

Washtenaw County
Brownfield Redevelopment Authority (WCBRA)
Washtenaw County Western Service Center
705 N. Zeeb Rd.

MEETING MINUTES
September 11, 2008

Present:

Board Members: Todd Campbell, James Harless, Suzie Heiney, Mark Heusel, Rhonda McGill and Victoria Pebbles

Staff: Mary Kowalski and Jeremy McCallion of Planning and Environment; Xiaohong Wu of Finance

Consultants: none

Public/Guests:

Absent: David Hamilton (excused), Jeff Irwin, April McGrath (excused)

Handouts:

Agenda, Agenda Summary, July 10, 2008 Meeting Minutes

1. Call to Order & Public Comment

McGill called the meeting to order at 9:08 a.m. A moment of silence was observed in remembrance of the lives lost on September 11, 2001.

Heiney motioned for and Harless seconded approval of the minutes from the July 10, 2008 meeting. The motion carried.

2. Announcements

McCallion announced that Toyota will be having a grand opening celebration and has invited the BRA to attend. The event overlaps with the October WCBRA meeting, so that meeting will instead be held at 8:00 a.m. on the same date, October 9, at the normal location.

3. Active Brownfield Projects

Broadway Village at Lower Town

Scott Chappelle of Strathmore Development gave a presentation on where the project stands and the reasons for requested changes to the brownfield plan. The developer has received a commitment from the Michigan Strategic Fund, which will issue bonds once the project is completed. Construction funding has not been secured, however the developer is working on a package with Union Insurance Company and has a few other options if that does not pan out.

Demolition has been completed, and the contaminated groundwater is moving at a rate of 300 feet per year. The developer expects the Michigan Department of Environmental Quality (MDEQ) permitting process to start within the next thirty days, at which time a permeable reactive barrier can be installed.

The developer is requesting that the holding time in the brownfield plan be changed as permitted by changes to the law – they would like to extend the brownfield plan duration and begin tax increment financing (TIF) capture in December 2008. TIF capture would not exceed 30 years, as originally approved. The TIF tables also need to be updated.

The Board set a subcommittee to review the changes to the Broadway Village brownfield plan as well as the new brownfield plan for Maple Shoppes; this will consist of James Harless, Victoria Pebbles and Todd Campbell. They will meet on Wednesday, September 24 at 11:00 a.m.

The Board set a subcommittee to review the brownfield plan for 300 West Forest, City of Ypsilanti, and that will consist of Suzie Heiney and the absent Board members will also be contacted to see if they wish to participate.

The Village Market Place and Lofts

Environmental activities have been completed on this site and infrastructure activities had started when the bank suspended the loan. The developer has brought suit against the bank and is working to use the loan

again. The Michigan Economic Development Corporation (MEDC) has been contacted, and the developer has met with Jeremy to discuss options moving forward.

Banks of Saline

No change

200 South Ashley Street

No change

Thompson Block

The reimbursement agreement has been signed and approved at the August Michigan Economic Growth Authority (MEGA) meeting, and they are still waiting on the official approval letters.

211-215 W. Michigan (Mack and Mack)

The brownfield plan was approved at the August 6 BOC meeting, and the Michigan Business Tax (MBT) credit application is being reviewed by the MEDC.

4. Potential Brownfield Projects

Federal Screw Works

McCallion attended the DDA meeting on August 21, and is awaiting the DDA's decision on whether to amend the DDA plan to include the project. They are amending the plan as a text amendment and need approval from the City Council. The City Council may choose to consider both the DDA text amendment and brownfield plan approval at the same time.

Water Street Redevelopment Project

McCallion discussed the RLF, and noted that it expired on August 31, 2008. There was a conference call with the EPA project managers prior to the expiration, in which they asked to look at the eligibility memos for each project using the funds. There were complications with determining eligibility, and during another conference call in August it was decided that there would be no extension granted due to several factors. By closing out the loan at this time, rather than requesting a six-month extension, the County will not be penalized when applying for future grant/loans.

Because the Water Street project will not be able to use the RLF, the City of Ypsilanti will be applying in a new round of EPA federal grant funding applications. They can apply for a maximum of three cleanup grants, and will request to waive the required 20% cost share. They will also be trying to resell brick removed from the site and using the Reuse center in their demolition efforts.

Corners at Dixboro Project

No change

Growing Hope, City of Ypsilanti

This organization has the option of applying for a cleanup grant or MBT credit, but has time constraints. The County has offered in-kind service to assist with developing a brownfield plan.

2810 Baker Road

The proposed site of the Dexter Wellness Center, which was originally using a Single Business Tax (SBT) credit (now MBT) only, is been having financing problems. The second part of the SBT application was never submitted, and at this time the developer is considering pursuing a combination of TIF and a lower MBT.

601 South Forest

The Ann Arbor brownfield committee has indicated support for only the environmental portion of this project.

5. Grants

EPA Revolving Loan Fund (RLF) Grant

This grant was discussed under the "Water Street Redevelopment Project" portion of the agenda.

EPA Petroleum Assessment Grant (PAG)

The grant expires September 30, and the remaining funds will be put into personnel costs.

1196 Ecorse Road

The Phase II showed migrating contamination from the adjacent gas station, and Friends In Deed have closed on the property.

7890 Ann Arbor Street

The contamination on this site is in the front portion of the parcel. A BEA has been completed but not filed at this time.

Next EPA Funding Cycle

We will apply for both a PAG and a Hazardous Assessment Grant (HAG), both of which would be County-wide grants. It was decided by Board consensus that the 50/50 cost share policy should be removed for future projects, as it has been difficult to spend granted funds with that stipulation.

6. New Potential Projects

Maple Shoppes

This site is owned by Aldi, Inc. and has used EPA assessment funds to do an investigation in the front parcel, which was used for car repairs; this is a 50/50 environmental/non-environmental cleanup involving asbestos and lead. Environmental costs are estimated to be just under \$1 million, and the investor has requested interest on half of the site so that total costs will be around \$1.2 million. The subcommittee will discuss whether interest will be considered for TIF reimbursement. Additional questions will be addressed at the Ann Arbor brownfield committee meeting on September 29, and hopefully this will be before the BRA at the October 9 meeting for approval.

300 West Forest Avenue

This site was previously a school and will now be used by a photography company. There is no contamination on the site (other than asbestos in the building) but it is considered functionally obsolete. Expected payback will be within one and a half years.

7. WCBRA Policy Review Subcommittee

McCallion noted that the subcommittee has been reviewing the templates and considering changes to legislation, evaluating processes and discussing implementing new initiatives. This will take a while, and the subcommittee is currently working on the Policies and Procedures. This program must be self-sufficient, so they will also be looking at increasing project application fees and capturing money for administrative costs through brownfield projects. Any change to the application fees will need to be approved by the Board of Commissioners, and the BRA's bylaws may need to be amended as well.

8. Public Comment

None

Next Steps

- Get the new brownfield plans reviewed for approval
- Get the plans out for review before the subcommittee meetings
- Apply for the next round of funding

Adjourn

Pebbles made a motion to adjourn the meeting at 11:07 a.m.

I certify that the minutes are accurate and approved by the Washtenaw County Brownfield Redevelopment Authority Board on October 9, 2008.

S. Heiney, Treasurer

Date