

A regular meeting of the Leelanau County Brownfield Redevelopment Authority (LCBRA) was held on Tuesday, January 16, 2024 at the Leelanau County Government Center.

CALL TO ORDER

Meeting was called to order at 10:01 am by Chairman Heinz who led the Pledge of Allegiance.

ROLL CALL

Members Present: D. Heinz, G. Allgaier, D. King, D. Allen, R. Foster, T. Eftaxiadis

Members absent: J. Arens

Staff: G. Myer, Interim Planning Director, J. Herman, Planning Secretary

Public: J. Hawkins, T. Searles, J. Collins, S. Mitchell

Heinz gave an update that Arens, Foster and Eftaxiadis have been reappointed for three years for the BRA. He acknowledged that they are willing to volunteer their time and be members for the betterment of the BRA.

PUBLIC COMMENT- None.

DIRECTOR COMMENTS- None.

CONSIDERATION OF AGENDA

Heinz added “New Business Item #3” “Bluebird Development and Reimbursement Agreement”.

Motion by Foster, seconded by Eftaxiadis, to accept the agenda as amended. Motion carried 6-0.

CONFLICT OF INTEREST – None.

ANNUAL ORGANIZATIONAL ITEMS

Election of Officers

Chairman

Motion by Allgaier, seconded by Eftaxiadis, to nominate Heinz as Chair.

Nominations were closed.

Motion carried 6-0.

Vice-Chairman

Motion by Eftaxiadis, seconded by Allgaier, to nominate Foster as Vice-Chairman.

Nominations were closed.

Motion carried 6-0.

Secretary/Treasurer

Motion by King, seconded by Allgaier, to nominate Arens as Secretary/Treasurer.

Nominations were closed.

Motion carried 6-0.

Consideration of 2024 Meeting Schedule

Heinz noted that the February meeting is on the fourth Tuesday of the month because the Board of Commissioners (BOC) meeting room is unavailable for election voting.

Motion by Foster, seconded by Allgaier, to accept the 2024 Meeting Schedule as presented. Motion carried 6-0.

Review/Adopt: Bylaws

Heinz questioned Article III Section 1. and said he does not remember taking an oath of office as an officer. He said members take an oath of office when appointed or reappointed. Allgaier said they will need to check with the Clerk's Office before changing anything because of the state constitution of 1963. Myer will look into this.

Heinz mentioned Article V. Section 1. King pointed out that the Bylaws are broad and say what the board may do, and then that language is translated into the Rules and Procedures. King recommended keeping the language the same.

Motion by Eftaxiadis, seconded by Allgaier, to accept the bylaws as they exist. Motion carried 6-0.

Review/Adopt: Rules of Order and Procedure

Motion by King, seconded by Allgaier, to accept the rules of procedure as written. Motion carried 6-0.

Review/Adopt: Policies and Procedures

Heinz pointed out that the last word in step 7 of the Application Process should be separated into two words. For step 9, Heinz said he was not aware in the past or present that the Development & Reimbursement Agreement be sent to the Local Unit of Government (LUG) for approval since they have already approved the brownfield plan. Eftaxiadis said only that is if they request it, they have to go with a 381-work plan. Hawkins said it is a timing issue, the intent was to engage the developer with the Development and Reimbursement Agreement so they are aware of the rules moving forward. Once the contract is in place then they can proceed with the formal approvals such as the Brownfield Plan and that the local units of government are on board first. Heinz also requested the change of corporation to "entity/entities" which have already been approved last year on page 21 and 22 of the Reimbursement Process.

Motion by Allen, seconded by King, to adopt the Policies and Procedures as amended. Motion carried 6-0.

Review/Adopt: 2024 Goals

Motion by Eftaxiadis, seconded by Allen, to keep the same goals as 2024 goals. Motion carried 6-0.

TIF Collection and Disbursal

Motion by Foster, seconded by Allgaier, to update the last sentence of the TIF Collection and Disbursal policy to “Under no circumstances will TIF reimbursement to the developer be made from the Delinquent Tax Fund”. Motion carried 6-0.

Review/Revise Authorized Check Signers List

Gail provided information showing that Galla, Foster, and Arens are currently authorized signers at the bank.

Discussion ensued on qualified signers.

Motion by Allen, seconded by King, to officially remove Galla as a BRA check signer and approve Foster, Vice-Chair, and Arens, Treasurer, to continue as check signers. Motion carried 6-0.

CONSIDERATION OF DECEMBER 29, 2023 MINUTES

Motion by Allgaier, seconded by Foster, to approve the minutes as presented. Motion carried 6-0.

CONSENT AGENDA

Fishbeck - General Consulting and TIF Management
Fishbeck - EPA Assessment Grant

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

OLD BUSINESS – None.

NEW BUSINESS

Part I and Part II Brownfield Project Applications- Parcel in Empire Village/old school house

Heinz said they have received the Part I fee of \$150.00 and the Part II fee of \$500.00. Searles said this is for the old school house building in Empire. The developer wants to do a historical renovation with mixed use space with retail and a coffee shop. In an adjacent parcel, he wants to set up a DC fast-charging station. There is known contamination of mercury that was disposed from the science labs into the septic and they will need to figure out how to safely reuse the site with consideration of his redevelopment needs. The applicant is requesting a brownfield plan on this project, but Fishbeck is not sure if there will be sufficient TIF to make that an appropriate tool.

