DELHI CHARTER TOWNSHIP BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MINUTES OF REGULAR MEETING HELD ON APRIL 26, 2016

The Brownfield Redevelopment Authority met Tuesday, April 26, 2016 in a regular meeting at the Community Services Center, 2074 Aurelius Road, Holt, Michigan. Chairperson Leighton called the meeting to order at 7:58 p.m.

MEMBERS PRESENT: Harry Ammon, Kim Cosgrove, C.J. Davis, David Leighton, Tonia

Olson

MEMBERS ABSENT: Tim Fauser, Brian Houser, Steven L. Marvin, Nanette Miller

OTHERS PRESENT: C. Howard Haas, DDA Executive Director; Lori Underhill, Secretary

PUBLIC COMMENT: None

SET/ADJUST AGENDA

There were no adjustments to the agenda.

BUSINESS

RESOLUTION NO. 2016-001: BROWNFIELD PLAN #6 (WILLOUGHBY ESTATES)

Executive Director Haas reviewed his memorandum dated April 19, 2016. Environmental attorney Charles Barbieri reviewed the Brownfield Plan from Advanced Redevelopment Solutions on behalf of Willoughby Estates, LLC. He highlighted the contamination present on the site and the timeline for the project.

Scott Wieland, Willoughby Estates, LLC, offered background on the proposed development. It will be a gated, multi-family community consisting of apartments, townhomes, and cottages. These units will be offered at market rate similar to that of Aspen Lakes. Their market study shows absorption within 13 months. Mrs. Cosgrove raised concerns about the fragility of Willoughby Road and increased traffic. Mr. Wieland responded that the development is required to bond with the Ingham County Road Department. Their internal traffic study addresses the condition of Willoughby Road. A left turn lane will be added at the entrance to the development.

Eric Helzer, Advanced Redevelopment Solutions, gave a Power Point presentation on the proposed development Brownfield Plan (Exhibit A). He highlighted the features of the development, construction schedule, contamination abatement, and financial details of the Plan.

Olson moved, Cosgrove supported, to adopt Resolution No. 2016-001, a resolution recommending the adoption of Brownfield Plan #6.

A Roll Call Vote was recorded as:

Ayes: Ammon, Cosgrove, Davis, Leighton, Olson

Absent: Fauser, Houser, Marvin, Miller

MOTION CARRIED

DELHI CHARTER TOWNSHIP BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MINUTES OF REGULAR MEETING HELD ON APRIL 26, 2016

<u>Limited Comments</u>
None.
ADJOURNMENT
The meeting was adjourned at 8:38 p.m.
Nanette Miller, Secretary
/lau



