

A regular meeting of the Leelanau County Brownfield Redevelopment Authority was held on Tuesday, July 19, 2022 at the Government Center.

CALL TO ORDER

Meeting was called to order at 10:20 am by Chairman Heinz who led the Pledge of Allegiance.

ROLL CALL

Members Present: D. Heinz, L. Bahle, D. King, C. Janik, T. Eftaxiadis (10:35am)

Members Absent: R. Foster, R. Isphording, J. Arens
(Prior Notice)

Staff Present: T. Galla, Director

Public Present: L. Mawby, W. Irvin, J. Gallagher (10:25am), J. Hawkins via Zoom

PUBLIC COMMENT – None

DIRECTOR COMMENTS

Galla commented on the EPA grant and noted the Cooperative Agreement will not be ready until September or even October. She hopes to meet the EPA project manager at the Brownfield conference.

CONSIDERATION OF AGENDA

Motion by Janik, seconded by King to accept the agenda as presented. Motion carried 4-0.

CONFLICT OF INTEREST - None

CONSIDERATION OF June 22, 2022 Minutes

Motion by Janik, seconded by Bahle, to approve the minutes as presented. Carried 4-0.

CONSENT AGENDA

Motion by Janik, seconded by King, to accept the Consent Agenda as presented. Motion carried 4-0.

UNFINISHED BUSINESS

Brownfield Plan – Maple City Crossings/Habitat for Humanity

Galla has been before Kasson Township twice and is going to the August meeting. Irvin thanked Galla and Hawkins for all their help. This will be a challenge to try and get this approval to support affordable housing. Gallagher was also in attendance at the meeting and represented and brought a lot of valuable and factual information to the table for the township to think about.

(Gallagher present at 10:25 am)

Hawkins said everyone played a great role in trying to express the significant need for affordable housing. The way the plan is set up now and the revised plan. We went back to the township with additional information and were transparent and showed them what the plan means to the township with regard to taxes generated by the new development. We broke it down with great detail for the library, fire/emergency, etc. so they had a good sense of what implications of the brownfield plan would be for the next 30 years. This plan does not make the project (Habitat for Humanity) whole with respect to

offsetting the financial gap that is part of this project, but it does put a dent in it and one of the reasons we are interested in using this tool. We have more educating to do to show that but for this type of housing, we won't be able to develop the housing needed for teachers, firefighters, etc. in our community without some assistance. There was not unanimous support for capture of 100% of TIF and Hawkins noted that at the prompting of Galla and toward the end of the presentation before the township, we offered a split of perhaps 80/20 so 80% goes toward the project and 20% is still shared with taxing jurisdictions. That seemed to interest the board or at least some of the board so they allowed us to come back in August with the split proposal. Hawkins said they are currently in the process of restating the brownfield plan.

Irvin commented on proposing support and solutions for the housing crisis. We are looking at a creative financing tool to leverage with a bank to get funding for the project. We are simply asking for support for them to fund with TIF and put approval on it. This is not just a Habitat for Humanity, Land Bank or county issue - this is national, this is a worldwide issue. There are growing concerns and hurdles we are trying to cover. We could take a step back and not serve as many people in the community but that's not what we want to do. We are asking them to be a community partner with us so we can complete this project.

Hawkins said the township has some issues with using government to fund this. Irvin noted Habitat has had some hurdles to cover but will do that in August.

Heinz read from the cover letter Galla sent to the township since she couldn't attend the meeting and noted the partnership proposed. All of this relates to student populations in school, workers, etc. and is more than just the three bodies that are affected by this. Irvin said it was hard because this is the first request of its kind. A lot of education needs to come first and Hawkins, Galla and Gallagher have done a great job. It takes a listening ear and time for people to listen and consider it. Others in other communities will need to address this, as well.

(T. Eftaxiadis present at 10:35 am.)

Update on TIF/Brownfield modeling on Land Bank

Heinz noted this update was provided at the Land Bank meeting but 2 members of the LCBRA were not in attendance at that meeting so he provided a brief update on the TIF/brownfield modeling.

Hawkins reviewed the modeling plan and the TIF capture. He briefly reviewed the memorandum and the summary.

Heinz reviewed his scenario provided at the LCBRA meeting earlier today, and the values he came up with. There were restrictions mentioned at the LCBRA meeting on at least two of the properties, with regard to the minimum house size. Using the SEV, and going to page 13 of the agenda packet, it's close to being the numbers in the 'Revised Model' column. Could money be put into a housing fund for future projects from sales, and then have conditions for loans/grants from this new fund?

Hawkins said a question might be if other homes are built in the townships with subdivisions, will those communities support the brownfield plan to capture TIF for use on housing elsewhere?

Heinz clarified for members that this was an update. We have to keep moving forward to a go/no go decision somewhere down the road.

Update on West Shores Development and Existing Brownfield Plan

Galla gave a review of discussion she had with Corporate Counsel on the site.

Hawkins expressed a concern that the TIF captured on the project site needs to be kept separate and not spent. Until the developer has eligible expenses, and not just admin costs, or until the plan is terminated, those tax revenues will go back to taxing jurisdictions if not reimbursed.

Heinz asked about the money in the account related to the Leland property. Eftaxiadis asked if it is sitting in a separate account and Galla replied, yes. Heinz said the LCBRA is not earning anything on it, maybe even losing with inflation. Eftaxiadis asked when this plan ends and Hawkins said in 2032 or sooner, depending on reimbursement. Then, there is another five years for the revolving fund so, that would be 2037. It was estimated the West Shores plan would be done by 2032.

NEW BUSINESS

Work Order – Maple City Crossings / Habitat for Humanity – Brownfield Plan

Galla gave a brief review of the Work Order.

Motion by Eftaxiadis, seconded by Bahle, to approve Amendment #1 in the amount of \$2,000 to Work Order No. 26. Motion carried 5-0.

August Meeting Date

Galla noted she would be out of state for the August meeting. At this time, there are no business items to handle. The meeting could be cancelled now, or wait and see if a meeting is necessary.

Bahle suggested they follow the same recommendation as the Land Bank did earlier today. Hold the meeting if there is a need for it.

Members agreed to keep the meeting on the calendar for now and it will be cancelled if there are no action items.

FINANCIALS

Claims & Accounts

Motion by Bahle, seconded by Eftaxiadis, to approve Claims & Accounts in the amount of \$3,920.00.

Motion carried 5-0.

CORRESPONDENCE/COMMUNICATION ITEMS

PUBLIC COMMENT – None

DIRECTOR COMMENTS – None

MEMBER COMMENTS – None

CHAIR COMMENTS – None

ADJOURN

Meeting adjourned at 11 am.