

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

MEETING MINUTES
March 10, 2011

Board Present: Mark Heusel, Jeremy McCallion, Yousef Rabhi, Anna Sandhu, Todd Campbell, Douglas McClure

Board Absent: James Harless (excused), Teresa Gillotti (excused), Victoria Pebbles (excused)

Staff: Brett Lenart
Lindsay Nelson

Handouts: Agenda, February 10, 2011 Draft Minutes, Agenda Summary Memo, 2810 Baker Road Brownfield Plan Amendment, Proposed Motion of the Approval of the 2810 Baker Road Brownfield Plan Amendment, March 2011 Draft Letter to SRV Ventures, December 2010 Letter to SRV Ventures, Delinquent Tax Statements for Village Marketplace, Maple Shoppes Brownfield Plan Interest Calculation, February 2011 WCBRA Financial Report, Project Tracking Table

1. Call to Order & Public Comment

Heusel called the meeting to order at 9:10 a.m. There was no public comment.

Rabhi moved (Support: Sandhu) that the minutes of the February 10, 2011 meeting be approved as presented and the motion carried unanimously.

2. WCBRA Program

Consideration of 2810 Baker Road Brownfield Plan Amendment

Steve Brouwer of BST Investments was present to represent the project. Lenart provided an overview of the project. The WCBRA approved the original Brownfield Plan for the project in 2007 that provided MBT eligibility only. The Plan has been reviewed and approved by the Village Council of Dexter, the WCBRA subcommittee, and an Inter-local Agreement has been approved by the Dexter DDA, providing TIF revenues to carry out the purposes of the Brownfield Plan.

Total TIF capture will be \$312,000 to cover Eligible Activity costs. Total investment in the project is \$14 million. Phase I has been completed for the project; construction for the next phase may start this summer. A public hearing and action by the Board of Commissioners will take place April 20.

McCallion moved (Support: Sandhu) to approve the Brownfield Plan Amendment for 2810 Baker Road (the Plan) and execution of Inter-local Agreement as presented based on the following determinations and findings:

- 1) The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Brownfield Redevelopment Financing Act (The Act);
- 2) The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible;
- 3) The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- 4) The amount of captured taxable value estimated to result from adoption of the plan is reasonable;

5) The Plan constitutes a public purpose for the following reasons:

- a. The project will consist of the redevelopment of a contaminated property and will include the demolition of one building and construction of two new commercial buildings;
- b. The project will provide expanded commercial operations onsite, in addition to the Dexter Pharmacy that was previously constructed as part of the original Plan approval ;
- c. The project will retain approximately 40 jobs and support 80 new jobs and bring economic activity to the Village of Dexter;
- d. The project is expected to result in \$14 million in new investment.

The motion carried unanimously.

Village Marketplace Lofts – Reimbursement Agreement Termination

The Village Marketplace Lofts project has not fulfilled the obligations identified in the reimbursement agreement and the reimbursement agreement can now be terminated. Lenart requested the approval to sign and send the provided letter to SRV Ventures to terminate the reimbursement agreement.

Rabhi moved (Support: McClure) to terminate the reimbursement agreement and the motion carried unanimously.

Subcommittee Appointment for LaFontaine, Dexter

Lenart provided an overview of the proposed redevelopment project of the LaFontaine Chevrolet dealership in Dexter. The site qualifies as a facility and the project seeks TIF to cover \$250,000 of Eligible Activity costs. Lenart has received a draft brownfield plan for the LaFontaine Redevelopment; it is expected the Brownfield Plan will be up for approval at the April WCBA meeting.

McClure, Campbell and McCallion volunteered to serve on the committee to review the Brownfield Plan.

Maple Shoppes Interest Calculation Correction

Lenart provided a corrected Brownfield Plan interest calculation for Maple Shoppes. The interest calculation provided in the January 2011 Financial Report failed to include local TIF-only Eligible Activities as specified by the Brownfield Plan.

Rabhi moved (Support: Sandhu) to approve the calculation as revised and presented for the March meeting and the motion carried unanimously.

February 2011 Financial Report

The Financial Report including activity through March 4, 2011 was provided to the Board. Lenart requested the Board approve the Report that includes the following transactions:

- Deposit of the Packard Square application fee into the Economic Development & Energy Fund for \$5000.
- Transfer of administrative fees from deposited TIF revenues from Toyota Technical Center Project as described by the Brownfield Plan for \$18,750.
- Payment towards Eligible Activities on Toyota Technical Center Brownfield Project for \$156,927.89.

Rabhi moved (Support: McClure) to approve the Financial Report as presented and the motion carried unanimously.

Financial Report of Status of Activities of the WCBRA for 2010 Fiscal Year

Financial reports regarding the status of WCBRA activities are due to the State Treasury by March 15th each year. Lenart requested that the Board approve the reports for submission to the State. The Board decided that action by the Board is not necessary to approve submission of the reports.

State Budget Proposal – Brownfield Incentives Impact

Lenart provided an overview of the proposed State Budget. Governor Snyder has released a budget proposal with impacts to many programs and areas in the State. Brownfield incentives are included in the proposed changes, and MBT will likely be eliminated. MEDC is no longer accepting applications for MBT. Submitted applications are still being considered, but will be affected by the proposal. There will be no impact on TIF.

Concern was expressed regarding the effects of the proposal on MBT. Lenart explained that MBT played a role in filling the cost gap between developing brownfields and greenfields. Lenart will research the impacts of MBT on brownfield redevelopment.

Project Status Updates

Lenart provided a tracking sheet with an overview of projects. The following updates were discussed:

601 Forest: Demolition is complete and soil sampling and removal has been started. Impacted soil is present at the site.

ACH Saline: The project is complete and has totaled \$16 million in investment and brought over 200 jobs to the site.

Mack and Mack: A new tenant has moved into the development.

Zingerman's Redevelopment: Construction is underway and the house was moved on Monday.

Packard Square: The County may be applying for a grant and loan for a total of \$2 million to support activities at the site and reduce the amount of tax increment financing required to support the project.

3. Public Comment

None.

Adjourn

Rabhi moved (Support: Campbell) to adjourn the meeting and the motion carried unanimously.

These minutes were approved by the Washtenaw County Brownfield Redevelopment Authority Board on April 14, 2011.