BROWNFIELD PLAN April 11, 2016 WILLOUGHBY ESTATES





Delhi Charter Township Brownfield Redevelopment Authority Meeting April 26, 2016

Presenters

Eric P. Helzer, EDFP

ADVANCED REDEVELOPMENT SOLUTIONS

Email: ephelzer@msn.com

Phone: 517-648-2434

Scott Wieland

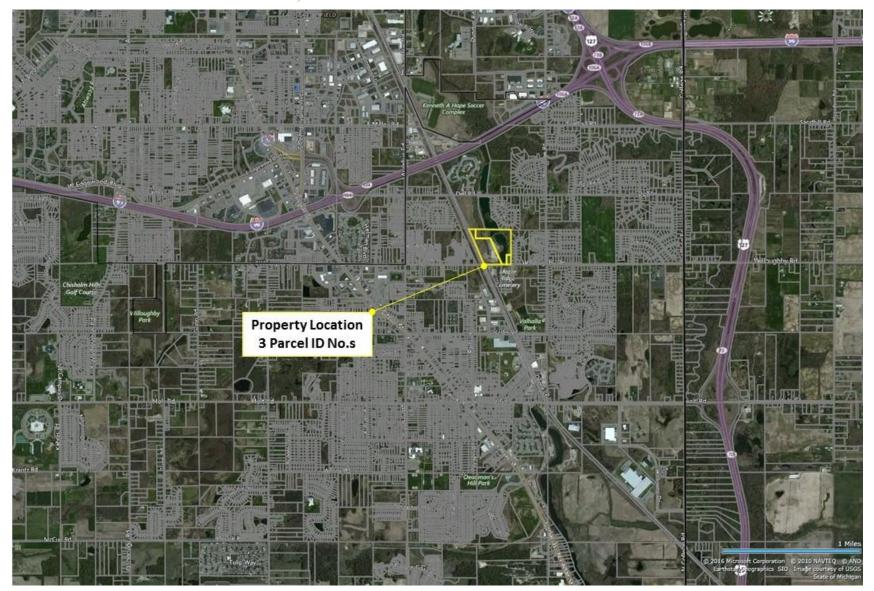
WILLOUGHBY ESTATES, LLC

Email: Scott. Wieland@wieland-davco.com

Phone: 517-719-7416

Property Location

WILLOUGHBY ESTATES, DELHI CHARTER TOWNSHIP, MI – MULTI-FAMILY RESIDENTIAL REDEVELOPMENT



Property Location

WILLOUGHBY ESTATES, DELHI CHARTER TOWNSHIP, MI – MULTI-FAMILY RESIDENTIAL REDEVELOPMENT



Upon Project Completion:

Total Capital Investment: Estimated \$35.5 million project.

Type:

- Multi-family residential redevelopment project.
- Open space, pavilion, dog park, kids play area, grilling stations and pool area.
- The club house will feature a great room for meetings or family gatherings, a game room and business center.
- Coin operated single car wash down and vacuum area on the premises for all residents to use.



Type:

- Intended to serve a mixed market of people.
- 269 Class A+ rental units:
- 243 apartments, 8 townhouses and 18 cottage style home rentals.
- The units will have a mix of attached and detached garages, covered parking and open-air parking.
- o Storage units will also be available to the residents.



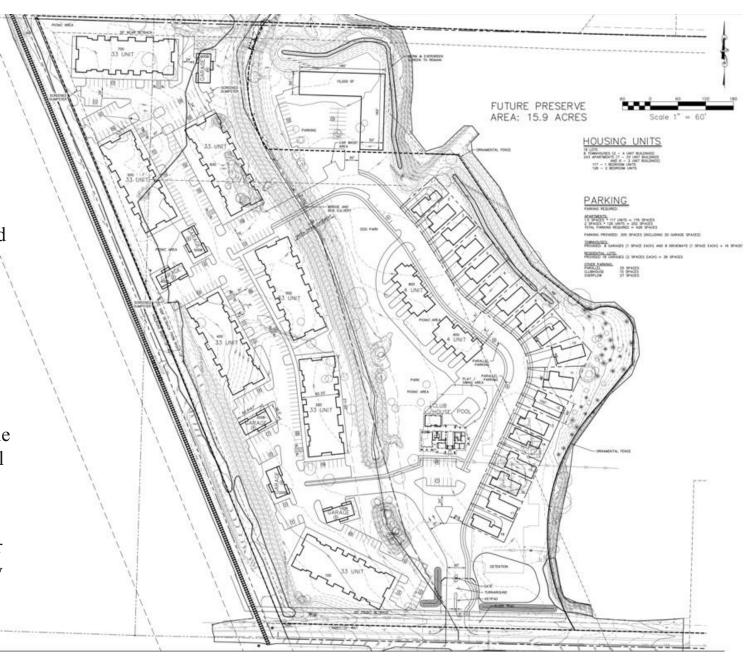
Schedule and Need:

- Construction is scheduled to begin in the spring 2016, with occupancy available by August 2017.
- However, environmental contamination and increased costs threaten the redevelopment planned.
- The completion of this project represents a unique opportunity to accomplish long term environmental benefits and redevelop this blighted Property.



Redevelopment Description:

- Redevelopment upon all three (3) properties that have been vacant for approximately 13 years (since 2003) and are blighted, underutilized and contaminated property.
- Approximately 21.6 acres of the 38.51 acre Property north of Willoughby Road and east of the Jackson & Lansing Railroad (former Michigan Central Railroad) tracks.
- Raze the remaining portions of above grade buildings/structures, prior site improvements, address the extensive subsurface debris/fill & contaminated material and construct the proposed project.
- Property features a large pond and direct access to the new River Trail. The Trail connects the residents to over 20 miles of walkway through Michigan State University ("MSU"), Potter Park Zoo to Downtown Lansing.



