



AGENDA
CHARTER TOWNSHIP OF MERIDIAN
Downtown Development Authority
Special Meeting
August 2, 2021 7:30
Municipal Building - Town Hall Room
5151 Marsh Road, Okemos



1. CALL MEETING TO ORDER
2. ROLL CALL
3. MISSION: The Meridian Township DDA mission is to beautify and revitalize downtown Okemos as a very desirable place to shop, live, and do business. It is a commitment to promoting and improved quality of life by creating a friendly, walkable community embracing the natural aesthetics of the river and parks.
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES – AUGUST 2, 2021
6. OLD BUSINESS
 - A. Village of Okemos Public Private Partnership Financials
 - B. Letter to board -Village of Okemos Development
7. PUBLIC REMARKS
8. NEXT MEETING DATE
 - A. September 13, 2021, 7:30am – Town Hall Room, 5151 Marsh Road, Okemos
9. ADJOURNMENT

Individuals with disabilities requiring auxiliary aids or services should contact the Meridian Township Board by contacting:
Township Manager Frank L. Walsh, 5151 Marsh Road, Okemos, MI 48864 or 517.853.4258 - Ten Day Notice is Required.
Meeting Location: 5151 Marsh Road, Okemos, MI 48864 Township Hall



Charter Township of Meridian
Downtown Development Authority (DDA)
Municipal Building, 5151 Marsh Rd., Okemos, MI 48864
Monday, August 2, 2021 – Minutes

Members

Present: Susan Fulk, Renee Korrey, Bill Cawood, Will Randle, Jim Raynak, Scott Weaver, Tom Stanko, and Jim Spanos

Members

Absent: Supervisor Ron Styka and Peter Campbell

Staff

Present: Neighborhoods & Economic Development Director Amber Clark, Township Manager Frank L. Walsh and Executive Assistant Michelle Prinz

Others

Present: Carmine Avantini, President CIB Planning, Eric Heltzer, Advanced Redevelopment Solutions, Township Trustee Patricia Herring Jackson, Township Trustee Dan Opsommer, and Township Treasurer Phil Deschaine

1. CALL MEETING TO ORDER

Chair Korrey called the meeting to order at 7:33am and read the mission statement.

2. APPROVAL OF THE AGENDA

**MOTION BY MEMBER CAWOOD TO APPROVE THE AGENDA. SUPPORTED BY MEMBER RAYNAK.
MOTION APPROVED 8-0.**

3. APPROVAL OF MEETING MINUTES OF JULY 12, 2021

**MOTION BY MEMBER FULK TO APPROVE THE MINUTES. SUPPORTED BY MEMBER RAYNAK.
MOTION APPROVED 8-0.**

4. FINANCIAL REPORT

A. Monthly Financials

Director Clark reported that she is working on a termination of the DDA loan agreement that needs to be signed by the Township and the DDA. The monthly financials have been placed on file.

5. AUTHORIZATION OF PAYMENTS

A. Consumers Energy Bill June 2021

MOTION BY MEMBER FULK TO APPROVE THE PAYMENTS OF THE JUNE 2021 CONSUMERS ENERGY BILL IN THE AMOUNT OF \$97.10. SUPPORTED BY MEMBER CAWOOD. MOTION APPROVED 8-0.

6. OLD BUSINESS

A. Village of Okemos Development 7.6.21 MUPUD Amendment Update

Community Planning & Development Director Tim Schmitt submitted a letter of partial approval for the Village of Okemos, LLC request to amend the Mixed Use Planned Unit Development. The highlights of the letter includes:

- Partial approval was provided to the developer except the loss of buildings on Okemos Road and the loss of nonresidential on Hamilton Road.
- Approval to have phased development for the residential units on Ardmore Avenue.
- Partial approval does include removal of the surface parking deck.

There was discussion regarding the planned 334 parking spaces, where they will be located and the potential lease of spaces from Douglas J. Director Clark will get clarification on the parking from Director Schmitt.

7. DDA BOARD STUDY SESSION DISCUSSION ITEMS

A. Understanding Tax Increment Financing

The DDA viewed a video highlighting the Mainstreet Michigan Program to revitalize downtown Boyne City, MI.

B. Review of Adopted TIF Plan

Carmine Avantini reviewed the adopted TIF Plan and the eligible activities which the DDA can spend tax increment revenue for enhancing, improving or redeveloping the District.

C. Michigan "Mainstreet" Model for Downtown Revitalization

Director Clark mentioned the DDA is not ready for the Mainstreet Model yet, but she wishes the DDA can work towards that model over the next few years.

D. DDA Incentives for Attraction and Rentention

Eric Heltzer discussed the potential of TIF funds that would be generated via the Village of Okemos project. This would be \$8,196,811. Discussion was had regarding the priority of burying the power lines on the project. Discussions with Consumers Energy will be resuming in 3-4 weeks. A turn lane is to be added at Okemos and Hamilton.

