

Leelanau County Brownfield Redevelopment Authority (LCBRA)

Date: Tuesday, February 16, 2021 **at 10:00** am (or immediately following the Land Bank Authority meeting, whichever is later).

Location: Leelanau County Government Center

Due to COVID-19, this session will be held virtually via Zoom, and in the Commissioner Meeting Room, Leelanau County Government Center, Suttons Bay, Michigan. (Please silence any unnecessary cellular/electronic devices)

A live streaming of this meeting will be available for viewing via the following link –
https://www.youtube.com/channel/UCNQTglgcTedF2qB8floC1GQ?view_as=subscriber

If you would like to provide comment during the meeting, please watch the livestreamed video, and call in during one of the two public comment portions, to **231-256-8109**. There will be no queue, and calls will be taken in the order they are received. Email comments prior to the meeting to planning@leelanau.gov

DRAFT AGENDA

- CALL TO ORDER & PLEDGE OF ALLEGIANCE
- ROLL CALL
- PUBLIC COMMENT
- DIRECTOR COMMENTS
- CONSIDERATION OF AGENDA
- CONFLICT OF INTEREST
- CONSIDERATION OF OCTOBER 20, 2020 Minutes pgs 2-5

Members
Kathy Egan
W. Dennis Bushey
John Arens
Rick Foster
T. Eftaxiadis
Chet Janik
Ty Wessell

Director
Trudy Galla

CONSENT AGENDA

Items of a routine nature to be voted on with one motion - no discussion. Upon request, members may remove any item and place elsewhere on the agenda, with no vote of the commission. Members will vote on remaining items on the Consent Agenda, after the item removed has been placed elsewhere on the agenda.

- a. Envirologic Technologies, Inc. – General Services Monthly Report pgs 6-7

OLD BUSINESS

- 1. Review/Adopt: Bylaws, Rules of Procedure, and Policies and Procedures (emailed 2/4/21 to members)
- 2. Consideration of Partial Loan Payment to County (see Claims & Accounts)

NEW BUSINESS

- 1. Consideration of Amendment for General Services Contract with Envirologic pgs 8-10

FINANCIALS

- 1. Claims & Accounts pgs 11-13
- 2. Post Audit, Budget Amendments, Transfers

CORRESPONDENCE/COMMUNICATION ITEMS

- PUBLIC COMMENT
- DIRECTOR COMMENTS
- MEMBER / CHAIRPERSON COMMENTS
- ADJOURN

A regular meeting of the Leelanau County Brownfield Redevelopment Authority was held on Tuesday, January 19, 2021 at the Government Center.

CALL TO ORDER: Meeting was called to order at 10:23 a.m. by Chairman Kathy Egan and Janik led the Pledge of Allegiance.

ROLL CALL:

Members Present: T. Wessell, C. Janik, J. Arens
(At Government Center)

Members Present: K. Egan, R. Foster, D. Bushey
(via ZOOM)

Members Absent: T. Eftaxiadis

Staff Present: T. Galla, Director (At Government Center)

Public Present: J. Hawkins (via zoom)

PUBLIC COMMENT – None.

DIRECTOR COMMENTS – None.

CONSIDERATION OF AGENDA

Motion by Janik, seconded by Wessell, to approve the agenda as presented. Motion carried 6-0.

CONFLICT OF INTEREST – None.

ANNUAL ORGANIZATION ITEMS

Election of Officers

Chairman

Motion by Janik, seconded by Wessell, to nominate Egan as Chairman. Motion carried 6-0.

Vice-Chairman

Motion by Janik, seconded by Wessell, to nominate Bushey as Vice-Chairman. Motion carried 6-0.

Secretary/Treasurer

Motion by Janik, seconded by Wessell, to nominate Foster as Secretary/Treasurer. Motion carried 6-0.

Approve officers as authorized users for bank account.

Motion by Bushey, seconded by Wessell, to approve Egan and Foster as signers. Motion carried 6-0.

Account change.

Motion by Bushey, seconded by Arens, to approve director to move the interest-bearing checking account into a non-interest-bearing account. Motion carried 6-0.

Consideration of 2021 Meeting Schedule.

Motion by Bushey, seconded by Foster, to approve the 2021 Meeting Schedule as presented. Motion carried 6-0.

Review/Adopt Bylaws.

Galla stated she sent these to the county attorney for review and there is some redundancy between the Bylaws and Policies & Procedures. She asked the attorney what they have to have so they can be streamlined, and she is waiting to hear back. Members agreed to hold off adopting until they hear back from the attorney.