Project Approach:

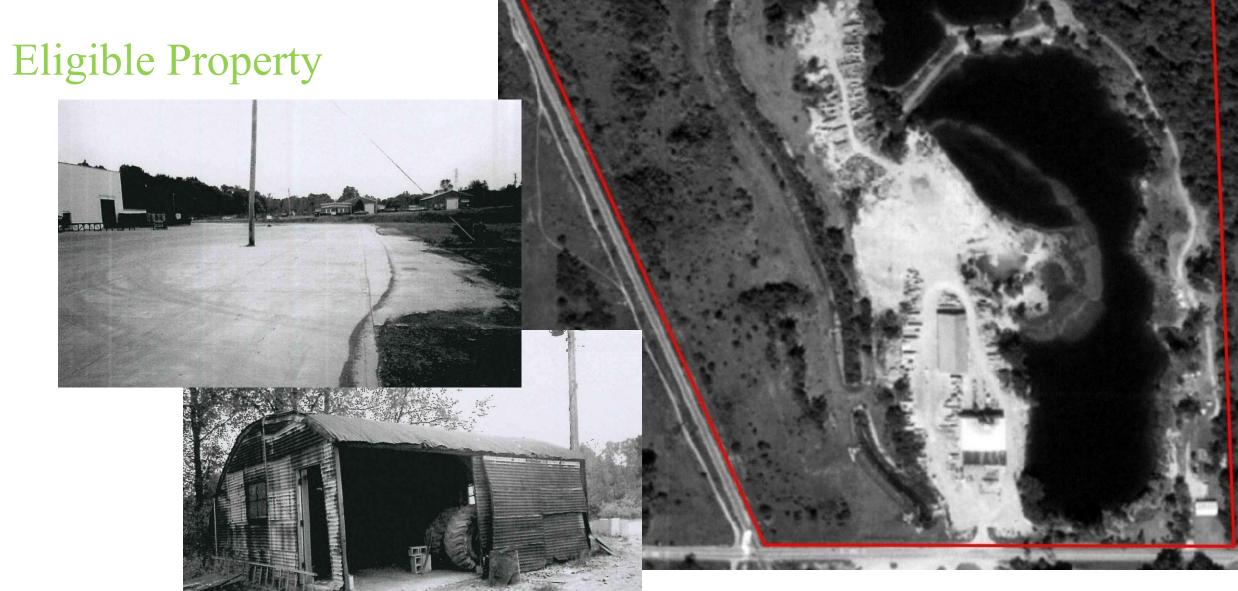
- Redevelop underutilized and vacant Property into a multi-family residential development.
- Integrates design elements, environmental response activities, and economic development to further goals of the Township, the Michigan Department of Environmental Quality ("MDEQ") and the Michigan Economic Development Corporation ("MEDC").
- Redevelopment will result in:
 - (1) the community and municipal benefits of increased property taxes on the Property;
 - (2) due care and additional response activities that will address the contamination on the Property, reducing the threat to human health and the environment; and
 - (3) a substantial improvement to the appearance and aesthetics of the Property which will assist in increasing the property values of the neighboring community.



