

**A regular meeting of the Leelanau County Brownfield Redevelopment Authority (LCBRA) was held on Tuesday, September 19, 2023 at the Leelanau County Government Center.**

**CALL TO ORDER**

Meeting was called to order at 10:00 a.m. by Chairman Heinz who led the Pledge of Allegiance.

**ROLL CALL**

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

**Members absent:** J. Arens  
(Prior notice)

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

**Public:** T. Searles, L. Mawby, L. Telgard, S. Telgard

**PUBLIC COMMENT** – None.

**DIRECTOR COMMENTS**

Galla said that their EPA representative will be present at their next meeting in October and afterwards she wants to see some of the projects. Also, today officially marks 35 years that Galla has been with the county. Members applauded Galla on her accomplishment.

**CONSIDERATION OF AGENDA**

Heinz removed “Item 2” under “New Business” and said the correct Claims and Accounts amount is \$16,155.49.

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

**CONFLICT OF INTEREST** – None.

**CONSIDERATION OF AUGUST 15, 2023 MINUTES**

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

**CONSENT AGENDA**

- a. Fishbeck – General Consulting and TIF Management
- b. Fishbeck – EPA Assessment Grant

*Motion by King, second by Allgaier, to accept the consent agenda as presented. Motion carried 6-0.*

**OLD BUSINESS** – None.

## NEW BUSINESS

### Brownfield Fact Sheet/Brownfield Plan-Bluebird, Leland Township

Searles updated members, saying this is the redevelopment of the Bluebird Restaurant and the former Early Bird Restaurant. The assessor has determined that the property is functionally obsolete which is the basis for eligibility. The total investment for both phases of redevelopment is anticipated at 6.2 million dollars, retaining 27-30 local jobs and creating another 8-14 part-time positions. With this Brownfield Plan there is 19 years of TIF capture anticipated. The LCBRA would have 5 years of full capture into the local LCBRA Revolving Fund to help this program be more sustainable. Anticipated for the LCBRA implementation and administrative fees is \$43,529.00, which is set at 10% of tax increment revenues. Searles stated that all of these reimbursement numbers are set up as a maximum reimbursement. The developer will submit their actual invoices which will then be reimbursed on the actual cost. The maximum to the developer is \$216,775.00. The LCBRA will get their grant funds that they have allocated for the project to reimburse this part of the plan. In conclusion, Searles said the local jurisdiction will continue to capture what they are capturing now on the base tax value throughout the term of the plan.

Heinz questioned the \$815,328.00 of the initial taxable value. Is this amount just for the land after the demolition of the building? Searles said that is the initial taxable value of both parcels in 2023 for land and buildings. The new building will be smaller and all of these future tax estimates are in coordination with the assessor. The assessor feels that due to the inefficiency of the old building and the size of the new building, these are very conservative estimates of the increase that they would see. Heinz mentioned doing just the Bluebird Restaurant and not including the Early Bird on the plan. Searles said they could have stuck to just the Bluebird since it is the first phase of development, but there is enough development of the Early Bird that it makes more sense to keep the two together. They do have plans for both, just further out. Heinz questioned the \$218,025.00 dollar amount saying that the next page list the number at \$216,775.00, so they are off on their numbers. Searles clarified that they are talking about two different things. The Brownfield Plan separates out the environmental and nonenvironmental which can be confusing. Galla thanked Searles for her work on this and said she and Searles are prepared to attend the October 9th meeting of the Leland Township Board. If action to approve is taken by the LCBRA today, they will ask for approval at the township.

Allgaier asked about the jobs retained. S. Telgard responded that he doesn't have 27-30 people waiting to come back to work tomorrow. They have probably moved on and gotten jobs elsewhere. That is the number he would have ~~if~~ the Bluebird was up and running today. They want to expand what they do, that is where the 8-14 part-time jobs came from. Allgaier asked about the living quarter over the Early Bird. Telgard said it would not necessarily be for employees, he would love year-round rentals. Could be short term for a period of time, it has not been determined at this time. Heinz asked if the second story of Bluebird would be housing? Telgard said no, just a small office space. It will mainly be a single-story building.

L. Telgard commented that they are aware of the housing problem for employees. They do have another piece of land that is zoned C2 and they are trying to decide what to do with it. They may petition for changes so they can put in seasonal housing. The only reason they may do Short

Term Rentals temporarily would be for the quick income to facilitate the Bluebird project.

Eftaxiadis said the cost of the environmental assessments are part of the eligible activities. Were those done through the EPA grant or LCBRA? Searls said through the LCBRA with EPA grant funds. Eftaxiadis questioned why the LCBRA was asking for reimbursement of those funds? Searls said the EPA encourages leveraging those funds to create a more sustainable BRA because those grant funds are hard to get. Eftaxiadis said they have funds from EPA to do the assessments, and now they are asking to be reimbursed. Do they have anything from EPA saying that they can do that? And where is the LCBRA putting those funds? Galla said the funds are not a reimburse to the LCBRA, it is going back in so that it can be used for other projects when they don't have grants. During the last grant cycle, they were told that the EPA is not the bank, don't keep coming back for more funds. The EPA wants to know how the LCBRA will continue with our program when grant funds are no longer available. Eftaxiadis said he is concerned if they get audited because he has understood over the years that they can't do that. However, if the EPA has indicated that it is okay, then he is okay with it.

***Motion by Eftaxiadis, seconded by Allgaier, to approve the plan and pass it along to the Leland Township. Motion carried 6-0.***

S. Telgard mentioned educating the Township board on the process. L. Telgard said the township is fearful because of the old courthouse property. This new project will help elevate the community.

## **FINANCIALS**

### **Claims & Accounts**

Galla confirmed the correct amount of \$16,155.49.

***Motion by King, seconded by Foster, to approve Claims & Accounts in the amount of \$16,155.49. Motion carried 6-0.***

### **Post Audit, Budget Amendments, Transfers**

Galla mentioned a previous revolving loan fund account that was required with previous EPA grants. It was a separate interest bearing account with a little over \$1,000.00 in it. The account was going to get charged by the bank, so the money was transferred to the LCBRA checking account and closed the account. However, the account was never closed here at the county on the general ledger. This amendment will clean this up and show that the account no longer exists.

***Motion by Allgaier, seconded by Foster, to approve the amendment. Motion carried 6-0.***

**CORRESPONDENCE/COMMUNICATION ITEMS -None.**

**PUBLIC COMMENT – None.**

**DIRECTOR COMMENTS** -None.

**MEMBER / CHAIRPERSON COMMENTS**

Heinz thanked Searles and said good luck at the township.

**ADJOURN**

Meeting adjourned at 10:34 a.m.