Manager Walsh discussed the focus should be on the \$4,000,000 funding gap on the project. He proposed the Township General Fund could give the Township Redevelopment Fund \$2,000,000 that could be used for the project and paid back to the redevelopment fund through the TIF. In addition, \$2,000,000 of the funds the Township will receive through the American Rescue Plan could be used on infrastructure for the project. Mr. Helzer will work on the final gap dollars needed for the project by the end of this week.

Director Clark stated the DDA needs to discuss what building improvements/programs will be available for all DDA members. She will call a special meeting this month to have further discussion.

8. PUBLIC REMARKS

None.

9. NEXT MEETING DATE

a. September 13, 2021, 7:30am

10. ADJOURNMENT

The meeting was adjourned at 10:26am without objection.



To: Downtown Development Authority Members
From: Neighborhoods & Economic Development Director Amber Clark
Date: August 25, 2021
RE: Village of Okemos Public Private Partnership Financials

Meridian Township economic and community development teams continue to work with Tru North development team to ascertain the level of public contribution for the public private partnership of creating a downtown. A mission set forth by the residents of Meridian Township beginning in 2005. The request of our community is to create a viable walkable downtown center at the corners of Hamilton and Okemos road. Multiple attempts to create this space have met hurdles due to the location of the site, contamination of soils and outdated infrastructure. In 2018 the DDA along with the Township board adopted a new Tax Increment Financing plan to assist with any major redevelopment of our downtown. In addition that year the Meridian Township board elected to create the Meridian Redevelopment Fund, a resource for projects that fall in the Haslett PICA or Okemos PICA for additional financial support of public improvements. The incentives from the DDA, Meridian Redevelopment Fund (MRF) and Brownfield Development Authority (BRA) were created by the Township as tools to cover gaps in financing for the redevelopment of infill areas that have fallen into dilapidation.

The estimated total investment of the project is \$67 Million dollars generating about \$8.5 Million dollars in property tax revenue for the DDA to use in redevelopment. Tru North developers are requesting \$4.8 Million of that revenue to be paid back to them in within 11 years. In addition Tru North will request about \$3.5 Million in BRA. The total request of the Tru North development team will be \$8.3 Million in public assistance. There are remaining development projects that could be expensed by the DDA TIF in support of redevelopment. The burial of the Consumers Energy transmission line, ground utility updates for sewer and water, other off site construction costs that total about \$5 Million. The total amount Meridian Township residents would contribute to would be the funding from the DDA as \$4.8 Million dollars. This equates to 15% of public assistance toward the project. For reference included with this memo are the breakdowns of other locally approved projects that will receive funding from local tax authorities as reimbursement:

- Elevation Apartments "MUPUD" 2019 \$60 Million investment with \$5 Million approved BRA 12% public assistance
- Joes on Jolly 2019 \$4 Million dollar investment with \$400,000 approved BRA 10% public assistance
- Haslett Marathon \$1 Million dollar investment with \$300,000 approved BRA 30% public assistance
- Pine Village Community \$12 Million dollar investment with \$3 Million approved BRA 25% public assistance



Attachments: Approved Brownfield Redevelopment Plans for Pine Village, Haslett Marathon, Elevation Apartments and Joes on Jolly

ADVANCED REDEVELOPMENT SOLUTIONS

PO Box 204, Eagle MI 48822

Tel 517.648.2434

ephelzer@msn.com

MEMORANDUM

To: Downtown Development Authority (DDA) Board Members – Meridian Township
From: Eric P. Helzer, EDFP, Principal – Advanced Redevelopment Solutions (ARS)
Copy: Pat Smith & Jonathan Branoff – Village of Okemos, LLC (VOO), Will Randle – True North Development, LLC (TND), John Peckham – ARS
Date: August 24, 2021

Subject: Village of Okemos, LLC – Financing Status
Village of Okemos Redevelopment Project – Hamilton and Okemos Roads
Meridian Township, Okemos, MI 48864

On behalf of the Village of Okemos, LLC (VOO) and True North Development, LLC (TND) we look forward to discussing the attached updated Incentives Status Summary and our remaining gap in financing to construct this exciting mixed-use redevelopment project. For this discussion we will be bringing additional materials to the meeting but in advance of this we offer the following information.

The Village of Okemos downtown project proposed is a mixed-use redevelopment comprised of commercial/retail and market rate residential (the “Project”). The requirements of the Township Board to make a mixed residential and commercial/retail project is the reason behind why VOO and TND needs the public commitment to getting the Project built. In addition to the current lender financing market conditions and construction cost increases, the Project has two primary reasons for needing public sources of financial assistance:

