

**A regular meeting of the Leelanau County Brownfield Redevelopment Authority (LCBRA) was held on Tuesday, February 21, 2023 at the Leelanau County Government Center.**

**CALL TO ORDER**

Meeting was called to order at 10:03a.m. by Vice Chairman Foster who led the Pledge of Allegiance.

**ROLL CALL**

**Members Present:** D. Allen, G. Allgaier, R. Foster, D. King

**Members absent:** J. Arens, T. Eftaxiadis, D. Heinz  
(prior notice)

**Staff:** T. Galla, Director, G. Myer, Senior Planner

**Public:** J. Hawkins, L. Mawby, S. Telgard, L. Telgard, P. Johnson

**PUBLIC COMMENT** – None.

**DIRECTOR COMMENTS** – None.

**CONSIDERATION OF AGENDA**

*Motion by Allgaier, seconded by Allen, to accept the agenda as presented. Motion carried 4-0.*

**CONFLICT OF INTEREST** – None

**ORGANIZATIONAL ITEMS**

Bylaws

*Motion by Allen, seconded by King, to approve thy Bylaws as presented.*

Allen questioned if there were any changes made to the document and Galla replied, no.

*Motion carried 4-0.*

Rules of Procedure

*Motion by Allen, seconded by Allgaier, to approve the Rules of Procedure as presented. Motion carried 4-0.*

Policies & Procedures

Galla noted that Heinz had some questions about markings on the side of the document, spacing issues, and the paragraph on page 19 of the packet where it mentions “corporation” receiving payments. Galla cleaned up the document and had the county attorney review it. He suggested the word corporation be changed to “entity” to cover a corporation, LLC, or any other body. It was pointed out that it should also be changed on page 20 of the packet.

*Motion by Allgaier, seconded by Allen, to approve the Policies & Procedures as amended. Motion carried 4-0.*

**CONSIDERATION OF JANUARY 17, 2023 AND JANUARY 26, 2023 MINUTES**

*Motion by Allgaier, seconded by King, to approve the January 17 minutes and the January 26 minutes, as presented. Motion carried 4-0.*

**CONSENT AGENDA** – None.

**OLD BUSINESS** – None.

**NEW BUSINESS**

Update on West Shore Project/Brownfield Plan - Mr. Pat Johnson

Pat Johnson handed out a letter to members and said there has been significant changes to the plan over the years. He is the sole owner of West Shore, which is the company that currently owns the property. Johnson said he didn't think some of the previous projects that were planned were the best or most practical use of the property. Some issues that were attached to the property have been settled and he has a new plan which includes both the soil stabilization, the hotel site and construction of a marina. After the stabilization has taken place, all the utilities will be installed to the property, the entrance and egress will be built and construction for the hotel will begin. Johnson continued, saying they are hoping to build the marina late 2024-25 depending on the availability of supplies. Steel is hard to obtain. If you order it today, you will get it a year from now.

Allgaier asked how big the hotel was going to be. Johnson replied that it will be more than just a hotel. It will include 50 standard 13 x 26 hotel rooms, one bedroom condo units double the size, approximately 52, two-bedroom two bath units, 9 units that will be 4 bedrooms, 4 baths, and then some larger. The total is approximately 125-150 units. These will be designed so that families can stay in one room. They are not looking to franchise at this point, although they are being courted by many. The marina will be 60 slips. They are removing earth, and there will be an elevated pier. Johnson continued, saying the marina has been approved by the township. The previous hotel project was approved, but they have not seen the new plans. They will see the new plans this summer. The footprint hasn't changed much, they had to add more parking for the marina.

Galla said the LCBRA has questioned whether to keep the brownfield plan on this property. The plan was created with previous owners and the question is "does it still fit the new plans?" Johnson said he agrees that there have been significant changes in both size and scope of the plan. Each item has doubled in price since the original brownfield plan.

Hawkins explained that there is a timeframe in which to capture TIF. It has been over five years, so the LCBRA is in a position to abolish the plan which might be a benefit to Johnson. The whole design would need to be redone and approved. With so many changes, it may be time to terminate the plan and start over.

Johnson suggested that over the next couple of months, things will be approved and he could come back in two months and show the board what plans have been approved. The board can then make a decision at that time. Galla noted the LCBRA has previously discussed why this plan has been sitting out there with no development occurring. It might be good to look at this again.

