

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

DRAFT

**October 10, 2024
5151 Marsh Road, Okemos, MI 48864-1198
Town Hall Room, 9:00 A.M.**

PRESENT: Chair Jeff Theuer, Director John Sarver, and Director Jim Houthoofd
Vice Chair John Matuszak, and Director Milton Scales

ABSENT: Director Kimberly Thompson

STAFF: Neighborhoods and Economic Development Director Clark

1. Call meeting to order

- a. Chair Jeff Theuer called the regular meeting to order at 9:00 a.m.

2. Approval of Agenda

**Director Milton Scales moved to approve the agenda as written.
Supported by Director John Matuszak .**

VOICE VOTE: Motion carried unanimously.

3. Approval of Minutes

**Director Milton Scales moved to approve the agenda as written.
Supported by Director Jim Houthoofd.**

VOICE VOTE: Motion carried unanimously

4. Financial Report

The financial report is presented each meeting to the BRA to provide an overview of the financial activities associated with active plans. The financial document is created by the Township Finance department, which will review each line item for the BRA fund, calculate the current fund balance of the BRA at Independent bank, note the active reimbursement for each active plan, and note any capture increase to the BRA in general.

BRA members noted the general BRA fund balance and the Local Brownfield Revolving Loan Fund (LBRF). The LBRF is funded by each Brownfield Plan, 5% of the estimated increase. The BRA's general fund is funded by the overall increase of the active captures for each parcel included in the BRA TIF. The entire Township is the eligible as a BRA district, the increase of the BRA fund is from all active parcels that have been redeveloped with Brownfield funds.

Director Clark gave an overview of the current financial status of the Brownfield Authority. The BRA has a healthy fund balance with the local revolving brownfield fund continuing to grow. 5% for each plan goes toward the LBRF and could be used toward additional Brownfield eligible cost except for the Elevation Apartment Plan which supports 2.5%. There are 4 active BRA plans that have an active capture and reimbursement. Two plans have reached their full capture and are on automatic reimbursements now.

BRA members would like to see a memo included prior to the financial report detailing the Name and associated number of each active Brownfield Plan.

Elevation Apartments Brownfield #3
Joes on Jolly Brownfield #4
Haslett Marathon Station Brownfield #5
American House Meridian Brownfield #6

Economic Development department is working with the Treasury department to ensure the appropriate reimbursements are being distributed to the correct developments. BRA Members requested that finance department work to have the developments listed instead Of utilizing the numbers associated with projects.
APPROX \$117K of the BRA general fund and \$43K of the LBRF.

Director Milton Scales moved to accept the Financial Report Ending of August 2024. Supported by Director Jim Houthoofd. Accepted unanimously

5. **Public Remarks** – None

6. **New Business**

A. Joe's on Jolly Reimbursement Request #1

2360 Jolly road is the completed project "Joe's On Jolly" which received an approved Brownfield plan in 2019. This portion of the project is the "mixed" commercial portion of the Elevation project approved in 2018. The project was first approved by Ingham County's Brownfield Authority and the Township now shares in the split 5% for LBRF support. This site was home to car repair and tire shop to create the existing 17k sq ft. The site is home to Joe's on Jolly bar/restaurant, and the Fitness Factory, a local fitness facility. The doors opened in 2022 and the developer being new to the incentive did not fully understand the process for Brownfield and reimbursements. Brownfield can be complicated for some to understand how it works until the project is completed. Staff clarified the process and now the site is in compliance with all requirements to receive reimbursement.

Advanced Redevelopment Solutions is the consultant for Brownfield activities and TriTerra will provide the Township with a review of any request. TriTerra did include a letter recommending the reimbursement to be issued once signed and notarized sworn statements attesting to the completed work.

The reimbursement is capped at \$370,700 with the project exceeding the approved reimbursement by almost \$50,000. The review conducted by staff support that the activities are eligible for reimbursement up to the full approved amount of \$370,700.

Chair Theuer mentioned that TriTerra also approves the reimbursement as long as sworn signed statements are presented. The motion should state, pursuant to the items noted by Triterra they recommend reimbursement.

