

Washtenaw County
Brownfield Redevelopment Authority (WCBRA)
Annex Large Conference Room
110 N. Fourth Avenue, Ann Arbor

MEETING MINUTES
January 13, 2011

Board Present: James Harless, Victoria Pebbles, Todd Campbell, Mark Heusel, Douglas McClure, Anna Sandhu,

Board Absent: Teresa Gillotti (excused)

Staff: Brett Lenart, Lindsay Nelson

Handouts: Agenda, November 4, 2010 Draft Minutes, Agenda Summary Memo, First Amendment to the Reimbursement Agreement for 601 Forest LLC, Campus Acquisitions Overview, 2010 Annual Report for the Washtenaw County Brownfield Redevelopment Program, WCBRA 2011 Meeting Calendar, Project Tracking Table

1. Call to Order & Public Comment

Pebbles called the meeting to order at 9:07 a.m. There was no public comment.

Pebbles moved (Support: Harless) that the minutes of the November 4, 2010 meeting be approved as presented and the motion carried unanimously.

2. WCBRA Program

Election of Board Chair

Campbell moved (Support: McClure) to appoint Harless as Board Chair and the motion carried unanimously. Harless abstained from the vote.

First Amendment to Reimbursement Agreement for 601 Forest Brownfield Project

Lenart provided an overview of the project. The Brownfield Plan for the project was approved by Washtenaw County in 2008 and Work Plans were subsequently approved. The Amendment would assign rights and obligations of the approved Reimbursement Agreement to a new entity. Additionally, the proposed amendment would provide for automatic assignment to the primary lender to take on the obligations and benefits of the reimbursement agreement if necessary, as part of a lender's remedy.

Discussion of the Reimbursement Agreement ensued. Pebbles questioned the language of the Amendment in the third section that reads, "This provision shall neither apply to nor prohibit the Owner from selling, conveying, or transferring property (including any interest therein) or units within structures to third parties for the land uses as contemplated by the Development." This is misleading as it makes it seem as though if ownership of the entire property is transferred, benefits of the Reimbursement Agreement will be transferred as well. It was decided to leave the Work Plan as is, but further discussion of the template for future Work Plans will be considered.

Pebbles also raised questions about the financial status of the developer and requested a financial report from the developer. Discussion followed regarding the role of WCBRA in the community and in determining whether or not a development should be approved based on financial standing of the developer.

Harless moved (Support: Pebbles) to approve the First Amendment to the Reimbursement Agreement for the 601 Forest Brownfield Project and the motion carried unanimously.

2010 Annual Report: Washtenaw County Brownfield Redevelopment Program

Lenart provided the 2010 Annual Report as a PowerPoint presentation, which included updates on grants and loans statuses, brownfield projects, community outreach, and a financial report for 2010. Four brownfield plans were approved in 2010, eligible activity expenses were certified for Maple Shoppes and Michigan Inn, and work has been conducted or completed on Mellencamp Building, 601 Forest, and Water Street Redevelopment. To date, 19 projects have been approved by the Authority, totaling \$658.3 million in project investments.

Lenart gave two outreach presentations in 2010 to the Washtenaw County Bar Association and the Ann Arbor/ Ypsilanti Chamber of Commerce. Lenart has recently contacted the Ann Arbor Area Board of Realtors and Home Builders Association of Washtenaw County, but both organizations have showed little interest in outreach presentations.

Lenart provided a financial report for 2010. Harless suggested the report include the total amount of eligible activities for each project to show the amount of TIF revenues and payments.

Pebbles moved (Support: Campbell) to approve the 2010 Annual Report as amended and the motion carried unanimously.

Authorization of Agent to Draft Payments Pursuant to WCBRA Approved Reimbursement Agreements

Lenart recommended that the Authority resolve to designate Lenart as an agent of the Authority to execute and sign payments, administrative transfers, and other payments pursuant to the provisions of approved reimbursement agreements. Harless suggested that the Board approve payments through motions during Board meetings before the payments are made.

Discussion followed regarding the current procedure for payments pursuant to approved reimbursement agreements and the financial structure of the Authority and County. It was decided Lenart will present proposed expenditures to the Authority before payments are made and will have a financial report to present to the Authority at monthly meetings. Lenart and Treasurer Heusel will work to provide an overview of the role of the Authority in relationship to the County, financial audits, and other structures.

2810 Baker Road Project Brownfield Plan Amendment Sub-Committee

Lenart provided an overview of the 2810 Baker Road Brownfield Project. The Board approved the original Brownfield Plan in 2007. The Developer is seeking an amendment to the original Plan to add TIF capture to the project for \$200,000 in eligible activities. In 2010 construction was completed on a commercial development, which will consist of the demolition of two buildings and construction of a new commercial building which houses the Dexter Pharmacy. Future development on the site, to begin in 2011, will include demolition one remaining building and the construction of two new buildings. An Interlocal Agreement with the Village of Dexter's DDA is being considered to transfer DDA TIF revenues to the Brownfield Redevelopment Authority.

McClure and Pebbles volunteered to form the Project Review Committee for the 2810 Baker Road Project.

Packard Square Development Brownfield Project Sub-Committee

Lenart provided an overview of the Packard Square Development Brownfield Project, which will entail the construction of a mixed-use development at the former site of Georgetown Mall.

Harless, Sandhu, and McClure volunteered to form the Project Review Committee for the Packard Square Development Project.

2011 Calendar of Meetings

Lenart provided the 2011 WCBRA Meeting Calendar as a handout. McClure moved (Support: Pebbles) to approve the 2011 WCBRA Meeting Calendar and the motion carried unanimously.

Outreach Activities Update

Lenart indicated that there were no further updates, as outreach activities were covered in the 2010 Annual Report.

Project Status Updates

Lenart provided a tracking sheet with an overview of projects. Tax capture has started on Schoolpictures.com, Maple Shoppes, and Michigan Inn.

Schoolpictures.com has complete eligible activities but documentation has yet to be received by the WCBRA that certifies eligible expenses. The County has received TIF revenue for Schoolpictures.com, but is unable to pay it to the Developer until documentation of eligible expenses is received. Pebbles suggested Heusel talk to the County auditor regarding holding money for TIF payments. Lenart will review the Reimbursement Agreement for Schoolpictures.com for events of default and, if present, will notify the Developer.

Other

Considering the financial state of the County, Harless suggested the Board forego per diems. Board members discussed bringing this up at the next Board meeting.

3. Public Comment

None

Adjourn

Harless moved (Support: Pebbles) to adjourn the meeting at 11:13 a.m. and the motion carried unanimously.

These minutes were approved by the Washtenaw County Brownfield Redevelopment Authority Board on February 10, 2011.