1. **Extraordinary Costs** – Unlike a Greenfield site that does not have any legacy costs associated with what was left behind from prior developments or age, the Project is redeveloping property in a location with extraordinary costs:
 - a. Demolition (including Asbestos Abatement) & Environmental Costs - As you know, the site was blighted with old aging buildings and is heavily contaminated from prior businesses/operators on the property. The costs to address these conditions and make the property buildable and occupiable regardless of what development occurs are estimated at nearly \$5 million. Brownfield redevelopment funds (EGLE Grant/Loan and Brownfield tax increment financing {TIF}) can cover some of those costs of which come from State funding sources not Local funding sources (not local Grants/Loans or tax increment financing from locally captured taxes). State taxes that are captured under a Brownfield TIF would be contributed over an estimated 7 years.
 - b. Off-Site Costs – Redeveloping in the heart of the Village also has its challenges due to the current poor condition of the aging infrastructure that has not been updated or replaced in many decades. The costs to address these poor infrastructure conditions (roads and sidewalks, water, sanitary sewer, storm sewer, electrical, gas, etc.) to the extent necessary to allow the Project to proceed, regardless of what development occurs, are estimated at

nearly \$2 million. Off-Site funds (MTRF Grant and DDA tax increment financing {TIF}) can cover some of those costs of which come from Local funding sources. Local taxes that are captured under a DDA TIF would be contributed over an estimated 11 years, estimated at \$1.9 million. Even though the capacity (estimated at over \$8.5 million) of the DDA TIF is greater than the estimated \$1.9 million needed for the Project, the surplus revenues (estimated at \$3.7 million) generated within the DDA TIF (from the Project) can be used by the DDA for other Local Infrastructure needs within the DDA TIF District.

2. **Commercial Value Loss** – In order to deliver the Project that the Township Board required by maintaining the commercial/retail along Hamilton Road on both Blocks 1 and 2 of the Project, gaps in financing the Project have been created due to the following:
 - a. Vacancy Rates – When this Project was initially designed pre-COVID, the underwritten vacancy rate for commercial space was 20% with projected rents equal to \$30 NNN per square foot. Now, lenders are underwriting commercial space at 50% vacant even if it is fully leased. For our internal underwriting, we projected a 25% vacancy to commercial at \$24 NNN per square foot.
 - b. Decreased Income – At \$24 per square foot, the lost income at 25% vacancy instead of 10% vacancy equates to \$115,223 of decreased income per year. This equates to a decrease in value of \$1,920,380. (When taking into account the decreased revenue of rents compressing from \$30 NNN per square foot down to \$24 NNN per square foot plus the increased vacancy rate from 10% up to 25%, the amount of annual decreased income would be \$144,028 which translates into a decreased value of \$2,400,475.)

In short, due to the above extraordinary costs and the commercial value loss, we have a remaining gap in our financing of this Project estimated at \$4.2 million. While we have ideas in how this gap in financing can be filled, it will take a continued public/private partnership effort to resolve this. We are prepared to enter into constructive discussions on this matter and look forward to these discussions with the DDA and Township Boards over the coming weeks. To get the Project built with work starting in 2021, it is imperative we receive commitment from the Township, even verbally, so the remaining Project Engineering and Plans can be completed. This will allow for some of the Project site work to begin this year. Without that work beginning we are in jeopardy of losing the State EGLE Brownfield Grants and Loans.

We look forward to your continued support and our discussion on Wednesday morning.

ATTACHMENT:

Incentives Status Summary as of August 24, 2021

Incentives Status Summary*
Village of Okemos Project (Blocks 1 & 2)
Meridian Township, Michigan
preliminary estimate as of August 24, 2021

- **DDA TIF Plan Capacity** = \$8,527,560.**
 - **Developer Costs** = \$3,627,187 (Principal Eligible Activity Costs) + \$1,176,216 (Interest Obligation) = **\$4,803,404.**
 - Reimbursed over 11 Years. Last Year of Capture to service Eligible Activity Debt Service Costs for Developer is December 31, 2032.
 - Assumes that the DDA TIF Plan is NOT extended an additional 5 Years as it is not needed to allow for the Developer's Phase 1 project.
 - Assumes that No ARCA Funds are provided by Township for Off Site costs and thus the amount of DDA TIR needed to allow for the Village of Okemos project to proceed is greater. Village of Okemos project finances Off Site/On Site/Environmental costs to allow the Blocks 1 and 2 to be developed and all of the project's Environmental BRA and Off Site/On Site DDA eligible costs are reimbursed to the Village of Okemos project first with all available tax increment revenues and the DDA then receives any surplus tax increment revenues thereafter.
 - Original 20-Year DDA TIF Plan ending on December 31, 2038 is maintained and if Township desires use of DDA TIF for other Local Infrastructure projects there is \$3,724,156 in remaining capacity available in Years 11-17.
 - INCENTIVE STATUS: Pending Application Submittal. ALL tax increment revenues are LOCAL.
- **BRA TIF Plan = \$3,069,689.**
 - **Developer Costs** = \$2,537,481 (Principal Eligible Activity Costs) + \$532,208 (Interest Obligation) = **\$3,069,689.**
 - Reimbursed over 7 Years. Last Year of Capture to service Eligible Activity Debt Service Costs for Developer - Brownfield Plan Ends on December 31, 2029.
 - INCENTIVE STATUS: Pending Brownfield Plan (Local approval) and Act 381 Work Plan (State approval) Submittals. ALL tax increment revenues are STATE.
- **EGLE Loan = \$905,275.**
 - INCENTIVE STATUS: Secured. ALL funds are from the STATE.
- **EGLE Grant = \$905,077.**
 - INCENTIVE STATUS: Secured. ALL funds are from the STATE.
- **EDC Meridian Township Redevelopment Fund Grant = \$570,000 (minimum estimated).**
 - INCENTIVE STATUS: Pending Application Submittal to Township EDC (2nd application submittal to be submitted closer to construction). ALL funds are from the TOWNSHIP.