Eligible Property

WILLOUGHBY ESTATES, DELHI CHARTER TOWNSHIP, MI – MULTI-FAMILY RESIDENTIAL REDEVELOPMENT





ADVANCED REDEVELOPMENT SOLUTIONS

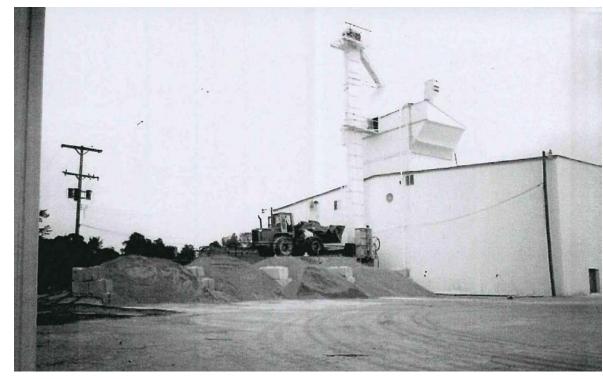
Eligible Property





Advanced Redevelopment Solutions

Eligible Property

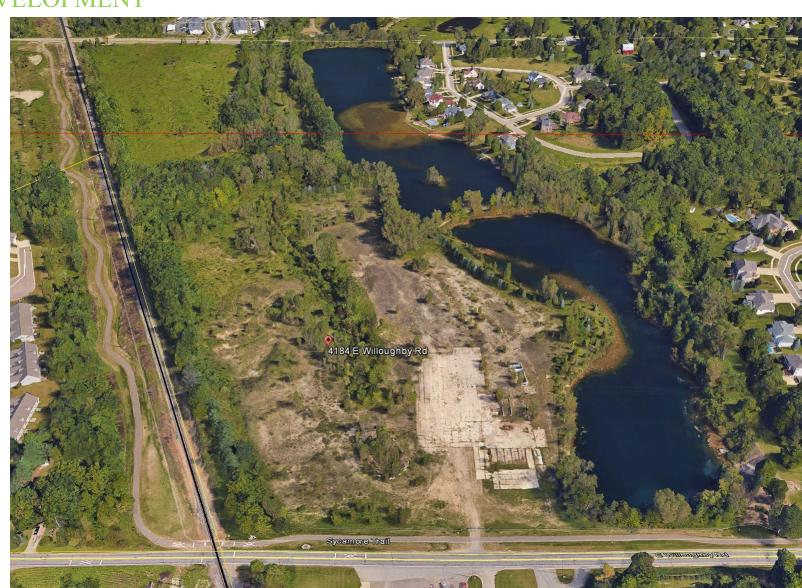




Eligible Activities

WILLOUGHBY ESTATES, DELHI CHARTER TOWNSHIP, MI – MULTI-FAMILY RESIDENTIAL REDEVELOPMENT

- Baseline Environmental Assessment
- Due Care Response
- Additional Response
- Demolition



Estimated Gain in Taxes (after Project completion)

	Current Taxable Value	Future Taxable Value	Increased/ Taxable Value (Increment)
	(2016)	(2018)	(2018)
	\$0	\$8,316,150	\$8,316,150
Annual Taxes Paid	\$0	\$563,552	\$563,552

Total Plan Capture Breakdown (Capture Years in Plan)

Developer Reimbursement (13 Years)	\$3,194,346
Township Administrative Reimbursement (adds 1.5 Years)	\$325,000
Township LSRRF Deposits (5 Years)	\$1,860,171
TOTAL CAPTURE (18 Years Plan Duration)	\$5,379,516

Total Taxes Captured (Total Plan Duration – 18 years)

Total Taxes Captured During Brownfield Plan Tax Capture Period	Total/ Cumulative		Annual Average	
Brownfield Redevelopment Authority (BRA) Administration	\$	325,000	\$	18,056
BRA Local Site Remediation Revolving Fund (LSRRF)	\$	1,860,171	\$	103,343
State of Michigan Brownfield Redevelopment Fund (MBRF)	\$	-	\$	-
Local Taxes To Developer (Reimburse Eligible Activities)	\$	3,194,346	\$	177,464
State School Taxes To Developer (Reimburse Eligible Activities)	\$	-	\$	-
Total New Tax Capture (See Table 1a)	\$	5,379,516	\$	298,862

Distribution of Total New Taxes Paid (Total Plan Duration – 18 years)

Total New Taxes Received by Taxing Units	\$ 6,127,421
Total New Taxes Captured	\$ 5,379,516
Total New Taxes	\$ 11,506,938

Eligible Activities and Eligible Costs (April 11, 2016)

Eligible Activities	Eligible Costs	
Baseline Environmental Assessment (BEA) Activities	\$	2,009
Due Care Activities	\$	312,058
Additional Response Activities	\$	96,700
Demolition Activities	\$	1,719,992
Subtotal	\$	2,130,759
Contingency (15%)	\$	319,614
Subtotal	\$	2,450,373
Interest (5% Simple)	\$	722,972
Subtotal	\$	3,173,346
Brownfield Plan & Work Plan Preparation (and application fees, if any)	\$	21,000
Subtotal (to Developer)		3,194,346
BRA Administration	\$	325,000
BRA LSRRF	\$	1,860,171
State of Michigan Brownfield Redevelopment Fund	\$	
Subtotal (to Others)	\$	2,185,171
GRAND TOTAL	\$	5,379,516



BROWNFIELD PLAN April 11, 2016 WILLOUGHBY ESTATES





Delhi Charter Township Brownfield Redevelopment Authority Meeting April 26, 2016