewery on a purchase agreement for land in the Business Park. Jennings moved; Fassezke seconded.

After discussion, the EDC recommends that the City work with Zimco Realty Holdings on a purchase agreement for land in the Business Park. Jennings moved; Southgate seconded.

Other Business. The board heard updates for the DDA Executive Search Summary and the Ascension project. COVID 19 and its restrictions have impacted more than the health of individuals, but how business operates as well. The cost of materials for new housing is extraordinarily high. Companies experiencing success with "work from home" options are rethinking office leases/ownership, forcing increased vacancy rates across the country. The tourism sector anticipates a robust tourism season, hopeful that vaccinations bring what they promise and people are ready to return to life before Covid.

The meeting adjourned.

Respectfully submitted,

Sheila Stamiris