NOTES:

** Based off of August 15, 2021 projections for Phase 1 Project completion that has buildings along Okemos and Hamilton on both Blocks 1 and 2 and no buildings built along Ardmore Road (Reverse of Kebs, Inc. Village of Okemos Dimension Plan dated 4-14-19, Revised 5-20-21). The production of detailed tax increment financing schedules need to be completed in order to more accurately project taxable values and revenues available by year of estimated product type/building completion.*

*** See attached Option 1 – No ARCA Funds for Off Site Costs.*

OPTION 1 - NO ARCA FUNDS FOR OFF SITE COSTS
PROPOSED BROWNFIELD PLAN AND DDA PLAN (BLOCKS 1 & 2) - VILLAGE OF OKEMOS PROJECT - MERIDIAN TOWNSHIP, MICHIGAN

preliminary estimate as of August 15, 2021

PROJECT CASH FLOW - Tax Increment Revenue Available
 Based upon the Projected Future Taxable Value (PFTV) Estimates

Annual Appreciation = 2.14%	%age of Revenue Allocated*	Calendar Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL	
		Calendar Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051		
BROWNFIELD																																		
Total Brownfield Capturable TIF Revenue off of PFTV Estimate (8/13/2021)	NA	---	\$265,778	\$531,556	\$542,931	\$554,550	\$566,417	\$578,539	\$590,919	\$603,565	\$616,481	\$629,674	\$643,149	\$656,912	\$670,970	\$685,329	\$699,995	\$714,975	\$730,276	\$1,379,678	\$1,409,203	\$1,439,360	\$1,470,162	\$1,501,624	\$1,533,759	\$1,566,581	\$1,600,106	\$1,634,348	\$1,669,323	\$1,705,047	\$1,741,535	\$1,778,803	\$30,711,546	
Less to BRA (0.25% Admin and LBRF)	0.25%	---	\$664	\$1,329	\$1,357	\$1,386	\$1,416	\$1,446	\$1,477	\$1,509	\$1,541	\$1,574	\$1,608	\$1,642	\$1,677	\$1,713	\$1,750	\$1,787	\$1,826	\$3,449	\$3,523	\$3,598	\$3,675	\$3,754	\$3,834	\$3,916	\$4,000	\$4,086	\$4,173	\$4,263	\$4,354	\$4,447	\$76,779	
Less to Pass-through to all Taxing Jurisdictions (0%)	0%	---	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Less to MBRF (50% of SET Millage=3 Mills)	---	---	\$24,498	\$48,997	\$50,045	\$51,116	\$52,210	\$53,327	\$54,468	\$55,634	\$56,825	\$58,041	\$59,283	\$60,551	\$61,847	\$63,171	\$64,523	\$65,903	\$67,314	\$68,754	\$70,226	\$71,728	\$73,263	\$74,831	\$76,433	\$78,068	\$79,739	\$81,445	\$83,188	\$84,969	\$86,787	\$88,644	\$1,965,829	
BRA TIF Reimbursements Allocated/Available to Developer	NA	---	\$240,615	\$481,230	\$491,529	\$502,048	\$512,791	\$523,765	\$534,974	\$546,422	\$558,115	\$570,059	\$582,258	\$594,719	\$607,446	\$620,445	\$633,723	\$647,284	\$661,136	\$1,307,474	\$1,335,454	\$1,364,033	\$1,393,223	\$1,423,038	\$1,453,491	\$1,484,596	\$1,516,367	\$1,548,817	\$1,581,961	\$1,615,815	\$1,650,394	\$1,685,712	\$28,668,938	
DDA																																		
Total DDA Capturable TIF Revenue off of PFTV Estimate (8/13/2021)	NA	---	\$225,825	\$451,649	\$461,314	\$471,186	\$481,270	\$491,569	\$502,089	\$512,833	\$523,808	\$535,017	\$546,467	\$558,161	\$570,106	\$582,306	\$594,767	\$607,495	\$620,496															\$8,736,359
Less to DDA (0.25% Admin)	0.25%	---	\$565	\$1,129	\$1,153	\$1,178	\$1,203	\$1,229	\$1,255	\$1,282	\$1,310	\$1,338	\$1,366	\$1,395	\$1,425	\$1,456	\$1,487	\$1,519	\$1,551															\$21,841
Less to Pass-through to all Taxing Jurisdictions (2.14%)	2.14%	---	\$4,833	\$9,665	\$9,872	\$10,083	\$10,299	\$10,520	\$10,745	\$10,975	\$11,209	\$11,449	\$11,694	\$11,945	\$12,200	\$12,461	\$12,728	\$13,000	\$13,279															\$186,958
DDA TIF Reimbursements Allocated/Available to Developer and Other Local Infrastructure Costs	97.61%	---	\$220,427	\$440,855	\$450,289	\$459,925	\$469,767	\$479,821	\$490,089	\$500,577	\$511,289	\$522,230	\$533,406	\$544,821	\$556,480	\$568,389	\$580,552	\$592,976	\$605,666															\$8,527,560
Last Year of Capture to service Eligible Activity Debt Service Costs for Developer - Brownfield Plan Ends on December 31, 2028																																		
Last Year of Capture to service Eligible Activity Debt Service Costs for Developer - DDA TIF Plan use on December 31, 2032. In last year only \$258,135 is needed to fully reimburse Developer.																																		
20-YEAR DDA TIF PLAN: Last Year of Capture to service Eligible Activity Debt Service Costs for Developer and Local Infrastructure on December 31, 2038 (assumes Township does not extend DDA Plan 5 years). Capacity = \$8,527,560.																																		
NOTES: Option 1 - No ARCA Funds are provided by Township for Off Site costs and thus the amount of DDA TIR needed to allow for the Village of Okemos project to proceed is greater. Village of Okemos project finances Off Site/On Site/Environmental costs to allow the Blocks 1 and 2 to be developed and all of the projects Environmental BRA and Off Site/On Site DDA eligible costs are reimbursed to the Village of Okemos project first with all available tax increment revenues and the DDA then receives any surplus tax increment revenues thereafter. No 5 Year extension of DDA TIF Plan is needed on Meridian Twp millages only.																																		
* %age estimates provided by Client and adjusted with Assessor review. Does factor in the potential for Library Millage Opt-out and 50% of State Education Tax (SET) Millage allocated to the State's MBRF.																																		
Estimates assume annual 2.14% appreciation.																																		
This Tax Increment Revenue Capture Estimate assumes that 50% of the project is complete by end of Calendar Year 2022 and 100% of the project is completed by end of Calendar Year 2023. The phasing of completion of the project buildings will impact the above revenue estimates. This is based upon Phase 1 Project completion that has buildings along Okemos and Hamilton on both Blocks 1 and 2 and no buildings built along Ardmore Road (Reverse of Kebs, Inc. Village of Okemos Dimension Plan dated 4-14-19, Revised 5-20-21). The production of detailed tax increment financing schedules need to be completed in order to more accurately project taxable values and revenues available by year of estimated product type/building completion.																																		
BROWNFIELD COST ESTIMATES ASSUME REIMBURSEMENT TO DEVELOPER REQUIRE = \$2,537,481 (Principal Eligible Activity Costs) + \$532,208 (Interest Obligation) = \$3,069,689. Revised: 8/15/2021																																		
DDA COST ESTIMATES ASSUME REIMBURSEMENT TO DEVELOPER REQUIRE = \$3,627,187 (Principal Eligible Activity Costs) + \$1,176,216 (Interest Obligation) = \$4,803,404, leaving \$3,724,156 available for Other Local Infrastructure costs. NOTE: This assumes the DDA Plan is NOT extended 5 years. Advanced Redevelopment Solutions																																		

