



Charter Township of Meridian
Corridor Improvement Authority
5000 Okemos Road, Okemos, MI 48864
Wednesday, July 26, 2023– Minutes -DRAFT

Members

Present: Bruce Peffers, Supervisor Patricia Herring Jackson, Chris Nugent, Chris Rigterink, and Barry Goetz

Members

Absent:

Others

Present: Neighborhoods & Economic Development Director Amber Clark, and Planning Commissioner Brandon Brooks

1. CALL MEETING TO ORDER

Chair Bruce Peffers called the meeting to order at 6:03 PM and read the mission statement at 6:04 PM

2. **MISSION: READ BY CHAIR BRUCE PEFFERS** Set the standard in creating an entrepreneurial culture, be the example for revitalization of our business districts, and be the leaders in building sustainable public/private partnerships.

3. APPROVAL OF THE AGENDA

MOTION BY MEMBER GOETZ TO APPROVE THE AGENDA. SUPPORTED BY MEMBER NUGENT. MOTION PASSES 5-0.

4. APPROVAL OF MINUTES

- a. Minutes-March 15, 2023

MOTION BY SUPERVISOR JACKSON TO APPROVE THE MINUTES. SUPPORTED BY MEMBER PEFFERS. MOTION PASSES 5-0.

5. PUBLIC REMARKS

NONE

6. OLD BUSINESS

A. CORRIDOR IMPROVEMENT AUTHORITY TAX INCREMENT FINANCING DISCUSSION

Director Clark gave an overview of the general idea of what Tax Increment Financing is. Tax Increment financing based on the PA 57 of 2018 is a tax incentivized way to get development to occur in areas that have struggled with blight, contamination or other



public improvement or economically impacting costs, which restrict development. The idea works similar to a Home Equity loan, but instead of a property gaining value through improvement and a property owner taking out a loan based on the potential value after improvement, governments can establish a development use plan, based on the potential value of a district area and potential increase in taxable value in that district over time. The Township if approved by the Board, would establish 2023 as the “base year” of value for the district. If say the district was valued at \$20,000,000 for all the parcels in the Corridor Improvement Authority at the end of 2023, and the value of the district in 2024 was \$24,000,000, the CIA could “capture” or hold on to the \$4M dollar increase and invest those funds into the district based off the approved and eligible items listed in the Plan. Each year as taxes increase and the value of property increase either due to inflation or development, the INCREASE is granted to the CIA for their use to provide to future development or to future improvements. This is done through an application process and reimbursement and development agreement with developers or property owners. Though the word Tax is included in the description of TIF, it is not an imposed tax, but it is Property Tax that is the driving revenue of the CIA’s funding.

The CIA can also get funding through donations, Bonds, and or assessments to make public improvements. The CIA will have to work to convince the Township Board of the public value in creating a TIF and “giving up” potential funding for the future.

Member Goetz asked about the improved pedestrian islands along Grand River Avenue. He spoke to the continued desire to want those islands with crossing Pedestrian Beacons, indicating someone is in the crosswalk. In 2020 MDOT approved the inclusion of the pedestrian islands in their M-43 Grand River improvement project but did not have the funding in order to place Pedestrian Beacons at each island. Director Clark explained the CIA could with funding granted by the revenue through tax capture, work with MDOT to place those indicators at those pedestrian islands in the future. Member Goetz mentioned the CIA worked hard to get those islands included without funding and now with the potential to gain funding could see a project move forward in support of those beacons. Director Clark mentioned that the CIA could as an entity apply to their own Board for the use of TIF and make a public improvement like that occur with the funding gained through TIF.

