



## MINUTES

### **Central Business District Development Authority (CBDDA) Meeting Thursday, July 14, 2016 7:30 a.m. Village Hall - E.O.C. Room**

#### **I. Call to Order**

Chairman **Draeger** called the meeting to order at 7:35 a.m.

#### **II. Roll Call:**

Present: Draeger (Chair), Blake, Dean, Hanks and Heins

Staff Present: Chris Burns (Village Manager) & Maryann Fonkert (Deputy Clerk)

Absent: Dull, Moore, Nauta and Willison

#### **III. Approval of Minutes (6/9/2016)**

Motion by **Heins**, second from **Dean**, to approve the Minutes of the June 9, 2016 regular meeting. All in favor, motion carried.

Yes: 5                      No: 0

#### **IV. Approval of the Agenda:**

Agenda was approved unanimously.

Yes: 5                      No: 0

#### **V. Business**

##### **A. Brownfield Redevelopment Authority (BRA) partnership with Ottawa County - 612 W. Savidge (Best Financial Credit Union)**

Manager **Burns** introduced Kirk Perschbacher, Project Geologist at Lakeshore Environmental Inc., and explained that Best Financial Credit Union was looking at purchasing the property at 612 W Savidge St. and that they were working on the environmental aspect and trying to get a sense from Council, DDA and the Planning Commission as far as the site plan. **Burns** also explained that the Village's Brownfield Redevelopment Authority did not have any appointees to that board and had not met in the entire time she had been with the Village, so she did not know if there was officially a Brownfield Redevelopment Authority. **Burns** said that when she had met with Roman

Wilson, one of Mr. Perschbacher's colleagues, they discussed partnering with Ottawa County to use the County's Brownfield Redevelopment Authority because they had the staff, they had the tools, they were up and running and they were very well versed in Brownfields. **Burns** said that just for the sake of time, if they were to partner with Ottawa County, this project could get rolling a lot faster than if they had to go through the exercise of re-establishing another Brownfield Board. **Burns** said that David Miller, from the Chamber, had talked to Council on Monday and explained what that would look like and that a draft resolution was in the **Boards** packet that said the Village was interested in partnering with Ottawa County.

Mr. Perschbacher explained how a Brownfield Redevelopment Authority worked and also explained the project that Best Financial Credit Union was interested in and what the challenges were for that particular site since it was located on the old dump site and contaminated. Mr. Perschbacher also explained they had asked the State of Michigan if they would be interested in a Grant/Loan combination where part of the money would be paid through a grant and the rest would come in the form of an environmental loan but they had not received an answer yet. Mr. Perschbacher said they were looking at State and Local tax increment financing to pay for the Brownfield, so basically they map out the extent of the costs that were applicable for reimbursement and then figure out, based on the millage and tax rate, what can and cannot be captured for the local TIF, it would be taking the rest of those taxes and all of the school taxes, if approved by the DEQ. Mr. Perschbacher said that in the end they would take all the taxes and then for a certain period of time those taxes would be paid to the Village and then would be reimbursed to the developer to cover the costs because the developer would front everything unless the State fronts the money. Mr. Perschbacher said after the building was demolished the assessment of approximately \$36,000, without the building, would stay on the property and the Brownfield would be put in place next year after the building was demolished by the end of this year. Mr. Perschbacher said that through the life of the Brownfield plan the Village would still be able to capture the taxes that were being paid right now but they would not be able to capture on the new increment they are going to create. Mr. Perschbacher said the new increment of approximately \$250,000 would be used to pay back all the environmental costs that were hindering the development and once those costs were paid back the money would revert back to the TIF which would be 13 years for the reimbursement plan and an extra 5 years from Ottawa County for local revolving site remediation fund for a total of 18 years.

**Burns** also shared that the Village has had a licensing agreement since 2004 with Greg Oleszuck, owner of 510 W Savidge, allowing him, for a fee, to use the alleyway that runs north and south between 510 W Savidge and 612 W Savidge. **Burns** explained that the title search done by Best Financial came back cloudy because it showed that the Village abandoned that alleyway

property in 1996, although Ottawa County's GIS mapping showed that the property was still owned by the Village. **Burns** said she had the Minutes from 1996 along with documentation from Best Financial that showed that the Village did abandon this property and that the east half went to the property now owned by Oleszuck and the west half went to the VanPelt property. **Burns** said Scholten Fant was researching this now.

Motion by **Heins**, second from **Hanks**, to recommend that Council support Resolution No. 2016-05 that supports Ottawa County's Brownfield Redevelopment Authority Undertaking a Brownfield Redevelopment Project for Best Financial Credit Union at 612 W. Savidge.

Yes: 5      No: 0

Chairman **Draeger** asked if the rest of the Board felt they knew enough about what the Village required for DDA redevelopment such as Best Financial Credit Union. Manager **Burns** said that there was a Design Manual but that the VanPelt property was just outside the DDA District's boundaries. **Draeger** said he was concerned that some of the requirements could be too strict and discourage new development. **Burns** said that that was a balancing act because they want to keep the standards high enough to retain the Village feel and Village look but they don't want to be so restrictive that it hobbles the developer. **Burns** also said she didn't think asking a Credit Union to build a brick building was out of line. **Heins** said that places like Hilton Head and Charleston, S. Carolina that have strong requirements put in place for what must be done to keep everything looking the same end up being a draw because of the look and feel. **Burns** said that the Board could take a look at the guide lines if they would like to.

#### **B. Spring Lake Township Hall – Community Engagement Results & Demolition Bids**

**Burns** shared the results of the Community Engagement with the Board and explained that a number of people wanted a green roof and to salvage part of the building. **Burns** said the challenge with going from scraping a site and demolition to salvaging part of a building causes the cost goes up substantially and the time line to be extended considerably. **Burns** said they had a deadline of December 31<sup>st</sup> in order to utilize a \$100,000 Grant from Gov. Schneider as part of that CGAP which was a Cooperative Grant for working with our neighbors. **Burns** said because there was a deadline and there was \$100,000 at stake, Council was not interested in a salvage type project because there was not enough time or the additional money. **Burns** said they had received 3 bids for the demolition with Melching being the low bid.

#### **C. Christmas Decorations (M-104)**

**Burns** said she had met with Andy Dull and Mandy, one of his designers, and they were working on the banner designs right now. **Burns** said they were looking at being a little more elaborate at the clock tower and they should have their idea's at the August meeting.

**D. Update on Isabel's House CDBG**

**Burns** reported that Isabel's House was getting close to being wrapped up and that Steve Nauta has had some challenges with the builder and needed a mediator to work out their differences.

**Draeger** asked if **Burns** had heard anything from the DEQ regarding Mill Point Station's reimbursement for environmental cleanup. **Burns** said she had not heard anything yet but that they needed to get it taken care of since it was an expense from last fiscal year.

**Draeger** also asked if the Board could be provided with the DDA Budget now and then so they could see where they were at. **Burns** said she would include a DDA Budget each month.

**Dean** reported to the Board that the new Pickleball courts have generated sales for paddles and balls at Ace Hardware.

**VI. Next Meeting:** Thursday, August 11, 2016

**VII. Adjournment:** There being no further business the meeting was adjourned at 8:35 a.m.

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Louis Draeger, Chairperson

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Maryann Fonkert, Deputy Clerk