Allen recommended that Johnson meet with Hawkins to determine the next steps which can then be brought back by both. Hawkins said there is a statutory way to terminate a plan and he and Johnson can

have those conversations.

Resolution RE: Bank Signers

***Motion by Allgaier, seconded by King, to approve the resolution as written. Motion carried 4-0***

Agreement for Services with Fishbeck

Galla explained that corporate counsel put the document together and attached Fishbecks proposal, the work plan with EPA and insurance requirements.

***Motion by Allen, seconded by Allgaier, to approve the agreement for services with Fishbeck, as presented. Motion carried 4-0.***

Fishbeck Work Orders:

Work Order 1 GES

***Motion by Allen, seconded by King, to approve Work Order 1, as presented. Motion carried 4-0***

Work Order 1 QAPP

***Motion by Allgaier, seconded by King, to approve Work Order 1 QAPP, as presented. Motion carried 4-0.***

Work Order 2 Community Outreach/Programmatic Activities

***Motion by Allgaier, seconded by Allen, to approve Work Order 2 Community Outreach/Programmatic Activities, as presented. Motion carried 4-0.***

Part I & II Application for Brownfield Assistance- Telgards/Bluebird

Galla said she and Hawkins met with the Telgards who are tearing down the Bluebird restaurant and rebuilding and maybe could be assisted through the LCBRA and the EPA Grant. Galla continued, saying that not all the information needed is here, which is typical. We don't always know everything until we get into the project. The LCBRA will need to first make sure this site qualifies for use of EPA grant funds. The local assessor has been contacted and has projected what the new tax value might be with new development. That information is needed for a brownfield plan. The local assessor also makes the determination as to whether this is a functionally obsolete building.

Skip Telgard said he and his wife Lyn are the owners of the Bluebird which was built in 1927 by his grandparents. It started as a snack bar and grew throughout the years. A lot of the work was done in the 70's and it became a very large 300 plus seat restaurant which worked well into the 90's, but it has become impractical to run such a large place now. Things are starting to break down and become obsolete, such as infrastructure, roof, ventilation, and heating. They plan to build a new smaller structure along the river. Becoming a more efficient restaurant is the goal. Telgard said they have been introduced to the concept of practical obsolescence which made sense as presented in a brownfield plan. They hope to work with the LCBRA and are excited to get going.

Allen commented that it is wonderful that this will continue because it is beloved in the community. Allgaier echoed Allen's comment and said she has so many great memories of the Bluebird.

Galla gave credit to Heinz as saw an article in the paper on this project and reached out to her about the LCBRA possibly helping the Telgards.

Telgard said the current Early Bird breakfast place on the corner will continue, but a possible phase two to the project would be a new commercial building to replace it with the lower level as commercial space and residential above. That building is turn of the century, so it's really old. A phase three is a possible new building where the overflow area is. They are also going to reinforce the river frontage with steel sheet piling along the waterfront.

Allgaier encouraged affordable housing perhaps as rentals on the 2<sup>nd</sup> floor and Telgard said definitely, if it's at all possible.

King questioned what the timeframe was for the assessor to make a determination. Hawkins said they have not made an inquiry yet. With the anticipation of using the EPA grant along with assistance from a brownfield plan, that determination should be made moving forward. Hopefully, it could be determined in a matter of weeks by having dialogue with the assessor. Hawkins concluded by saying that as a county brownfield authority, if they propose a plan, they have to go to the local jurisdiction for approval of the terms.

***Motion by Allgaier, seconded by King, to accept Part I and Part II application for assistance from Telgards/Bluebird. Motion carried 4-0.***

Work Order 3 Telgards/Bluebird project

***Motion by Allen, seconded by Allgaier, to approve Work Order 3 Telgards/Bluebird.***

Discussion continued on the history of the property. Galla noted that this work order will not begin until we confirm that the site is eligible for use of the EPA grant funds.

***Motion carried 4-0.***

## **FINANCIALS**

**Claims & Accounts** - None.

**Post Audit, Budget Amendments, Transfers** – None.

## **CORRESPONDENCE/COMMUNICATION ITEMS**

Galla said a copy of the revenue and expense reported was included in the agenda packet for reference. She periodically prints out a report for members, and can print other types of reports if requested.

## **PUBLIC COMMENT**

Mawby thanked the board for their work.

**DIRECTOR COMMENTS** – None.

**MEMBER / CHAIRPERSON COMMENTS** – None.

## **ADJOURN**

Meeting adjourned at 10:52 a.m.