

Brownfield Redevelopment Authority  
70 Maple Street, Manistee, MI 49660

Meeting Minutes  
February 22, 2007

A Meeting of the Manistee City Brownfield Redevelopment Authority was held on Thursday, February 22, 2007 at 7:00 p.m. in the Council Chambers, City Hall, 70 Maple Street, Manistee, Michigan.

MEMBERS PRESENT: Steve Brower, Dave Carlson, John Kiefer, Clinton McKinven-Copus, Mary Russell, Lee Trucks

MEMBERS ABSENT: Frank Beaver, Mark Lindgren, Jeff Seng

OTHERS: Vanessa Buhs, T. Eftaxiadis (NTH Consultants) and Jon Rose (Community Development Director)

The Meeting was opened at 7:00 by Chair Mary Russell

PUBLIC HEARING:

None

APPROVAL OF MINUTES:

Approval of November 28, 2006 Meeting Minutes

MOTION by Dave Carlson seconded by Steve Brower that the minutes from the October 26, 2006 Meeting be approved.

MOTION APPROVED UNANIMOUSLY.

NEW BUSINESS:

Establishment of fees for processing Brownfield related Applications and Plans

T. Eftaxiadis ran through the three steps of Brownfield Redevelopment Authority process:

1. Planning
2. Local Approval
3. State Approval

Jon Rose presented his February 19, 2007 memo and recommended fees (attached).

Discussion on process and fees followed.

MOTION by Lee Trucks, seconded by Steve Brower that the City of Manistee Brownfield Redevelopment Authority establish their fees as follows:

Application Fee ..... \$1,500  
BRA Plan Processing Fee ..... \$2,500 + 1% of TIF not to exceed \$10,000  
ACT 381 Work Plan Processing Fees ..... \$6,500 in escrow to be used for reimbursement  
of actual State and BRA expenses  
Escrow ..... \$4,000 to be used for reimbursement of administration costs  
payable upon approval of 381 Work Plan

MOTION PASSED UNANIMOUSLY

UNFINISHED BUSINESS

None

OTHER COMMUNICATIONS

None

CITIZEN QUESTIONS, CONCERNS AND CONSIDERATION

None

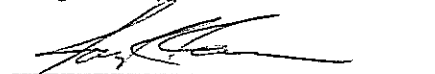
WORK/STUDY SESSION

None

ADJOURNMENT

MOTION by Lee Trucks, seconded by Clinton McKinven-Copus to adjourn the meeting Meeting  
Adjourned at 8:20 p.m.

Respectfully Submitted

  
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Jon R. Rose, Recording Secretary

# Memo

**To:** City of Manistee Brownfield Redevelopment Authority Board  
**From:** Jon Rose, Administrator  
**CC:**  
**Date:** February 19, 2007  
**Re:** Funding Sources and Establishment of Fees for Administering the Brownfield Redevelopment Authority Program and Related Matters

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The functions of the Brownfield Redevelopment Authority's (BRA) and its Administrator's Office include the following:

## A. Project Approval Phase Tasks

1. Informal discussions with prospective developer/applicant.
2. Administrative review of developer's application for project.
3. Technical review of developer's application for project.
4. Negotiation and preparation of Development & Reimbursement Agreement between BRA, City and developer.
5. Preparation of standardized BRA Plan including Eligible Costs and Tax Increment Financing (TIF) tables.
6. Conferences and meetings with developer/applicant and Michigan Department of Environmental Quality (MDEQ) and Michigan Economic Growth Authority (MEGA).
7. Scheduling BRA and City Council meetings, preparation of resolutions, and preparation and posting of public notices of hearings and meetings.
8. Presentation, discussion and approval of BRA Plan, Brownfield (Act 381) Work Plan, and Development & Reimbursement Agreement at BRA meetings.
9. Presentation and discussion of BRA Plan and Development & Reimbursement Agreement at City Council hearings and meetings.
10. Review of, and comment on developer's Brownfield (Act 381) Work Plan.
11. Transmittal to, and coordination with MDEQ and MEGA of Act 381 Work Plan review and approval.

## B. Project Implementation Phase Tasks

12. Review and approval of developer's invoices for eligible costs.
13. Review of environmental assessment and remediation reports for project.

14. Inspections of project construction and completion.
15. Capture of, and accounting for incremental tax revenues.
16. Reimbursement of developer's eligible costs.
17. Preparation of reports to State Treasury.
18. Management of future eligible project activities within the City of Manistee funded through the Local Remediation Revolving Fund.

Funding sources for reimbursement of costs associated with the administration of the BRA, include:

1. Application processing fees paid by developer(s) with application for BRA project. The fee of ~~\$1,500~~ will be paid with application submittal. This fee will cover the Administrator's costs for Tasks 1 through 4 above.
2. City's legal fees paid by the developer for addressing desired revisions to the City's standard Development & Reimbursement Agreement (Task 4 above). This fee will be invoiced to, and paid by the developer prior to approval of the Development & Reimbursement Agreement by City Council.
3. BRA Plan processing fees paid by developer(s) following approval of application. The base fee of ~~\$2,500~~ will cover the Administrator's costs for Tasks 5 through 9 above, for BRA Plans for SBT Credit only. Complex BRA Plans and projects requiring more than four meetings will be charged additional fees on a time and material basis. OR. Add 1% of TIF amount if TIF is requested, not to exceed \$10,000.
4. Brownfield (Act 381) Work Plan processing fees paid by developer(s) with submittal of the Work Plan. The fee covers the Work Plan review charges invoiced by the State (currently about \$2,500), and the Administrator's costs for Tasks 10 and 11 (ranging from \$1,000 to \$4,000). The amount of \$6,500 will be paid by the developer with submittal of the Brownfield (Act 381) Work Plan and will be placed in escrow to be used for reimbursement of actual State and BRA expenses. This amount is an "eligible" cost, to be reimbursed to the developer through future TIF.
5. Capture by the BRA of incremental taxes (local tax only) from one or more Brownfield project(s) approved by the BRA; currently cannot exceed \$75,000 annually from all projects combined. This funding source will cover the BRA's and the Administrator's costs for Tasks 12 through 17 above. Because the BRA does not currently have fund reserves to pay the cost of these tasks for the first few projects, the amount of \$4,000 will be secured / borrowed from Developer or City or BRA or Bank and will be placed in escrow to be used for reimbursement of BRA's initial administrative costs (Tasks 12 through 16 above). This amount, plus interest, will be reimbursed to the loaning entity through future TIF.
6. Portion of incremental taxes captured by the BRA for the Local Site Remediation Revolving Fund, as needed to administer the Fund. This funding source will cover the BRA's and the Administrator's costs for Task 18 above.

The developer/applicant will also initially incur the cost of preparing the Brownfield (Act 381) Work Plan for submittal to the BRA and State. The reasonable cost of preparing the Work Plan is considered an "eligible" cost, to be included in the BRA Plan and the Brownfield (Act 381) Plan and to be reimbursed to the developer through future TIF.