

**A REGULAR MEETING OF THE LEELANAU COUNTY LAND BANK AUTHORITY
WAS HELD ON TUESDAY, FEBRUARY 18, 2020, AT THE LEELANAU COUNTY
GOVERNMENT CENTER.**

Proceedings of the meeting are being recorded and are not the official record of the meeting; the formally approved/accepted written copy of the minutes will be the official record of the meeting.

CALL TO ORDER Meeting called to order at 9:00 am by Chairman Gallagher who led the Pledge of Allegiance.

ROLL CALL

Members Present: J. Gallagher, T. Galla, C. Janik, P. Soutas-Little

Members Absent: R. Foster, D. Heinz,
(Prior Notice)

Staff Present: T. Galla, Director

Public Present: J. Hawkins, R. Isphording, E. DePetrie, D. Bushey

CONFLICT OF INTEREST – None

APPROVAL OF AGENDA

Galla requested adding “Resolution for Randy Harmson” as “New Business” item #3.

Motion by Soutas-Little, seconded by Janik, to approve the agenda as amended. Motion carried 4-0.

APPROVAL OF JANUARY 21, 2020, MEETING MINUTES

Motion by Soutas-Little, seconded by Gallagher, to approve the meeting minutes as presented. Motion carried 4-0.

APPROVAL OF FEBRUARY 4, 2020, SPECIAL MEETING MINUTES

Motion by Soutas-Little, seconded by Gallagher, to approve the meeting minutes as presented. Motion carried 4-0.

PUBLIC COMMENT - None

UNFINISHED BUSINESS

Update on open position

Galla said the recommendation of R. Isphording to this body was made and final action would take place that night at the County Board meeting.

DISCUSSION/ACTION ITEMS

Brownfield application for Land Bank Properties

Hawkins reviewed the application, stating the property went thru the tax foreclosure process and ended up in the Leelanau County Land Bank Authority (LCLBA). The LCLBA incurred costs for assessment of the property, which included an asbestos survey, a hazardous material survey, and demolition. Hawkins continued, saying the property was sold to Habitat for Humanity who then built a single-family residence with an attached garage. Based on the process this property has gone through, it has been tax exempt. It was sold in July of 2019 so they have not realized a bulk of taxes yet on the property. That will essentially occur with the 2020 summer taxes. Hawkins continued, saying the application is to put this property into a Brownfield Plan and try and recoup some of the costs. They did not do this in the beginning because when you look at the numbers, there is not a lot of tax increment on a property like this. Some properties are better suited lumped together to take advantage of more tax increments on sites that may not have had similar costs. Those tax increment dollars could be used to recoup the dollars on other project sites that the LCLBA has ownership of.

Gallagher questioned if they get approval from the Leelanau County Brownfield Redevelopment Authority (LCBRA), does this property meet the criteria for the timeline. Hawkins said if they had a Brownfield Plan adopted before the end of May, they should be okay. They could then possibly amend the plan to include others. Gallagher questioned if they should state their intention to possibly come back and amend this at a future time. Hawkins said possibly, they would need to look at those dollars at that time, but they should definitely keep that option open.

Discussion ensued on the Madison St. property and 5/50.

Gallagher stated they didn't know how much flexibility the LCBRA was willing to give them in the Brownfield Plan. Hawkins said one of the challenges of a multi-site plan is dealing with approvals from local units of government. Hawkins mentioned cross-jurisdictional conversations and using eligible funds in another community.

Hawkins reviewed the 71 Mill St. application, saying the property was sold for \$199,000 and they don't have the assessed value or taxable value yet. If you say the State Equalized Value (SEV) is 199,000 and the Taxable Value (TV) is half of that, the value they would be capturing is about \$850 a year, limited to 30 tax years. Hawkins continued, saying they may not get 100% of the costs reimbursed. If they roll the 5/50 on this, when the LCLBA transfers the property and it goes to 5/50 it's not ad valorem tax anymore, which changes the numbers a little bit with respect to what you capture. That adds about another \$1,000 a year and the LCLBA gets half and LCBRA gets half, for five years. Gallagher commented it still gives them the opportunity to recapture some of their costs on that property and questioned if it would be prudent to leave the Mill St. property as a stand-alone Brownfield Plan, and then, as they present a new development from the Flaska property, bring that back before the local jurisdiction instead of combining or amending the plan to bundle it? Hawkins said they would want to explore when the 5/50 can start from the standpoint of amending a plan and adding in another property. Gallagher concluded by saying that today they are simply going to look at this application as a single plan, and explore other opportunities for future meetings.

Galla stated for today they need to approve the submittal of the application to the LCBRA, and the work order for Hawkins in the amount of \$4,000. Hawkins questioned if the LCLBA would be asking the LCBRA to waive the fee? Gallagher responded yes.

Motion by Galla, seconded by Janik, to submit the application to the LCBRA for a Brownfield Plan on the Mill St. property and request the application fee be waived. Motion carried 4-0.

Motion by Janik, seconded by Soutas Little, to approve Work Order No 2020-1 as presented, not to exceed \$4,000 for the Brownfield Plan on the Mill St. property.

Gallagher mentioned that the question was asked if the applicant was a disabled veteran and he is waiting to hear back regarding that. If he is, this scope of services and plan would be invalid. Hawkins stated he would not start working on it until they received an answer.

Motion on the table carried 4-0.

Gallagher asked if Hawkins would assist in presenting this to the LCBRA and to local judications? Hawkins stated he would.

Maple City update

Gallagher stated he was able to go to the Title Company last Friday and sign the closing documents. Mrs. Flaska, her daughter, and the realtor were there as well as the director from Habitat for Humanity. Gallagher continued, saying Galla sent out a wonderful email on the breakfast fundraiser and he was very moved. The Flaska's will also be providing them with a list of additional properties they are willing to sell because they have acquired a significant amount of properties in their lifetime.

Soutas-Little commented it was a very exciting opportunity. Galla stated a "sold" sign was posted on the property.

Resolution for Randy Harmson

Janik read the Resolution.

Motion by Soutas-Little, seconded by Janik to approve the resolution as presented. Motion carried 4-0.

CLAIMS & ACCOUNTS - None

POST AUDIT - None

CORRESPONDENCE/COMMUNICATION ITEMS

Gallagher thanked Galla for attending the breakfast and sending out an update.

PUBLIC COMMENT - None

MEMBER COMMENTS - None

CHAIRPERSON COMMENTS - None

ADJOURNMENT

Meeting adjourned at 9:36 a.m.