

A regular meeting of the Leelanau County Brownfield Redevelopment Authority (LCBRA) was held on Tuesday, August 20, 2024 at the Leelanau County Government Center.

CALL TO ORDER

Meeting was called to order at 10:05 am by Chairman Heinz who led the Pledge of Allegiance.

ROLL CALL

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

Members Absent: None.

Staff Present: G. Myer, Planning Director, J. Herman, Senior Planner

Public Present: L. Mawby, S. Mitchell, T. Searles

PUBLIC COMMENT- None.

DIRECTOR COMMENTS- None.

CONSIDERATION OF AGENDA

Heinz added the following:

New Business -Item #4 - GTRAC TIF Revenue \$1,096.46

Item #5 - Outreach to New Waves Development

Financials - Item #3 Budget Amendment 24-002

Item #4 Transfer Amendment 24-001

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

CONFLICT OF INTEREST – None.

CONSIDERATION OF JUNE 18, 2024 MINUTES

Motion by King, seconded by Allgaier, 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

\$35,000.00 Courthouse TIF Payment

Heinz gave a brief background history and mentioned repaying the Board of Commissioners (BOC) for the profit on the Varley sale. Hartesvelt said she had done a lot of research on this matter and found that it was a downpayment on a Land Contract that defaulted and the County got the property back. It was considered forfeited money. The property was then sold, and those proceeds went to the County Board. Hartesvelt continued, saying that the feeling among the those with a history in the building, is that the General Fund and the BOC are not expecting repayment of that downpayment because that sale fell through. However, there was a motion from a previous commissioner that it should go back to the General Fund. Hartesvelt would like to have a discussion with the BOC to present the history and see if there is any expectation of repayment.

Motion by Lewis, seconded by Eftaxiadis, to defer any further discussion until this has been brought before the Board of Commissioners so see what their expectation is, and then bring it back to the October LCBRA meeting for consideration.

Discussion continued.

Lewis requested that Hartesvelt prepare a report on her findings and stated that it may not happen in time for the October meeting.

Motion amended by Lewis, seconded by Eftaxiadis, to remove the October timeframe. Motion carried 6-0.

NEW BUSINESS

Recommendation of new member for LCBRA Secretary/Treasurer

Heinz said John Arens resigned last week and they are now looking to fill his vacancy. There were two applications on file, Lois Bahle and Rodney Brush. Allgaier stated that Bahle is not available.

Lewis recommended advertising the vacancy to get some applicants, unless there is a rush to fill the vacant seat. Heinz pointed out the remaining term on the vacant seat is December 31, 2026.

Motion by Eftaxiadis, seconded by Foster, to follow County policy and advertise for applications. Motion carried 6-0.

Review/Revise Authorized Check Signers

Heinz said Arens and Foster are the current check signers on the Huntington Bank account and that they will need to notify Huntington Bank that Arens is no longer authorized. They will also need to fill the Secretary/Treasurer position and once filled, be added to the check signer list.

Motion by Foster, seconded by Heinz, to nominate King as Secretary/Treasurer.

Nominations were closed.

Motion carried 6-0.

Myer will work with Gallagher, the County Treasurer, to add King as a check signer at Huntington Bank.

Resolution of Appreciation- John Arens

Motion by Lewis, seconded by Allgaier, to approve Resolution No. BRA2024-01 honoring Arens.

Roll call vote.

Ayes- 6 (Allgaier, Eftaxiadis, Foster, Heinz, King Lewis)

No- 0

Motion carried.

GTRAC TIF Revenue \$1,096.46

Heinz explained that this was TIF Revenue received on January 6, 2024 and approved in May for payment. It was not paid in May, and will be added to the "Claims & Accounts" today.

Outreach to New Waves Development

Heinz explained that there was a brief discussion in the Land Bank Authority meeting regarding the seven lots that the LBA co-owns with Habitat for Humanity and the possibility that the BRA could use grant funds for Phase I ESA and a Phase II ESA on the lots if needed. Myer will reach out to Wendy Irvin of Habitat for Humanity. Eftaxiadis questioned why a Phase I assessment would be needed? Heinz thought the finance lender may require the assessment and that the BRA could assist with that if Habitat for Humanity chose to apply.

FINANCIALS

Claims & Accounts - \$41,440.31

Motion by Lewis, seconded by King, to approve Claims & Accounts in the amount of \$41,440.31.

Motion carried 6-0.

Trial Balance/Revenue & Expense Report

Hartesvelt explained that this report showed when the County gave the BRA two original \$50,000.00 infusions when the BRA was established in 2009, and that one of these \$50,000.00 infusions was not considered an obligation because it was a capital infusion. Heinz stated the BRA makes a \$10,000.00 payment each year towards the loan.

Budget Amendment Resolution 24-002

Hartesvelt said in the last meeting the BRA talked about establishing a Local Brownfield Revolving Fund (LBRF) and in order to do that, they will need to transfer \$4,462.36 from the General Fund into the LBRF.

Searles explained that the LBRF is built into all of the approved brownfield plans. The last five years of capture typically goes into the LBRF. Searles said the BRA hasn't begun to collect these funds yet, but when they do it does not need to be a separate account. She said the monies are used for brownfield eligible activities that are not paid by the developer. She suggested the BRA develop policy guideline on how to use the funds if they did not have one already.

Lewis gave an example on how the LBRF works. Eftaxiadis said the LBRF is made up of the capture of increments past the repayment of all of the eligible expenses to the developer or any other parties. The fund does not have to be a separate account, although he recommends it administratively, so that they know what comes in from what project and where it goes out. The funds can be used in the form of payment for certain eligible activities, primarily used for Phase I, Phase II, and Brownfield Site Assessments. He continued, saying it can also be used for straight payments or the BRA has the ability to loan that money to any party. Each brownfield plan, will specify how that revolving fund will be reimbursed. However, in order to collect those additional five years, it must be spelled out in the brownfield plan that is approved by the BRA, local units of government and the BOC.

Searles said there are five brownfield plans to date and she will have to go back and check which ones have that spelled out. She gave the example of the Bluebird and explained that that plan has that capture so when they get to that point in time, those funds will be collected. After those funds are collected, they don't have anything to do with Bluebird eligible activities, and they can use those funds for anywhere in the County.

Discussion continued.

Searles said the BRA is fortunate to have an EPA assessment grant, but they will not always have that. That is the purpose of these funds so that they can create a more sustainable program to help support these projects.

***Motion by Lewis, seconded by Eftaxiadis, to approve the Budget Amendment 24-002.
Motion carried 6-0.***

Motion by Lewis, seconded by Allgaier, to transfer \$4,462.36 from the general ledger to a separate general ledger. Motion carried 6-0.

(Lewis left the meeting at 11 a.m.)

Heinz mentioned that West-Shore was on the tax rolls in December of 2023 and that property taxes should have been collected for Summer and Winter of 2024. Searles said they did not receive any tax increment and that Elmwood Township has been notified that there has been talk of termination of the brownfield plan so there is no appropriate use for these funds and for the township not to send any more money.

CORRESPONDENCE/COMMUNICATION ITEMS- None.

PUBLIC COMMENT- None.

DIRECTOR COMMENTS- None.

MEMBER / CHAIRPERSON COMMENTS

Heinz said the BOC will be opening the Public Hearing later that night for the West-Shore Brownfield Plan Termination, and then reconvened again on September 17th at 6:30 p.m. where they will take action.

ADJOURN

Meeting adjourned at 11:08 AM