Review/Adopt Policies & Procedures

Egan stated they should only have the wording and the order of payment in one place so they know that it is always up to date. If they end up having a separate development agreement process and a Policies & Procedures, then you are never fully sure which one is the most current. Galla questioned if they wanted to have the “10% of funds required” in the Policies & Procedures along with the fee schedule for the applications. This would require continually reviewing both to make sure they mesh. Galla mentioned the TIF collection disbursement in the Policies & Procedures. Egan said they should only have information in one document. They can reference the TIF policy.

By consensus, discussion tabled until the bylaws are reviewed next month.

CONSIDERATION OF OCTOBER 20, 2020 MINUTES

Motion by Janik, seconded by Arens, to approve the minutes as presented. Motion carried 6-0.

CONSENT AGENDA

Motion by Janik, seconded by Foster, to approve the consent agenda as presented. Motion carried 6-0.

OLD BUSINESS – None.

NEW BUSINESS

Consideration of partial loan payment to county.

Egan stated when the LCBRA was formed, they borrowed money, at no interest, from the county. Galla said the amount owed is \$100,000.00. Bushey commented that if they are not paying any interest, then they should make payments over several years. Galla said they have budgeted a \$10,000.00 payment for 2021, which reflects the savings they received by redoing the loan with EGLE on the Leland property. There is also \$121,353.52 in the Leland escrow fund. Galla continued, saying that when this group was formed, there were costs incurred on the Leland site that the LCBRA paid for. The money was borrowed from the county to keep LCBRA operating. Then with the sale of the Leland property, they were able to document everything they had put in and get that money back. Which is the amount in the Leland escrow fund. Janik said \$10,000.00 seems like a reasonable payment that would not put them at risk.

Hawkins said his intent is to bring some actionable items next month regarding tax increment financing cash flow through a tracking system for eligible activities, with multiple brownfield plans in place. They need to look at their obligation with Ross Satterwhite, Courthouse Development, and the 20% match on EPA grant dollars. Hawkins said \$10,000.00 should not be a problem with respect to what he anticipates, based on development and buildout, that is behind as far as tax revenue. Also, we have another obligation to pay yourselves back into the RLF that we used to capitalize that revolving fund. Hawkins continued, at a certain period of time, either go forward with that or dissolve it. He doesn't have the exact number, but he can come back in February with a better understanding of what needs to be done.

Janik stated they could have a future discussion on this and then take action at another meeting. He suggests putting this back on the agenda for next month because it would be nice to make the first payment this year. Egan agreed, and said this is something we don't want to forget about or take for granted.

Consideration of amendment for General Services Contract with Envirologic.

Galla said the contract goes through the end of this year. Hawkins said they have about \$1,990.00 left for the agreement. Depending on the level of activity, he has been budgeting about \$4,000.00 - \$6,000.00 annually, as needed. Egan commented that the remainder is not going to last us another 11 months. Hawkins said probably not, it depends on how many projects come your way. Egan questioned if they ask for an updated amendment and add it to Envirologic's next agenda, could they get a new budget amount for the year. We won't know if we get an EPA grant for a couple more months, but we will need Envirologics services if we get it. Egan requested that Hawkins bring an amendment for next month.

FINANCIALS

Claims & Accounts

***Motion by Foster, seconded by Wessell, to approve Claims & Accounts in the amount of \$169.50.
Motion carried 6-0.***

CORRESPONDENCE/COMMUNICATION ITEMS – None.

PUBLIC COMMENT

Egan announced the phone number again for public comment. No public comment.

DIRECTOR COMMENTS

Galla pointed out that both Claims & Accounts items were from 2020 and need to get posted back to 2020. They need to make sure all 2020 invoices are paid and any budget amendments are taken care of.

MEMBER / CHAIRPERSON COMMENTS

Janik updated members on Sugar Loaf. Ross Satterwhite is the spokesperson for the group, not an owner. They entered into an agreement with Envirologic to start the cleanup process. Janik said he had a joint phone call last week and he is optimistic that there will be some movement in the future for cleanup and demo of the buildings. He doesn't know if they will come back to this group or not. The previous owners came with Phase I application, but not Phase II. Janik concluded by saying, this March is 21 years since resort closed.

Egan stated this feels like something might actually happen this time, (said it before).

Janik replied that they said the first step is just cleanup. He is glad to hear Envirologic is involved. Hawkins thanked Janik and said the process is moving forward for demolition. They have started with collecting miscellaneous materials and separating and segregating. Hopefully in the next few weeks they will have that out of there. Arens asked if there are any other tanks there? Hawkins said thanks to the LCBRA, under your last EPA grant, funds were used to remove the last known underground tanks on site. Egan commented that the first step is to get a clean site, a clean slate. Hawkins said the plan right now is to take the main resort area down, which is the main problem. The maintenance garage and runway will remain as of right now.