Hawkins said this project was supported by the Land Bank Authority (LBA) and BRA in a previous EPA assessment grant years ago. There was a hazardous materials survey conducted on the site. Prior work to that was the discovery of mercury and the septic tank. Searles concluded that Empire is a target area.

Motion by Eftaxiadis, seconded by Allgaier, to accept the Part I and Part II Brownfield Project Applications from Joesph and Elizabeth VanEsley. Motion carried 6-0.

Fishbeck Work Order: Work Order #6 – Four Land Bank Parcels

Searles said Fishbeck did not have a work order at the time and they wanted to have these projects move

forward. The board did authorize Fishbeck to start the eligibility process and now they are awaiting to hear back from EPA. These are four separate parcels in different communities so they have them set up as four separate reports for Phase I.

Motion by King, seconded by Allgaier, to approve Fishbeck's Work Order #6- Four Land Bank owned parcels as presented. Motion carried 6-0.

Fishbeck Work Order: Work Order #7 – Empire Downtown Revitalization

Searles said this is for the former Empire lumber yard. They have moved forward for the EPA eligibility request and they are also on the leaking Underground Storage Tank (UST) database and have received eligibility from Michigan Department of Environment, Great Lakes, and Energy (EGLE).

Heinz said this adds up to \$42,100.00. Searles said the BRA is early in the utilization of the grant funds over the whole grant period so they haven't met any of those goals yet per category. Fishbeck will prepare the quarterly report with the EPA grant and will send it to Myer. Hawkins said they typically identify a 35% spend rate by a certain time frame and they can do extensions as needed.

Searles explained the different proposed categories of the work order. She said the first scope of work is for eligibility in Phase I. There was a Phase I done on two of the parcels and it is not changing ownership but they thought there was value to understand things from a redevelopment perspective. There is a hazardous materials inspection for asbestos and evaluating other materials that will help with the redevelopment. Most of the buildings are proposed for demolition so they will need to understand if there are any materials that need to be properly removed. Due Care Planning shows there are some environmental data that exists on the site and this budget allows an opportunity for Fishbeck to review and understand what is known and what information is yet to discover.

(Allen left meeting)

Searles continued, saying that the last item is Phase II ESA. If warranted, proposed sampling may include soil, groundwater, and/or soil gas sampling. The BRA has discretion to approve this now or later. Eftaxiadis asked when Phase I was done. Collins said 20 years ago and has paperwork to show that.

Motion by Eftaxiadis, seconded by Allgaier, to approve Fishbeck's Work Order #7- Empire Downtown Revitalization as presented. Motion carried 5-0.

Fishbeck Work Order: Work Order #8 – Former Empire Schoolhouse Restoration Project

Searles said the applicant requested there be a brownfield plan for this site and Fishbeck thought there was value doing an assessment first. This work order would authorize Fishbeck to be in communication with the township assessor to determine the taxable value and to conduct TIF modeling in potential support of a brownfield plan. After the Due Care Planning and Brownfield Plan evaluation activities are complete, Fishbeck will prepare a memo of the findings and will include any recommendations for further assessment and whether preparation of a Brownfield Plan is an appropriate tool for the project.

(Allen returned)

Motion by Eftaxiadis, seconded by Foster, to approve Fishbeck's Work Order #8- Former Empire Schoolhouse Restoration Project as presented. Motion carried 6-0.

Bluebird Development and Reimbursement Agreement

Heinz said he signed off on the Bluebird Development and Reimbursement Agreement on Friday with Skip Telgard with a notary present. Afterwards he read the Fee Schedule and read that there is a 1% fee upon signing of the reimbursement agreement. The minimum fee is \$1,000 not to exceed \$15,000. After the members discussed the complexities of assessing the fee Jeff Hawkins brought up a simpler approach by not charging the 1% fee upfront. Later an administrative fee could be charged to compensate. The decision was to hold off discussing the fee with Skip Telgard pending the potential elimination of that fee during a planned Fee Schedule review at the February 2024 LCBRA meeting.

FINANCIALS

Claims & Accounts - \$3,398.00

*Motion by King, seconded by Foster, to approve Claims & Accounts in the amount of \$3,398.00.
Motion carried 6-0.*

Post Audit, Budget Amendments, Transfers

Heinz asked to see the trial balance, general ledger and income statements. He questioned a budget amendment dating back to last year. The balance sheet had a debit balance of \$10,070.99 in the liability account. The finance department said it was a payment to the county to go towards the loan.

CORRESPONDENCE/COMMUNICATION ITEMS - None.

PUBLIC COMMENT

Collins thanked the BRA and Fishbeck for working with all of Empire.

DIRECTOR COMMENTS - None.

MEMBER / CHAIRPERSON COMMENTS

Allgaier thanked Collins for his part.

ADJOURN

Meeting adjourned at 11:39 AM.