BRA Available TIR Capture for Project Use

DDA Available TIR Capture for Project Use

TOTAL Available TIR Capture for Project Use

DDA TIF	
DDA TIF Capacity (over remaining 17 years of the 20 year TIF Plan, assumes NO 5-Year DDA TIF Plan extension on Meridian Twp millages only)	\$ 8,527,560
Developer Costs	
Principal	\$ 3,627,187
Interest Calculated	\$ 1,176,216
Available for Other Local Infrastructure Costs	
Principal and Interest (if needed)	\$ 3,724,156
Surplus Revenue Amount (if needed)	\$
BRA TIF	
BRA TIF Capacity (over a maximum 30 year TIF Plan)	\$ 28,668,938
Developer Costs	
Principal	\$ 2,537,481
Interest Calculated	\$ 532,208
Surplus Revenue Amount (if needed)	\$ 25,599,249

Revised: 8/15/2021

**PROJECT SUMMARY SHEET: BROWNFIELD PLAN AMENDMENT NO.1 –
Elevation at Okemos Pointe Project**

Project Name: Elevation at Okemos Pointe

Applicant/Developer: Entity Name: Okemos Pointe, LLC (“Owner” or “Developer”)
Contact: Will Randle
Mailing Address: 2410 Woodlake Dr.
Okemos, MI 48864
Phone: 517-580-2550

Eligible Property Location: The Eligible Property (“Property”) consists of six (6) parcels located at:
2360 Jolly Road (portion) – Tax ID #33-02-02-33-376-010;
2398 Jolly Road (portion – Tax ID #33-02-02-33-353-015;
2350 Jolly Oak Road (portion) – Tax ID #33-02-02-33-329-002;
2360 Jolly Oak Road – Tax ID #33-02-02-33-376-011;
2362 Jolly Oak Road – Tax ID #33-02-02-33-376-012; and
Jolly Oak Road (portion) – Tax ID #33-02-02-33-329-100
Okemos, Meridian Charter Township, Michigan.

One parcel, 2360 Jolly Road (portion) – Tax ID #33-02-02-33-376-010, adds a small portion of Property (approximately +/- 0.09 Acres) with this Plan Amendment.

Property Size: Approximately 37.38 acres

Type of Eligible Property: Facility (Contaminated) and adjacent or contiguous to at least one of the Property’s “facility” parcels.