ADJOURN

Motion by Bushey, seconded Foster to adjourn. Meeting adjourned at 11:00 am.

MEMORANDUM

TO: TRUDY J. GALLA, AICP, DIRECTOR, LEELANAU COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: JEFF HAWKINS

SUBJECT: GENERAL CONSULTING MONTHLY UPDATES AND INVOICES

DATE: DECEMBER 2020 AND JANUARY 2021

This memorandum serves to provide information regarding invoices and updates that are being presented to the LCBRA for services rendered on various projects related to General Environmental Consulting activities.

Please find attached several items for your consideration:

1. General Services (W.O. #22)

Update:

This is an update for activity that occurred in December and January 2020. The December LCBRA meeting was cancelled due to lack of action items. Envirologic communicated with Director Trudy Galla regarding the tax capture associated with Two Peas site. Additionally, Envirologic continued to update the tax increment statements for the active brownfield plans.

Envirologic is also presenting to the LCBRA an amended work order to add budget for continuing our support of the TIF Management System and other general consulting activities. The proposed amendment is for \$6,000.

Project Invoices for Consideration (December and January time):

Invoice 07344 (\$581.25)

Scope of Services

**General Environmental Consulting
Agreement for Services
Leelanau County and Its Land Bank Authority
Applicable to Agreement Dated 3-25-2008, as amended (November 19, 2019)
Work Order No. 22 Dated November 22, 2016
Amendment No. 7 Dated February 16, 2021**

Between

**LEELANAU COUNTY AND ITS
LAND BANK AUTHORITY (LCLBA) (CLIENT)
8527 E. GOVERNMENT CENTER DR.
SUITE 108
SUTTONS BAY, MI 49682-9718**

And

**ENVIROLOGIC TECHNOLOGIES, INC. (ENVIROLOGIC)
2960 INTERSTATE PARKWAY
KALAMAZOO, MICHIGAN 49048**

Subject Matter: General Services
Funding Source: TBD as appropriate

CLIENT requests that ENVIROLOGIC perform the work described below in accordance with the terms of the above-referenced Agreement, as amended and as described in this "Scope of Services."

ENVIROLOGIC will begin work on this Work Order and complete the services as described in the attached "Scope of Services."

ENVIROLOGIC and CLIENT have designated the following representatives for this "Scope of Services:"

Jeffrey C. Hawkins (269) 342-1100
Name (ENVIROLOGIC) Phone

Trudy J. Galla, AICP, Director (231) 256-9812
Name (CLIENT) Phone

If CLIENT accepts this Scope of Services, please sign this Work Order on behalf of CLIENT and return to the ENVIROLOGIC Representative above:

ACCEPTED AND AGREED TO:

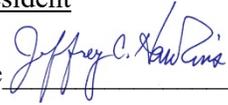
LEELANAU COUNTY AND ITS LAND BANK
AUTHORITY (CLIENT)

By Trudy J. Galla
Title Director Planning and Community Development

Signature _____
Date _____

ENVIROLOGIC TECHNOLOGIES, INC.

By Jeffrey C. Hawkins
Title President

Signature  _____
Date _____

1. Scope of Services

From time to time, the Leelanau County Brownfield Redevelopment Authority requests that Envirologic engage in various small tasks or assistance with reviewing or designing strategies for specific projects. These activities may include assistance with existing Brownfield Plans, tracking of tax increment revenues from the Plans; State reporting requirements and other project assistance. The LCBRA Director has requested a Work Order to provide a budget for the compensation of professional services related to these tasks through December 31 of 2021.

This WO#22 provides a budget for various tasks as requested by the LCBRA Director.

Amendment #1: Due to an expedited review of a Brownfield Plan amendment for the Westshore Project, Envirologic exceeded the original budget by approximately \$500. Due to the review and other activities associated with the Plan Amendment, Envirologic is requesting additional budget funds to finish this project as well as for other projects that may require assistance in the coming year.

Amendment #2: Primarily due to the review of materials related to the Westshore Project, i.e. Brownfield Plan, Development and Reimbursement Agreement, Envirologic has essentially expended the budget for the General Services Contract. Envirologic expended approximately \$2,300 toward the Westshore Project to-date. This accounts for almost all of the second amendment to this work order. Envirologic is requesting additional budget funds to finish this project as well as to address other projects that may require assistance through the remainder of the year. These costs should be recoverable from the developer's fee for this project.

Amendment #3: Envirologic has incurred approximately \$2500 of the budget toward the West Shore project, i.e. review of brownfield plan (not including the most recent review of the Agreement and the current review of the Act 381 Work Plan). In anticipation of additional review activities associated with the West Shore Hotel project (estimated at \$2,500) and other general project/LCBRA assistance (estimated \$2,000) for the remainder of 2017 and through 2018, Envirologic is requesting an amendment to Work Order #22 in the amount of \$4,500.

