

Brownfield Redevelopment Authority Meeting

April 20, 2021

Via Zoom

Meeting Minutes

CALL TO ORDER

A meeting of the Brownfield Redevelopment Authority (BRA) was called to order at 4:00 p.m. by Chairman Steve Black,

MEMBERS PRESENT: Steve Black, Mike Debo, Gary Glaza, George Martini, David Huiskens, Mitzi Dimitroff, Karl Schwartz, Mike Stodolak, and Jacob Hilliker.

MEMBERS EXCUSED: Dana Muscott and Bruce Falcon.

MEMBERS ABSENT: Jenna Briggs and Jay Anderson

OTHERS PRESENT: Sara Dimitroff, Shelli Thurston, Debbie Kiesel, and Amy MacDonald with the City of Bay City.

PUBLIC INPUT

No public input at this time.

APPROVAL OF MINUTES

Motion made by, M. Dimitroff, seconded by, G. Martini, to approve the January 19, 2021 meeting minutes. Motion carried.

REPORT OF OFFICERS

No reports.

OLD BUSINESS

No old business.

NEW BUSINESS

FY22 Budget Approval: S. Thurston explained the Brownfield 2022 Budget Worksheet. There were no major changes for this year. The 2022 City Manager Proposed column is what will be brought to City Commission for approval.

295 Fund is where the majority of Brownfield Plans run through, except for Uptown. This fund also covers administrative revenues and expenses. Included in this fund are the tax increments that are currently active. The budget worksheet shows figures back as far as 2018, which includes two plans no longer capturing – Carbone and Green Leadership. Tax increments are based on assessor values for this tax year. There are four active State Grants. The City works with AKT Peerless and gets reimbursed for receipts, so the expenses out for professional fees are equal to the revenues in for state grants. There is a small amount of projected interest to be gained on the fund for this fiscal year. Application fees are budgeted at \$0 but we do anticipate some activity with some new brownfield plans over the next fiscal year.

For expenses, we anticipate using some fund balance to balance our fund budget. This would only be used if all projected expenses and revenues were realized. A small amount of budget is set aside for office supplies and attorney fees. Expenses for labor, office supplies, and attorney fees are covered by

our revenues from the admin dollars we receive from the Brownfield Plans. As a result, none of the operating expenses in the 295 Fund rely on general fund dollars. There is a budget for travel and training to allow one person to attend the in-person National Brownfield Conference this year. There is a budget for publications for when we have to publish for a new Brownfield Plan. RET TI is the return tax increments that get returned to our developers according to their plan.

296 Fund is the Uptown Fund. The City expects to complete the Brownfield portion of the Uptown plan this fiscal year. This results in the budget expending the remainder of the bond funds sitting in fund balance, so the budget is large this fiscal year. There is an amount of TIF capture budgeted that will be collected and distributed to debt service and to the developer. An amount has been budgeted for attorney fees, professional services, engineering fees, and land improvements for infrastructure to finish off the project. The contribution to primary government is our MDEQ loan payment - #4 of 11 annual payment. The transfers to other funds category cover the funds that get transferred to the 396 Fund for debt service payments on the bonds for the project.

S. Black questioned the \$3 Million amount of reimbursement and whether this is just the public funding portion that is being completed. S. Thurston stated that this is indeed only our portion funded by the program that should be wrapping up this fiscal year.

396 Fund is the debt service fund. Revenues are from the transfers from the 296 Fund for the bond payments. Expenses are the payment for the escrow fees and bond debt principal and interest and related fees.

642 Fund is the local site remediation fund. S. Thurston stated that when a Brownfield Plan ends, we can capture an additional 5 years of local taxes and this is placed in the revolving fund. There is some interest earnings budgeted, but no planned expenses due to not having any official requests. There are funds in the fund balance but not budgeted to be used this fiscal year.

Motion made by G. Glaza, seconded by D. Huiskens, to approve the Fiscal Year 2022 Budget. Motion carried.

Active Plan Summary: There are currently 6 active Brownfield Plans.

Legacy: Approximately two years into the plan and capture and reimbursement has begun. This plan overlaps with an OPRA, which will slow down recapture and lengthens the plan.

Mill End: S. Thurston stated it is coming along nicely.

Comfort Inn: Comfort in plan overlaps with an OPRA and expects a lot of capture.

Landaal Packaging: Landaal Packaging will be requesting another submission for reimbursement because we are reaching the maximum for their first reimbursement this year.

SSA/LGK: – Standard plan and right about in the middle of it.

Uptown: Increasing in value and very active on the site with construction.

S. Black asked for clarity on “approved submissions”. S. Thurston indicated this was the amount that the Brownfield Board had approved for reimbursement based on receipts provided by the developer. This is the maximum, even if the Brownfield Plan has a higher value. S. Thurston added that we get audited each year by the state and have to provide all the backup showing approval for reimbursements to the state auditor.

Active EGLE Grants Summary: S. Thurston gave an overview on the active EGLE grants.

Riverbend West: This is a Renew Michigan Grant with the City of Bay City in conjunction with the Saginaw Basin Land Conservancy to develop 480 Marquette. This project is a rustic riverfront park and almost completed. The site has some arsenic issues in a small section that will be fenced off, but plans are still to be completed in August.

Eleven Thirteen Center: Eleven Thirteen Center is a Refined Petroleum Fund Grant with the City of Bay City with Jenifer Acosta Development. This is to construct a 12-unit multi-family residential structure at 1113 Center. The plan is moving forward with site approval on Wednesday. This grant will be extended for another year to allow for the vapor mitigation issues to be taken care of during the building construction. Occupancy is expected in January 2022.

