

**CHARTER TOWNSHIP OF MERIDIAN
BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES**

APPROVED

June 16, 2022

5151 Marsh Road, Okemos, MI 48864-1198

Town Hall Room, 8:00 A.M.

PRESENT: Chair Jeff Theuer, Township Manager Frank Walsh, Director Peter Trezise, Director John Matuszak
ABSENT: Vice Chair Ned Jackson, Director Chapman, Director Van Coevering
STAFF: Director of Community Planning and Development Timothy Schmitt, Neighborhoods and Economic Development Director Clark, Treasurer Phil Deschaine
OTHER: Dave Van Haaren, Tri Terra, Matthew Kuschel, Fahey, Schultz, Burzych, Rhodes

1. Call meeting to order

Chair Theuer called the regular meeting to order at 8:03 a.m.

2. Approval of Agenda

Director Trezise moved to approve the agenda as written.

Supported by Director Matuszak

VOICE VOTE: Motion carried unanimously.

3. Approval of Minutes

Director Matuszak moved to approve the March 17, 2022 minutes, with the correction to the misspelling of his name throughout and the correction of a typo on page two.

Supported by Director Trezise

VOICE VOTE: Motion carried unanimously.

4. Public Remarks – None

5. New Business

A. Elevation at Okemos Point Assignment Agreement

CPD Director Schmitt introduced the matter, which involves the construction financing of the project for the new phase of construction. The collateral for the project gets moved between banks and the agreement, which has been reviewed by the Township Attorney, implements that move for the Brownfield proceeds.

Township Attorney Kuschel outlined the agreement and how the assignment actually gets triggered, in the event of a default. The Brownfield Redevelopment Authority has strong protections in the event this agreement were triggered.

Chair Theuer indicated that the BRA has previously approved these and that they are somewhat proforma.

Director Matuszak asked about the assignment of reimbursements and whether they go directly to the bank. Attorney Kuschel outlined the odd wording of the agreement and

explained that the reimbursements would still go the developer unless there was a default triggered.

Director Matuszak moved to approve the Assignment Agreement for the Elevation at Okemos Point project.

Supported by Trezise

VOICE VOTE: Motion carried unanimously

Attorney Kuschel raised the question as to whether or not the Brownfield Authority would like to continue to see these type of agreements in front of the Board in the future or would prefer to delegate that matter to the Chairperson. The Board generally agreed that they would prefer full board approval for these documents.

B. Haslett Village Square Brownfield Plan

CPD Director Schmitt introduced the project and discussed how it interacts with the previously approved Pine Village Brownfield Plan. CPD Director Schmitt pointed out the buildings and parcels that are covered by this new plan and specifically discussed the L&L Grocery Store being covered by two plans. CPD Director Schmitt outlined the redevelopment proposal for the site that is currently under review through the Mixed Use Planned Unit Development ordinance.

The current plan calls for just under \$2.8 million in total reimbursement, with just over \$2.4 million going to the developer, \$300,000 going to the State Brownfield Revolving Fund, and \$13,000 each going to Administrative fees and the Local Brownfield Revolving Fund.

Dave Van Haaren, Tri Terra, representing the applicant, outlined the proposed Plan for the Authority. He discussed the activities that were covered under the project, specifically the environmental remediation, asbestos abatement, and demolition, which are the highest costs. In this project, the environmental contamination is coming from a former dry cleaner and given that it has been fully mapped, the entirety of the contamination is being removed. Mr. Van Haaren outlined the idea of the vapor mitigation and the concept that removing the source of contamination removes the need for that mitigation. Mr. Van Haaren further discussed the length of the plan, which is proposed at eleven years, along with the layering of the Brownfield Plan with a potential Commercial Rehabilitation Act tax abatement for the project.

CPD Director Schmitt reminded the Authority that we have a backup consultant, SME, given that Tri-Terra is working for the developer in this case. He asked that the Authority authorize Staff to move forward with the agreement with SME, to keep the project moving forward. The Board was generally in favor of authorizing the contract, given the size of the contract and the fact that the Authority has worked with SME previously. The Board discussed the cost of the review and a cap costs for the review. Mr. Van Haaren reminded the Board that they receive an application fee for these projects specifically to cover these types of review.

Director Matuszak moved to authorize Staff to enter into the agreement with SME as necessary for the review of the Haslett Village Square project, not to exceed \$4,000 without further Board action.

Supported by Walsh

VOICE VOTE: Motion carried unanimously

Chair Theuer asked the applicant whether or not the State has declared the site a facility yet. Mr. Van Haaren explained that a Baseline Environmental Assessment (BEA) will be performed, but that the contamination that was identified was from a previous BEA that was accepted by the State, so everyone was confident the site was a facility.

Director Matuszak asked about potential coordination concerns between the two sites. Mr. Van Haaren had no concerns, as Tri Terra was the environmental consultant for both sites and the Pine Village project was started construction imminently, whereas this project still has some work ahead of them. CPD Director Schmitt concurred, pointing out some minor areas of coordination that would be necessary.

Manager Walsh asked whether or not the site could still qualify as a brownfield without the contamination. Mr. Van Haaren replied that we could rely on a blighted determination here.

Manager Walsh further asked about the CRA and BRA coordination. Mr. Van Haaren explained that the majority of the Brownfield TIF for this project will come from the State tax capture, as the local taxes would be frozen under the CRA. In year 11, there will be a big bump in local value, as the final year of capture will occur after the CRA expires. The local abatement acts as the local 'match' in review by the State of Michigan.

Economic Development Director Clark discussed the CRA and its impact on local taxes. After the 11th year, the increase in value will be seen by all local units of government. The Township Assessor has reviewed the numbers and generally agrees they are reasonable.

Manager Walsh asked Director Trezise to explain the Planning Commission's review on the matter. Director Trezise explained that by and large, the Planning Commission was supportive, had some concerns that had been addressed, but agreed that it was an ambitious project that would be a great addition to the north side of the Township.

Manager Walsh explained the support that the Township had received from the County in their support of the CRA.

6. **Old Business - None**

7. **Project Updates**

Director Schmitt provided an update on Elevation Phase 3, Joe's on Jolly, Haslett Marathon project, Pine Village, and Village of Okemos. There was some discussion on the RAP application to the State of Michigan that would support the Village of Okemos project.

Director Theuer asked about the cooperation with the Village of Okemos developers. CPD Director Schmitt indicated that they were working hard and awaiting the results of the RAP grant review by the MEDC.

8. **Public Remarks**

9. **Adjournment**

Chair Theuer adjourned the meeting at 8:38 a.m.

Respectfully Submitted,

Timothy R. Schmitt, *AICP*
Director of Community Planning & Development