Amendment #4: In anticipation of general project/LCBRA assistance including State of Michigan Annual TIF Reporting; project review, etc. through December 31, 2019, Envirologic is requesting an amendment to Work Order #22 in the amount of \$2,500.

Amendment #5: General Environmental Consulting Services are anticipated and include general project/LCBRA assistance including State of Michigan Annual TIF Reporting; project review, developing and renegotiating development agreements with new developer for the "West Shore Hotel" project, etc. Additionally, With respect to the TIF Tracking System Project, Envirologic had estimated \$4,000 that was funded under the EPA Assessment Grant, however, due to the long history of several of these projects and the start and stop of the projects, they are very complicated to make sure all of the numbers are representative of the actual outcomes. Should the LCBRA agree to extend our contract again, we could request an amendment to our General Services budget which we currently have approximately \$1,500 remaining. Based on the work that we anticipate that needs to be done, we will need another \$2,500 to complete the project. Envirologic is requesting an amendment to Work Order #22 in the amount of \$5,000, which includes general activities and the TIF Tracking System project.

Amendment #6: The TIF Tracking System project has taken more resources than originally anticipated due to several complex projects, i.e. Former Government Center project and understanding the history of TIF capture since inception of several of the Brownfield Plans. Envirologic continues to work on the system in order to obtain an accurate representation of tax increment captured over the years. Additionally, corrections are being made for taxes that should have not been captured and some that have not been captured that should have been. The LCBRA will also need assistance with the MEDC Annual Reports and other activities as requested by the LCBRA. Envirologic is requesting an amendment to Work Order #22 in the amount of \$4,000.

Amendment #7: Envirologic continues to manage the TIF Tracking System with updates to the tax captured and the eligible activities that can be reimbursed. This amendment is anticipating additional efforts to continue activating and implementing the system, assisting with MEDC Annual Reports; and general brownfield consulting support. Envirologic is requesting an amendment to Work Order #22 in the amount of \$6,000.

11. Compensation

Compensation for services provided under this Work Order will be invoiced at the rates provided in the Agreement for Services between ENVIROLOGIC and CLIENT. Envirologic proposes to complete work as directed on a time-and-materials basis and shall not exceed the following without approval of the Board.

• Professional Services	\$	2,000
Amendment #1	\$	2,500
Amendment #2	\$	1,000
Amendment #3	\$	4,500
Amendment #4	\$	2,500
Amendment #5	\$	5,000
Amendment #6	\$	4,000
<u>Amendment #7</u>	<u>\$</u>	<u>6,000</u>
Total	\$	27,500

It should be noted that the costs associated with this work order may be able to be reimbursed as eligible administrative and operating costs of the Authority using tax increment from the brownfield plans, if available.

111. Schedule

Work performed under this Work Order will be completed as expeditiously as possible as directed by the County.

H:\Projects\Projects_L\Leelanau County\Work Orders\General Consulting Projects\Work Order No. 22, Amendment 7- General Environmental Consulting.docx

January 19, 2021 Claims & Accounts

Leelanau County Brownfield Redevelopment Authority

- | | | |
|----|---|-------------|
| 1. | Envirologic – Invoice #07344
101.000000.801-300 Contractual – General Services
Check # 2102 | \$ 581.25 |
| 2. | Leelanau County – Voucher #2021-01
101-000000.995.000 County Payment
Check # 2103 | \$10,000.00 |

Total Claims & Accounts: **\$10,581.25**

PREPARED &
PROOFED BY


VERIFIED BY



Remit to:
 2960 Interstate Parkway, Kalamazoo, MI 49048
 P 269.342.1100 | F 269.342.4945 | W envirollogic.com

Leelanau County Brownfield Redevelopment Authority
 Trudy Galla
 8527 E. Government Center Drive
 Suite 108
 Suttons Bay, MI 49682-9718

Invoice number 07344
 Date 02/05/2021

Project **160397 General Environmental Consulting FY2017 W.O. 22**

INVOICE: Through Jan 31, 2021

AMENDMENT #6
 Professional Fees

	Hours	Rate	Billed Amount
Principal Jeffrey C. Hawkins Professional Services	0.25	140.00	35.00 ✓

TIF MANAGEMENT
 Professional Fees

	Hours	Rate	Billed Amount
Project Manager Therese M. Searles Professional Services	5.75	95.00	546.25 ✓

Invoice total **581.25** ✓

Terms: N30 - We accept Check, ETF, Visa, MC Discover & Amex as payment options

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VERIFIED BY