Director Clark asked if there were additional questions related to Tax Increment Financing. Supervisor Jackson asked about the Meridian Mall zoning as she remembered there could be an issue with redevelopment of the Meridian Mall due to that fact. The Meridian Mall was established through specialized zoning “Commercial Planned Unit Development” and is restricted by that designation on certain development options due to that fact. In order for the Mall to be revitalized for current commercial use, meet commercial modern day standards, and update outdated infrastructure it will need a large support of public incentives to make that occur. Director Clark explained the Mall’s zoning issue could be assisted by allowing the Mall to be included as a PICA Potential Intensity Change Area and restricting the PICA to the 1982 W Grand River Ave address to specifically allow mixed use



development. Clark explained the CIA designation by law requires Mix Use to be allowed with expedited permitted to be granted to projects that meet those parameters. Working with the Planning Dept through the update for the 2023 Masterplan those elements are being proposed to the Township Board for their hopeful adoption. The inclusion of Meridian Mall as a PICA will circumvent that CPUD designation and accelerate the ability of CBL Property management to find a suitable development partner. Supervisor Jackson asked would it be easier to remove the CPUD designation. Director Clark implied no, and said she would check with the Planning Dept to confirm which a harder issue to undertake in Zoning is. Her recollection was that the allowance of the PICA designation would be an easier process as the CPUD is not only restricted to Meridian Mall but other complexes at Marsh Road in the Corridor. The change in designation could change other allowances on properties in the CPUD and allow for development that the Township Board would not desire.

Several questions were posed about Form Based Code and the TIF. In previous years Director Clark served on the Planning Commission and on the FBC committee. The FBC Committee worked for several months on a potential FBC option and elected to present the information to the Township Board. The discussion with the Board did not move further into potential creation of a FBC ordinance or adoption. The FBC Committee was strongly suggesting a FBC ordinance that maintained the integrity of FBC. FBC or Form Based Code would allow development of all zoning to occur in the same area as opposed to "district" areas as long as the external building or site met the parameters of the code. This would remove much of the approval process from the Planning Commission and Township Board to staff to review and ensure the ordinance was getting met. It also would take less items to the Township board for approval. Many Board members were not in support of that process. FBC Committee felt that if the Board wanted FBC that should occur in the intent of the model or go without it. To the knowledge of Director Clark FBC is not a topic that is being taken up by the Planning Commission for presentation to the Board.

Planning Commissioner Brooks spoke to the current view of the Planning Commission regarding Form Based Code. The PC has not spoken of Form Based Code specifically in a while and would suggest to the Board that if created should operate in the intent of the ordinance.

Member Goetz stated the CIA would be in support of a Form Based Code and wondered if that specifically tied to mixed use residential. Director Clark said FBC and MUPUD's are different and Mixed Use is required in the Corridor. FBC is not a requirement but a process and standard to approving projects efficiently. Supervisor Jackson stated she believes the Board would still want to be involved with the approval of projects in the community and would push back at creating a FBC that eliminated the Board review process entirely. She asked will the Masterplan include FBC? Director Clark replied it is her understanding this is a Masterplan Update and FBC was not a goal in the previous adopted 2017 Masterplan. This Plan as presented would focus mostly on updating what is existing and addressing housing diversity issues that the region is experiencing.

Member Goetz said we still want a safe pedestrian crossing, bike path and other improvements on the Corridor. We are still looking for a way to make that a reality.



Director Clark directed the CIA members through the draft plan explaining what elements were necessary to be included in the TIF and Development plan. One discussion item was the eligible activities as described. Director Clark explained the funding allocations indicated were not set in stone and does not require the CIA to adhere to that amount in specificity. The CIA could spend more funding or less per eligible item. The draft plan includes the segmented groups to allow for the CIA to see how much funding they could possibly spend over the duration of the plan. The Plan duration is 20 years and the plan includes a 20% pass through to the Tax Jurisdictions as a compromise for the TIF Plan should they accept.

Supervisor Jackson asked if the State Tax Commission approves of the plan. Director Clark answered no, the plan is approved by the Jurisdictions and the annual reporting is presented to the STC. The STC does not have authority to approve or disprove the plan, all parameters to establishment of the plan must be met and documented including the notice to all property tax parcels of the tax increment financing plan and tax jurisdictions included in the TIF capture.