Project Description and Total Capital Investment: The primary purpose of the original 2016 Brownfield Plan was to facilitate the development of all six (6) original parcels in a key area of Meridian Charter Township. It was anticipated that multiple phases would occur within this area, but the originally conceived project plan needed to change to adjust to market conditions and site conditions and as such cannot be completed as originally planned in 2016.

This Plan Amendment is the result of a newly proposed adjustment to the redevelopment project (“Project”), a mixed-use redevelopment of the underutilized, abandoned, vacant and contaminated parcels and adjacent and contiguous parcels which was first developed in 1963 and has been substantially underutilized since 1999 (17 years).

The parcels are located north of Jolly Road and west of Jolly Oak Road and Farrins Parkway (see Exhibit A). This mixed-use redevelopment is a multi-phase, \$60 million project (Phase 1 and Phase 1A, excluding land and financing costs) that will comprise commercial/amenity space and 284 market-rate apartment units. Phase descriptions have changed from the original Plan and Phase 2 (formerly Phase III) may be completed but is dependent upon the success and market condition outcomes upon completion of Phase 1A. Phase 2 capital investment is not a part of the aforementioned Project cost.

**PROJECT SUMMARY SHEET: BROWNFIELD PLAN –
2360 Jolly Road Redevelopment Project**

The purpose of this Brownfield Plan (the “Plan”) is to identify eligible activities and cost estimates for redevelopment of the property located at 2360 Jolly Road, Okemos, Meridian Charter Township, Michigan. Brownfield tax increment financing is necessary to support redevelopment of this property.

Project Name: 2360 Jolly Road Redevelopment Project

Applicant/Developer: Entity Name: 2360 Jolly Road, LLC (“Developer”)
Contact: Will Randle
Mailing Address: 2410 Woodlake Dr.
Okemos, MI 48864
Phone: 517-580-2550

Eligible Property Location: The Eligible Property (“Property”) consists of one parcel (portion) located at:
2360 Jolly Road

Parcel Information: 2360 Jolly Road (portion) – Tax ID #33-02-02-33-376-010
Okemos, Meridian Charter Township, Michigan

Property Size: Approximately 1.64-acres

Type of Eligible Property: Facility (Contaminated)

Project Description: 2360 Jolly Road, LLC is a single-purpose company formed to develop, construct, finance, and own the 2360 Jolly Road Redevelopment Project, a commercial redevelopment (the “Project”). The proposed redevelopment of the Project, which is the subject of this Plan, will redevelop the entire building that includes an estimated 17,323 square feet of small business spaces. The current warehouse will create three (3) separate commercial business spaces. There will be a large outdoor gathering area allowing for interaction between at least two (2) business’s for customers.

New construction (not including environmental) is scheduled to begin in October 2019 and anticipated to be completed by the end of 2020, pending incentive approvals. All eligible activities identified in this Plan are required to allow for the successful completion of the Project.

Total Capital Investment: This Brownfield Plan (the “Plan”) anticipates approximately \$4,000,000 in Total Capital Investments by 2360 Jolly Road, LLC for this Project.

Estimated Job Creation: Upon Project completion, up to 60 new local full-time equivalent jobs are projected to be created.

Estimated Duration of Plan Capture: 24 years (2021-2044), total estimated Plan capture duration for reimbursement of Eligible Activities, Brownfield Plan costs,

Brownfield Plan Implementation Fees, Authority/BRA Administration & Application Fees, and LBRF capture.

Estimated Duration of Plan: 26 years (2019-2044) estimated but valid up to 35 years. NOTE: Plan capture of tax increment revenues shall not exceed 30 years.

Base Year of Plan: 2020. NOTE: The initial taxable value/base year of the Eligible Property identified in and subject to this Plan shall be the next assessment roll for which equalization will be completed following the date the resolution adding the Eligible Property in the Plan is adopted. Therefore, the initial taxable value of the Eligible Property shall be determined by the use of tax year 2020 tax values.

First Year of Plan Capture: 2021

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ATTACHMENTS

- Attachment A: ALTA/NSPS Land Title Survey and Legal Description

1.0 PROJECT SUMMARY

Project Name:	Pine Village of Meridian
Developer:	Hudson Senior Living, LLC (the “Developer”) 280 W. Maple Road, Suite 230 Birmingham, Michigan 48009 Michael Parks
Property Location:	1655-1673 Haslett Road and 1659 Raby Road Haslett, Michigan 48840
Parcel Information:	33-02-02-10-401-003, 33-02-02-10-402-001, 33-02-02-10-401-005 (partial)
Type of Eligible Property:	“Facility” and “adjacent and contiguous”
Project Description:	<p>A redevelopment of the subject property located on the south side of Haslett Road in Meridian Charter Township. The project includes the demolition of an approximately 23,415-square foot, single-story multi-tenant commercial building located at 1673 Haslett Road and the adjacent shopping center building located at 1655 Haslett Road. The developer will construct a four-story, 147,071 square foot, mixed-use building consisting of a senior apartment building with a total of 132 residential units and 9,932 square feet of leasable commercial space. A new parking lot and site improvements will be constructed on the east, south, and west sides of the building.</p> <p>Brownfield eligible activities include pre-approved activities, department specific activities, asbestos survey and abatement activities, demolition, and preparation and implementation of a Brownfield Plan.</p>
Total Capital Investment:	Total capital investment is estimated at \$12,000,000 of which \$2,938,310 is currently proposed for Brownfield Reimbursement to the Developer.
Estimated Job Creation/Retention:	The redevelopment is anticipated to generate 35 new full-time equivalent (FTE) jobs.
Duration of Plan:	The duration of this Brownfield Plan is 17 years and includes capture of Tax Increment Revenue (TIR) for: 1)

