



Brownfield Redevelopment Authority
Of Jackson County
Served By The Enterprise Group

MEETING AGENDA

May 2, 2019 - 7:30 a.m.

County Tower Building~Commission Chambers, 5th Floor, 120 W. Michigan Avenue

Agenda Review

Call to Order

Public Comment

Consent Agenda – Items removed to be considered separately

- a) *Minutes from April 4, 2019 JCBRA Board Meeting
- b) *March 2019 JCBRA Financial Statements
- c) *Approval of invoices through March 31, 2019

Items removed from Consent Agenda

BRA Active Project Updates

- a) Armory Arts Project Update
- b) Jackson County Fairgrounds/American 1 Events Center Project Update
- c) Jackson Self Storage-Southwest Project Update
- d) Dollar General Redevelopment Project Update
- e) Kelcade Development/DEP Project Update
- f) Other Updates

Old Business

None at this time.

New Business

- a. *Consider Approval/Receipt of the Envirologic Memorandum related to memorializing updates to the Old Irish Mill Project Brownfield Plan Financial Tracking
- b. Consider Approval of Work Order #90 for American 1 Credit Union Project (*information will be sent early next week*)
- c. Consider Approval of Work Order #91 for the 2000 Goodrich Project (*information will be sent early next week*)

Director's/Staff Comments

Board Member Comments

Task Force Comments/Updates

- a) City BRA Update
- b) Envirologic Update

Community/Public Comments

Next Meeting: Board Meeting scheduled for June 6, 2019, County Tower Building, Commissioners' Chambers, at 7:30 a.m.

Adjourn

**indicates attachment*



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**JCBRA Board Meeting Minutes
April 4, 2019 - 7:30 a.m.**

Jackson County Tower Building – Commission Chambers

Present: (6) AJ Crownover, Kelsey Heck, Ted Hilleary, Brad Runkel, Mark Schopmeyer, and Steve Shotwell

Absent: (3) Brad Brelinski, Jim Dunn and Jim Seitz,

Task Force Partners: David Stegink, Envirollogic; and Holden Branch, MDEQ

EG Staff: Amy Guerriero and Emily Cones

Others: LynnAnn Sell, Diversified Engineering & Plastics

Call to Order: 7:32 a.m. by Vice Chairman Shotwell

Public Comment: None

Consent Agenda: January and February 2019 Invoices total \$520.49. ***Motion by Vice Chairman Shotwell to approve the consent agenda, as amended. Supported by Mr. Hilleary. Approved unanimously by roll call vote.***

BRA Active Project Updates:

- a. **Armory Arts Project:** Ms. Guerriero shared the Armory Arts Village Historical Project report. She stated that Envirollogic inventoried all environmental data for the site and links to access the information are provided in the Historical Project report she provided to the Board. Ms. Guerriero suggested that the Board read the AAV Historical packet and it can be discussed further at next month's meeting. She will email the report so all Board members will have access to it.
- b. **Jackson County Fairgrounds:** Mr. Shotwell asked Mr. Overton to give a brief update of the project. Mr. Overton stated that there is demolition and foundation work going on. Mr. Shotwell included that the project is moving forward and the paving should be done by the summer fair. Mr. Overton concurred noting that the paving will be done and there will be a Jackson County Fair this summer. Mr. Shotwell mentioned to anyone interested in further details about the project they can refer to the Board Study Session, in which they can view documents. Mr. Shotwell shared that he is thankful for the partnerships and members working together on this project.
- c. **Jackson Self Storage-Southwest:** Mr. Stegink stated that there is not much to report on for this project other than there are currently four buildings up. JCBRA work is complete.

- d. **Dollar General Redevelopment Project:** Ms. Guerriero mentioned that the work plan was submitted. The MDEQ approval process is underway, and if all goes well it should open before the fall of this year.
- e. **Other Updates:** None.

Old Business: None.