Planning Commissioner Brandon Brooks asked why the Pass Through. Director Clark explained that in order to pass this plan as projected we must gain the approval of the 4 other tax jurisdictions to utilize the potential increase. Without their approval the capture will be less. Each jurisdiction that support the use of this plan will have a signed agreement and a pass through plan could incentivize the jurisdictions to support the idea of our 20 year TIF development plan. Brandon Brooks suggested the CIA members think about not asking for a pass through amount to the jurisdictions. CIA members were in favor of using a pass through as an option to gain support from CATA, LCC, Ingham County, and the CRAA.

Member Goetz asked what is the advantage to a property owner or tenant to participate. Director Clark stated that the property owner/tenant is granted approval to be reimbursed for investing in their property. This is a way that a property can finance having a project move forward with a capital loan from a commercial lender. The lending bank will see that there is a condition of support from the public to invest in the site and based on the parameters set in our application, duration of plan years and agreement between the Authority for the use of the plan an investor can complete a project. Director Clark stated the advantage is they are guaranteed a reduction in their taxes or payment in March after the taxes are paid by the Treasury department. If for example this was established when Whole Foods was developed, and Whole Foods had completed an application, was approved for a \$1,000,000 reimbursement, over the duration of years agreed to by the parties the Township Treasurer would pay Whole Foods back each year up to the \$1M in funding. Director Clark said the TIF is available to all but the Meijer property complex in the boundary of the Authority. Meijer is excluded as they are included in the DDA TIF and Boundary.



Director Clark requested the Authority member's review the allocation for eligible projects, review if a 20% pass thru was an acceptable amount to offer jurisdictions moving forward. Director Clark stated at the next meeting a more formal draft for possible adoption will be presented to the CIA.

7. NEW BUSINESS

a. CALL A MEETING FOR AUGUST 23, 2023

Director Clark stated to ensure that the CIA TIF is presented in a timely manner, presented to the Tax Jurisdictions and approved by the Township Board an additional meeting should be placed on the CIA calendar.

MOTION BY MEMBER GOETZ TO APPROVE THE MINUTES. SUPPORTED BY MEMBER RIGTERINK MOTION PASSES 5-0.

8. DEVELOPMENT PROJECT REVIEW

- a. Current Development Projects in the Township are included in the packet. New businesses are moving into Meridian Mall. Yello Waffle and Kaiyo Sushi at the Marsh Road Commercial complex. Tantai will move in off of Jolly Road soon!

9. MERIDIAN MALL UPDATES

- a. Updates provided in the packet from Adam Hodges of Meridian Mall CBL Property Management regarding activities of the Meridian Mall.

10. REPORTS

a. Township Board

Supervisor Jackson gave an update on the renovation of Township Hall 5151 Marsh Road. It is currently the Budget season and adoption of the Budget will have to occur before October. Presentation of the Budget will occur September 5th at the regular Township Board meeting. The Township was granted an allocation for \$5M to construct a Senior Center. The details of the Senior Center are being formed and will continue to be a goal to address in feasibility in the near future.

b. Planning Commission

Commissioner Brooks reported the updates from the latest meeting. The Master Plan will be provided via a link and will be public for members to view. The Planning Commission will then review the Master Plan and make their comments before we enter the silent period allowing for public comment.



c. Staff

Director Clark will begin working to identify additional members that could join the CIA to expand the commission and get the work accomplished to advance the corridor. A final draft of the CIA TIF will be presented to CIA members at the August meeting.

11. OPEN DISCUSSION/BOARD COMMENTS

None.

11. PUBLIC REMARKS

None.

12. NEXT MEETING DATE

- August 23, 2023 at 6:00pm

13. ADJOURNMENT

Hearing no objection, Chair Peffers adjourned the meeting at 7:40 PM