

**MEETING MINUTES
BROWNFIELD REDEVELOPMENT AUTHORITY
THURSDAY, OCTOBER 29 – 12:00 PM
CITY OF FARMINGTON HILLS
(VIA TELECONFERENCE)
31555 ELEVEN MILE ROAD
FARMINGTON HILLS, MI 48336**

Called to order by: Chair Brauer at 12:05 PM

Members Present: Boyer, Brauer, Brickner, Curran, Gardiner, Skrobola, Wilkinson,

Members Absent: Boleware, McDaniel

Others Present: Samantha Seimer, Economic Development Director; Gary Mekjian, Assistant City Manager; Ryan Higuchi, Project Consultant, PM Environmental; Jay Hammoud, Project Developer, site 24205 Orchard Lake Road

APPROVAL OF AGENDA:

Motion by Brickner, support by Boyer, to approve the agenda with recommended addition of the appointment of a Treasurer and Vice Chair.
Motion carried unanimously.

PUBLIC COMMENTS:

There were none.

APPROVAL OF MINUTES – June 30, 2020:

Motion by Boyer, support by Gardiner, to approve the minutes as submitted.
Motion carried unanimously, Brickner and Skrobola abstain.

REIMBURSEMENT AGREEMENT – 24205 ORCHARD LAKE ROAD:

Chairman Brauer introduced the presented Reimbursement Agreement for 24205 Orchard Lake Road. Ms. Seimer reviewed highlights of the agreement with the Board. She reminded the Board that the Brownfield Plan was approved by the BRA on June 30, 2020 and City Council on August 10, 2020. The plan includes local only tax capture with 2% annual TIF for administrative fees. Outlines per the Reimbursement Agreement, the developer must submit a Certification of Completion and a Reimbursement Request which includes a written statement of costs, explanation of all eligible activities, invoices as well as anything else requested by the BRA. The BRA will review and inform the developer in writing of those costs that qualify.

Chairman Brauer asked if this reimbursement was negotiated between the City and the Developer. Ms. Seimer stated that it is our current, standard reimbursement agreement that had input and changes from the developer.

The developer will be repaid for eligible activities paid as tax increment revenue is available, less administrative fees.

Ms. Seimer noted that project consultant from PM Environmental, Ryan Higuchi and developer, Jay Hammoud are on the meeting for any questions the Board may have. Mr. Higuchi thanked the board for their consideration of both the Plan and the Reimbursement Agreement before the Board for consideration.

Mr. Brickner asked if this agreement needs to go back before City Council. Ms. Seimer stated that the Reimbursement Agreement is between the developer and the BRA and will not need to go back before Council for approval.

Motion by Brauer, support by Brickner to approve Reimbursement Agreement upon final review by Acting City Manager.

Motion carried unanimously.

PROJECT UPDATES:

Ms. Seimer reviewed the history of a project that began in 2016 for EZ Storage located at 28975 Orchard Lake Road. The approved plan was for a total reimbursement of \$602,370, over 14 years with 5 years of RLF capture and administrative fees between 10-15%. The Developer failed to notify the BRA of project completion, submit a reimbursement request with receipts for tax increment revenue, and inform the BRA of a tax stipulation on the property. A letter of intent to terminate was sent to on September 14, 2020. The developer has since responded with a letter to cure the deficiencies in the reimbursement agreement and add an addendum to the agreement with updated tax increment revenue estimates. The stipulated taxable value of the property is higher than what was originally estimated in the 2016 Brownfield Plan. The Board should expect to see a reimbursement request with all supporting documentation and will need to take action at a future meeting after review. Additionally, all parties have agreed that the amended TIF Tables will reflect a 2021 tax capture start year.

Ms. Seimer reminded the Board about the Edward Rose & Sons project at the Sisters of Mercy Site. They are going to be seeking the use of Brownfield TIF Funds for demolition costs and eligible environmental site activities. Mr. Brickner asked if the project has received support to move forward. Ms. Seimer replied that they have received their PUD Step 1 from City Council. It was noted that this project has the potential for a quick payback period because the site is currently not taxable, and the developer is open to considering a share of tax increment revenue. Additionally, the Sarah Fisher site has received notice to proceed from the Historic District Commission

Both the Sarah Fisher project and Sisters of Mercy project would like to move quickly, and an update of the Boards policies and procedures will be important to moving the projects forward.

ELECTION OF OFFICERS:

Since the June 30, 2020, Mr. McRae who was appointed as Vice Chair for 2020 has left Farmington Hills and resigned from the Brownfield Redevelopment Authority, and the position of Treasurer has been vacant usually held by the Finance Director.

Motion by Boyer to nominate Brickner for Vice Chair of the Brownfield Redevelopment Authority, support by Curran.

Motion carried unanimously, Brickner abstained.

Motion by Brickner to nominate Skrobola as Treasurer of the Brownfield Redevelopment Authority, Support by Wilkinson.

Motion carried unanimously, Skrobola abstained.

OTHER COMMENTS:

The Board recommended an update to the Brownfield Policy as more potential projects arise as discussed during project updates. Items within the Policy should include an application fee and an administrative fee. The Board discussed the potential to limit the length of plans, include 5-year Revolving Loan Fund Requirement (RLF) as well as an annual percentage to the RLF. Ms. Seimer stated that she would send the Board draft policies for review and comment in hopes of bringing final recommendations before the end of the year. Chairman Brauer added that it would be helpful to send the information out as a Microsoft Outlook appointment with deadlines for review.

NEXT MEETING DATE:

To be determined.

ADJOURNMENT:

Meeting adjourned at 12:54 PM

Respectfully submitted, Tom Wilkinson, Secretary
Prepared by Samantha Seimer