reimbursement to the Developer for eligible activities, 2) BRA administration of the Plan and 3) deposits into the BRA's Local Brownfield Revolving Fund (LBRF).

Total Captured Tax Increment Revenue: \$3,264,789

Distribution of New Taxes Paid	
Developer Reimbursement	\$2,938,310
<i>Sub-Total Developer Reimbursement</i>	<i>\$2,938,310</i>
State Brownfield Revolving Fund	\$0
BRA Plan Administrative Fees	\$163,239
Local Brownfield Revolving Fund (LBRF)	\$163,239
<i>Sub-Total Administrative Fees, LBRF Deposits</i>	<i>\$326,479</i>
Grand Total	\$3,264,789

2.0 INTRODUCTION AND PURPOSE

The Meridian Township Brownfield Redevelopment Authority (the "Authority" or "BRA"), duly established by resolution of the Meridian Charter Township Board of Trustees (the "Township"), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended ("Act 381"), is authorized to exercise its powers within Meridian Charter Township, Michigan.

The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Plan is presented to support the Developer in the redevelopment of the subject property situated on the south side of Haslett Road in Haslett, an unincorporated community in Meridian Charter Township, Ingham County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	Tax ID	Basis of Eligibility
1673 Haslett Road	33-02-02-10-401-003	“Facility”
1655 Haslett Road	33-02-02-10-401-005 (partial)	“Adjacent and Contiguous”
1659 Raby Road	33-02-02-10-402-001	“Adjacent and Contiguous”

The parcels listed above that comprise of the eligible property as of July 2020 and will be split and combined as outlined in Attachment A. Attachment A illustrates the intended future division for the eligible property.

The Property is zoned C-2, Commercial District and is located within the Meridian Charter Township.

The Property is surrounded by undeveloped land and active commercial property. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) one parcel of the Property is a “facility” as the term is defined by Part 201 of Michigan’s Natural Resources and Environmental Protection Act (“NREPA”), P.A. 451 of 1994, as amended; and (c) two parcels are adjacent and contiguous to the “facility” parcel and development of the adjacent and continuous parcels is estimated to increase the captured taxable value of the “facility” parcel. Figure 3 depicts environmental impact on the Property.

Peter Menser
Principal Planner

To: Peter Menser, Principal Planner – Meridian Township
Meridian Township Brownfield Redevelopment Authority

From: Dave Van Haaren - Triterra

Date: May 14, 2020

Subject: Review of Draft Brownfield Plan for Haslett Marathon

In preparation for your BRA meeting, the following is a review of the Draft Brownfield Plan titled “Haslett Marathon, 1619 Haslett Road, Haslett, Meridian Charter Township, Michigan” (the “Plan”), dated March 3, 2020.

On May 8, 2020, township staff received the complete application (i.e. application fee) for the draft Plan.

General Description of the Project:

The Plan is for the Haslett Marathon site located at 1619 Haslett Road (Tax ID #33-02-02-10-430-009). The project includes the demolition of the existing gasoline service station and convenience store and construction of a new gasoline service station and retail space.

The current pump locations and existing 1,674 square foot building will be demolished and replaced with a new 6,622 square foot building and four (4) gasoline/diesel dispenser islands located beneath a new canopy. The existing underground storage tank (UST) system will remain and a new approximately 6,000-gallon diesel fuel UST will be installed at the site. The proposed building will include a mix of retail, restaurant and automotive service uses with 4,343 square feet dedicated for the retail/restaurant space and an automobile service center consisting of 2,279 square feet and three (3) service bays.

The redevelopment project proposes 20 parking spaces on site, bike parking and an outdoor seating area adjacent to the convenience store. The building location will be moved to sit on the corner of Haslett and Marsh with the intent to allow for a more downtown, urban feel. The project is also intended to improve walkability, traffic flow and the retention and addition of jobs in Meridian Township.

Total capital investment of approximately \$1,000,000 and the project is estimated to retain 7 local full-time equivalent (FTE) jobs and create 5 local FTE jobs. Construction is scheduled to begin upon consideration of the Brownfield Plan by the Township Board.

The Plan is requesting reimbursement to the Developer of \$304,483 (including a 15% contingency of \$33,264) and an estimated capture of \$17,672 to the MTBRA for administration and \$17,672 to the MTBRA for deposits into the Local Brownfield Revolving Fund. Eligible Activities included in the Plan total \$339,826. There is no interest proposed in the Plan.

The Plan includes an estimated total reimbursement/capture period of 27 years beginning in 2021.