Director Matuszak was interested in the line items that went over in estimated costs. Director Clark noted that all of the fund line items estimated the amount at the creation of the plan. Anything in excess is not an eligible cost based on the approved plan. Director Matuszak also wanted to know if the site has an active capture. Director Clark noted yes, the site deferred the first eligible year due to COVID-19. Until recently with the issue of property taxes, we have tracked the estimated increase in value to this point and now the site is contributing fully to the 5% LBRF and continuous contributions to the general BRA fund. This will be noted on our financial report as Brownfield #4.

Director Scales wondered if this is a trend to not have sworn statements attesting to the work conducted on BRA projects. Chair Theuer noted this was also an issue on the last request for reimbursement and wondered if the same entity was forgetting the requirements. Director Clark noted that different consultants have forgotten to provide what is foundational to a Brownfield Plan reimbursement review. Director Clark noted she will express in more detail to consultants to have the notarized signature sworn statements included in advance or the BRA may not approve the request.

Director Milton Scales moved to approve the reimbursement request from Joe's on Jolly on the condition that the BRA receives the required sworn statements from Advanced Redevelopment Solutions as noted in their reimbursement review. Supported by Director John Matuszak.

VOICE VOTE: Motion carried unanimously.

B. 2025 Brownfield Redevelopment Authority Meeting Calendar

The general meeting calendar for 2025 was presented by Director Clark. The calendar dates note the second Thursday of the month in 2025 as the meeting date for the BRA. Meetings are to begin at 9 am.

Director John Matuszak moved to approve the 2025 Brownfield Redevelopment Authority Calendar as presented. Supported John Sarver.

VOICE VOTE: Motion carried unanimously.

C. Administrative Cost Authorization to Reimburse the General Fund & Other Payments

Director Clark provided an overview of the authorization to approve payments from the BRA's Independent Bank Account. In the past the BRA authorized for legal fees to be reimbursed to the general fund from the BRA's Independent Account. A check can be written from the BRA to the Township to cover those costs.

Consultant fees from TriTerra and AKT Peerless are also to be authorized each month that invoices are presented. In the past 60 days the Township Attorney's supported the creation of a reimbursement agreement and resolution for the agreement.

Chair Theuer requested that legal fee authorization should be separated in the future. It is easier to understand the payments based on 'themes' like general fund reimbursements and the BRA determined that having the authority should not cost the Township anything. Payments for the work conducted through the BRA should be separate.

Director Milton Scales moved to approve and authorize payments to the Township's general fund to reimburse the Township for legal fees and pay TriTerra and AKT Peerless for consulting services conducted August and September 2024. Supported by John Matuszak

VOICE VOTE: Motion carried unanimously.

7. Project Updates

Director Clark updated the BRA on the various Brownfield projects/sites and their status. Elevation Apartments i.e Brownfield #3 is on pause for phase 4 and could be under contract to be purchased by a new owner. Details regarding the sale, if commenced, will be provided later.

Haslett Marathon still owes the Township a bike rack for the site however the project is complete, has an active capture and has an active reimbursement. When Summer and Winter taxes get paid the reimbursements are automatically applied as long as the property pays their taxes.

Joe's on Jolly Brownfield Plan #4 will be newly added to the accounting spreadsheet and active on our financing starting in March 2025.

American House, Brownfield Plan #6 was approved for the second reimbursement today and will be on automatic payments for this project moving forward from today.

Haslett Village Square Brownfield#8 has not commenced construction, some eligible activities were conducted and more are to follow.

Director Scales requested project information related to the Village of Okemos. The approved Brownfield Plan will have to be terminated to allow for the creation of a new plan with new project parameters. The site as approved is not in a condition to be supported through traditional financing and the County Road department will require the developer to make public improvements that traditional financing will not support. Township staff in relation to the developer continue conversations to determine the next route to development.

8. Public Remarks

There was no comment from the public.

9. Adjournment

Chair Theuer adjourned the meeting at 9:45 a.m.

Respectfully Submitted,

Amber Clark
Economic Development Director