Bay Veterans Foundation: This is a Refined Petroleum Fund Grant with the Economic Development Corp. that will be completed in next few months at 1009 N. Madison. The grant will be assisting in flat work, curbs and gutters and a parking lot. 90% of the funding is from the grant and 10% from the Bay Veterans Foundation. The project is estimated to be completed by September.

Elks Club: – This is a Refined Petroleum Fund Grant with the Brownfield Redevelopment Authority and the Elks Club at 1400 N. Henry. A vapor mitigation system has been installed and the environmental consultant will be performing testing in the next few months. The project is estimated to be completed by September.

G. Glaza and S. Black commended S. Thurston on her reports.

OTHER BUSINESS

D. Huiskens asked about the progress of the Atrium/Black Pearl project. S. Thurston stated that this is one of the plans we expect to see in the next 12 months. S. Dimitroff stated the Atrium are moving forward after being stalled due to Covid. The scope has changed some due to the CRP funding from the state, so this may redirect them to a Brownfield Plan. Work cannot start until the CRP funding is approved. EGLE is possibly interested in giving them a small grant as well. The Black Pearl project is moving and we should see something this summer.

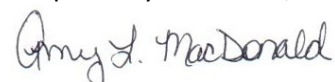
S. Thurston mentioned that the Brownfield Authority may potentially see 3 Brownfield plans soon: Wilkinson Chemicals – which we may need a special meeting in May/June to approve due to the need to move quickly, multi-housing project at 1301 N. Henry for Gemini – expected near year end or beginning of 2022, and an additional developer in the early stages that is interested in a Plan.

S. Black asked when the next meeting is and if the City will allow in person. S. Thurston stated the next meeting is scheduled for July 20th. The current county emergency order ends at the end of June. Depending on if it is extended will determine if the meeting will be remote or in person. A hybrid can be considered if allowed by the emergency order.

ADJOURNMENT

Motion made by S. Black, seconded by G. Glaza, to adjourn the meeting at 4:40 pm. Motion carried.

Respectfully submitted,



Amy MacDonald, Recording Secretary

Active Brownfield Plans

Project	Address	Overlapping Incentive	Eligible Activity Costs	Plan Start	Duration	Investment	State Capture	Local Capture	Approved Submissions	Paid To Date
Legacy	213 Center Avenue/807 Washington Avenue	OPRA - 1/2 School Op/SET TY2017-22, 12 year local	\$ 1,561,866.00	2018	22 years	\$ 11,900,000.00	\$ 802,913.00	\$ 758,953.00	\$ 297,671.50	\$ 36,295.35
Mill End	101 Center Avenue	CRE TY2013-2022	\$ 420,000.00	2015	11 years	\$ 7,700,000.00	\$ 171,612.00	\$ 248,388.00	\$ 420,000.00	\$ 210,340.86
Comfort Inn	501 Saginaw Street	OPRA - 1/2 School Op/SET TY2016-21, 12 year local	\$ 742,350.00	2016	24 years	\$ 6,727,000.00	\$ 442,366.00	\$ 299,984.00	\$ 699,392.53	\$ 38,218.64
Landaal Packaging	1300-1302 North McLellan Street/1400 Eddy Street/1221 North Johnson Street	IFT - 1/2 Local TY2016-2027	\$ 495,100.00	2015	19 years	\$ 4,945,034.00	\$ 200,070.00	\$ 295,030.00	\$ 141,106.00	\$ 107,659.08
SSA/LGK	1115-1117 Washington	None	\$ 494,180.00	2010	19 years	\$ 1,850,000.00	\$ 139,396.00	\$ 354,784.00	\$ 359,004.80	\$ 160,449.69
Uptown	Uptown Phase I and II	None	\$ 47,745,626.00	2013	35 years	\$ 100,000,000+	\$ 19,427,428.00	\$ 28,318,198.00	\$ 5,739,854.00	\$ 623,903.91

EGLE Project Update

Project	Grantee	Project	Start	End	Amount	Distributed	Investment
Riverbend West	City of Bay City	Renew Michigan Grant - Project in conjunction with the Saginaw Basin Land Conservancy to develop 8 acres at 480 Marquette into a rustic riverfront park	8/29/2019	8/29/2021	\$ 75,000.00	\$ 57,252.93	\$ 305,500.00
Eleven Thirteen Center	City of Bay City	Refined Petroleum Fund Grant - Project in conjunction with Jenifer Acosta Development to redevelop the site into a 12-unit multi-family residential structure at 1113 Center Avenue.	7/27/2018	7/27/2021 *	\$ 325,000.00	\$ 227,215.87	\$ 850,000.00
Bay Veterans Foundation	City of Bay City Economic Development Corporation	Refined Petroleum Fund Grant - Project in conjunction with the Bay Veterans Foundation to renovate 1009 North Madison Street into a vocational training and resource center for veterans.	9/11/2018	9/11/2021	\$ 190,000.00	\$ 160,720.28	\$ 124,000.00
Elks Club	Bay City Brownfield Redevelopment Authority	Refined Petroleum Fund Grant - Project in conjunction with the Elks Club to renovate 1400 North Henry Street into an Elks Club with event center, restaurant, and lounge.	9/7/2018	9/7/2021 *	\$ 143,000.00	\$ 41,298.94	\$ 143,000.00

* Project agreements may need to be given an extension of 1 year to complete eligible activities.