No state school capture is assumed to reimburse eligible activity costs in this Plan. The eligible activities identified in the Plan are as local-only tax capture costs by the Authority.

Basis for Eligibility of subject Property as defined by Act 381:

The Property is considered “Eligible Property,” as defined by Act 381, Section 2 because the Property is currently utilized for a commercial purpose and it has been deemed a “property” as defined in Part 213 of Michigan’s Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994, as amended.

Required Items under Section 13 of Act 381:

All items required under Section 13(2) of Act 381 are included in the Draft Brownfield Plan except for the following:

- The base taxable value of the Eligible Property identified in and subject to this Plan is \$179,721 which is reported as based on 2019 tax year taxable values. Triterra recommends the base taxable value be based on the current 2020 taxable value for the Property which is \$183,135.
- The Project Summary of the Plan indicates \$16,108 in estimated deposits into the Local Brownfield Revolving Fund (LBRF) while the remainder of the Plan and supporting tax increment reimbursement estimates (Tables 1 and 3) indicate \$17,672 in estimated deposits into the LBRF.
- Section II.B. of the Plan provides a summary of the environmental investigations conducted at the Property in 2010 and August 2017, however, Triterra recommends this section of the Plan include a description of investigation activities conducted in March 2017. Additionally, the current Plan provides analytical comparison tables for the year 2010 only. Triterra recommends the inclusion of soil, groundwater and soil gas analytical tables for 2010 and 2017 in comparison to current Risk Based Screening Levels (RBSLs), Csat (as referenced in Section II.B.) and site-specific volatilization to indoor air criteria (SSVIAC), if available.
- Section II.E. of the Plan indicates the estimated amount of tax increment revenue capture that will be used to reimburse the Developer and Brownfield Redevelopment Authority is \$336,700, however, the remainder of the Plan and supporting tax increment reimbursement estimates (Tables 1 and 3) indicate \$339,826 in estimated total tax increment revenue capture.

Eligible Activities as defined by Act 381:

References to eligible activity costs are “estimates” and the total amount for reimbursement will cap the Developer eligible activity costs at \$304,483 so long as there are available funds. If the actual costs of eligible activities are lower than the estimates identified in the Plan, reimbursement to the Developer will be lower or if the Taxable Value is higher than estimated, the Developer reimbursement may be sooner.



To: Downtown Development Authority Members

From: Neighborhoods & Economic Development Director Amber Clark

Date: August 25, 2021

RE: Letter to the Township Board – Village of Okemos Development

After the discussion with the Tru North developers it is my recommendation to the DDA to submit a letter to the Township board highlighting the discussion of the DDA with the developer about the proposal to support the creation of our downtown and Village of Okemos project. With fall around the corner this development will need to have site work done to count as work completed and initiate 2021 as a capture year. It is my recommendation that the DDA surmise the discussion of this special meeting as a letter to the Township board in support, partial support or denial of the amount requested of the Downtown Development Authority Tax Increment financing fund to assist the project. It is recommended the DDA stand by a decision to create a new downtown and consider what an appropriate level of public participation is in order to do so.

Attachments: Letter from the Downtown Development Authority



To the Meridian Township Board and General Public;

The Downtown Development Authority has met regularly for several years working with the Township Staff, Township Board and local developers on the prospect of a revitalized downtown corridor. It is the mission of the DDA to facilitate a path forward for development that will enhance our community through attraction, retention and expansion of existing and new business in the Downtown district. A mission set forth by the residents of Meridian Township beginning in 2005. The request of our community is to create a viable walkable downtown center at the corners of Hamilton and Okemos road. Multiple attempts to create this space have met hurdles due to the location of the site, contamination of soils and outdated infrastructure. In 2018 the DDA along with the Township board adopted a new Tax Increment Financing plan to assist with any major redevelopment of our downtown. In addition that year the Meridian Township board elected to create the Meridian Redevelopment Fund, a resource for projects that fall in the Haslett PICA or Okemos PICA for additional financial support of public improvements. The incentives from the DDA, Meridian Redevelopment Fund (MRF) and Brownfield Development Authority (BRA) were created by the Township as tools to cover gaps in financing for the redevelopment of infill areas that have fallen into dilapidation.

The estimated total investment of the project is \$67 Million dollars generating about \$8.5 Million dollars in property tax revenue for the DDA to use for redevelopment of the district. That is the primary reason for the existence of the DDA. Tru North developers are requesting \$4.8 Million of that revenue to be paid back to them in within 11 years. There are remaining development projects that could be expensed by the DDA TIF in support of redevelopment. The burial of the Consumers Energy transmission line, ground utility updates for sewer and water, other off site construction costs that total about \$5 Million. The total amount Meridian Township residents would contribute to would be the funding from the DDA as \$4.8 Million dollars. This equates to 13% of public assistance toward the project. At the special August 25, 2021 special meeting the DDA voted in _____(support or deny) of the initial requested funds from Tru North development team. It is our recommendation that the Township board _____(support or deny) the request.

In solidarity,

Renee Korrey Chair
Downtown Development Authority
Meridian Charter Township