

BROWNFIELD REDEVELOPMENT AUTHORITY
April 12, 2011 MINUTES

1. The Brownfield Redevelopment Authority (BRA) Meeting of April 12, 2011, held in the City of Manistee Council Chambers, 70 Maple Street, Manistee, MI, was called to order by Chair McKinven-Copus at 2:01 pm.

Members Present: Steve Brower, Dave Carlson, Marlene McBride, Clinton McKinven-Copus, Jeff Seng, and Lee Trucks.

Members Absent: Frank Beaver, Don Kuk, and Jeff Stege.

Others Present: T. Eftaxiadis (Brownfield Consultant), Jon Rose and Sarah Wojciechowski (Recording Secretary)

Approval of the agenda: There was a motion by Carlson, seconded by Seng, to approve the agenda as submitted. All voted aye, motion carried.

2. Public Hearing. None.

3. Approval of minutes of October 26, 2010. There was a motion by Brower, seconded by Carlson, to approve the minutes of October 26, 2010. All voted aye, motion carried.

4. Financial Reports.

- a. Invoices for Payment. There was a motion by Carlson, seconded by Brower, to approve payment of \$64,695.92 listed in the invoice summary (attached hereto and made a part of these minutes.)

5. New Business. None.

6. Unfinished Business.

- a. USEPA Grants – Update on Briny Properties.

There was a prospective developer for three parcels; the residential house, the Briny building and parking to the north, and the lot being used by the City of Manistee for parking. At the developer's request the BRA performed Phase I and Phase II Environmental assessments through the USEPA grants. Samples were collected in December 2010 and contaminants were found inside and outside the Briny building. The developer was advised that the property is a "facility" and qualifies as a brownfield. Then, the developer appeared to lose interest as we have not heard from him in some time. It is not clear whether the project is on hold or a "no-go."

USEPA Grants – Update on 334 River Street Site Activities. This property was purchased by James Matthews and he is in the process of redeveloping it. Under the EPA grant, the BRA completed a Phase I, Phase II, and a Baseline Environmental Assessment. The BRA also completed a BRA Plan and an Act 381 Work Plan, which is required to get approval from the State for reimbursement of eligible cost through

TIF. Meanwhile, an application for a grant was submitted to the MDEQ for undertaking eligible redevelopment activities at the 334 River Street site and at the former Manistee Plating site. Funding for Manistee Plating was denied by the State because the Housing Commission did not have a developer ready to proceed with the project. The State did approve a grant for 334 River Street, but they imposed some requirements about the contractor's work being procured. All work is to be done under Health and Safety procedures. The State increased the grant, bringing it up to \$290,000, to be used over the next year for this property. Work is currently being done by Matthew's engineers and our engineers (NTH) to develop specifications for procuring a contractor to perform the demolition and removal of the contaminated material. BRA staff is working with the City attorney to include terms and conditions to the existing agreement between the developer and the BRA necessary to protect the BRA and the State of Michigan from liability and; an amendment to the agreement will be required.

c. USEPA Grants – Time Extension. A request for a two year extension was approved for two EPA grants. Grant money is still available, and we need to promote the use of grants by owners of businesses in the City.

d. New MDNRE grant and Loan for 334 River Street. All of it is grant, and not loan.

e. Old MDNRE Grant and Loan for American Materials. There was money left over in the original grant which was used to abandon two large diameter wells across from the Reith Riley property. A work plan was prepared by BRA staff and submitted to the State to approve the work at a cost of \$21,000. Based on the results of the bid advertisement, the drilling firm of Pearson Drilling was hired. The well abandonment work was completed in late December 2010. Additional equipment and additional grouting in one of the wells Required due to un-anticipated conditions. Additionally, Seng Crane & Excavating provided additional services including braking up buried concrete pads and extra site work. All work was completed well under budget before the expiration of the grant, which was December 31, 2010.

Loan money is still available in the account. Repairs to the damaged sea wall can be paid through the loan. This work is being held until spring. This would require an amendment to the Development Agreement between Reith Riley and the BRA, which should be done within the next month.

7. Other communications. A discussion was held regarding cancellation of meetings. It was decided that in a quarter, two meetings could be cancelled if there were no items that require BRA action. At least one meeting will be held each quarter.

Eftaxiadis said he heard that the new Governor proposes the elimination of certain redevelopment programs, including the Brownfield MBT credit and the historic rehabilitation tax credits. The elimination of these programs would negatively impact redevelopment efforts in cities like Manistee.

8. Staff Communications. Jon Rose said he attended the National Brownfield Conference in Philadelphia, which is held every eighteen months. Jon reported that the National attitude related to redevelopment opportunities and programs seem to mirror that of Michigan.
9. Citizen Questions, Concerns, and Consideration. None.
10. Work/Study Session. None.
11. Adjournment. There was a motion by McBride, seconded by Trucks, to adjourn at 3:06 pm. All voted aye, motion carried. The next meeting is scheduled for Tuesday, May 3, 2011, 2pm, in the City of Manistee Council Chambers.

Respectfully submitted by

Sarah Wojciechowski
Recording Secretary

Approved at the BRA meeting on: 6-7-11