New Business:

a. Consider Approval of the Brownfield Plan for Kelcade Development/DEP Project:

Ms. Guerriero reported on the DEP Project located on Wildwood Avenue noting that they own several buildings within two municipalities; Blackman Township and the City of Jackson. We received the resolution of consent from both the City of Jackson and Blackman Township noting that any tax increment will be used to repay the JCBRA and the applicant for any eligible expenses used for the project. Plans for the money are to pay for demolition and a vapor intrusion system. Mr. Shotwell asked about the number of employees at DEP and LynnAnn Sell, Diversified Engineering & Plastics, returned the answer of 65. Mr. Stegink gave credit to both the City of Jackson and Blackman Township for their fiscal support of the project. Mr. Runkel asked if the JCBRA was involved with this project prior in which Mr. Stegink replied no. Mr. Stegink informed the Board that this is a very old industrial area with many sources of contamination requiring that three systems be installed to correct the problem of vapor intrusion. *Motion by Vice Chairman Shotwell to approve the Brownfield Plan for Kelcade Development/DEP Project, as presented. Supported by Ms. Heck. Approved unanimously by roll call vote.*

b. Consider Approval of Work Order #89 for funding various tasks related to the development of the Old Irish Mill, located at 221 Mill Street in the Village of Brooklyn:

Mr. Stegink explained updates to the Board about the Brownfield Plan with respect to financial tracking. He mentioned that The Village of Brooklyn established a Corridor Improvement Authority that is inclusive of the property subject to this Brownfield Plan. He stated that no statute provides direction on whether an existing Brownfield Plan within the Development Area has supremacy over the tax increment capture plan of the Corridor Improvement Authority. Thus, Mr. Stegink recommended that the JCBRA and the Brooklyn Corridor Improvement Authority enter into an Interlocal Agreement to memorialize the treatment of tax increment revenues generated at this property. Ms. Guerriero mentioned that this matter is very complicated and that a memo of this matter has been drafted for the Board. Mr. Shotwell concurred and stated that as a result, the issue needs further review and should be made an item on next month's meeting agenda to receive the memo. Ms. Guerriero explained that Mr. Stegink has spent a lot of time working, and we are requesting extra funds to cover some of these costs. Mr. Shotwell asked to confirm that we want funds to research this issue to come back to the May meeting with an agreement. Mr. Shotwell then advised that an attorney familiar with such agreements should be retained and Ms. Guerriero concurred. *Motion by Mr. Hilleary to approve the Work Order #89 for funding various tasks related to the development of the Old Irish Mill, located at 221 Mill Street in the Village of Brooklyn, as presented. Supported by Mr. Runkel. Approved unanimously by roll call vote.*

Director's/Staff Comments: None.

Board Member Comments: Mr. Hilleary asked Mr. Overton for the County Strategic Planning Meeting Schedule. Mr. Overton answered that there are three different meetings taking place on 4/23/2019 at the Manor House including:

1. Internal County Leaders at 9:00 a.m.
2. Invite only for Strategic Stakeholders at 2:00 p.m.
3. Public meeting at 6:00 p.m.

Task Force Comments/Updates:

- a. **City BRA Update:** None
- b. **Envirologic Update:** Nothing additional to updates during the meeting
- c. **MDEQ Update:** None

Next Meeting: The next JCBRA Board Meeting is scheduled for May 2, 2019.

Adjourned: 8:03 a.m.

Respectfully submitted by Amy L. Guerriero and Debbie Kelly, JCBRA Staff.

BROWNFIELD REDEVELOPMENT AUTHORITY
STATEMENT OF FINANCIAL POSITION
March 31, 2019

ASSETS

CURRENT ASSETS

CHECKING ACCOUNT	\$ 12,011.45	
TIF ACCOUNT	84,202.29	
CHECKING ACCOUNT- ZM BCRLF	82,325.09	
SHORT TERM REC - ZM	<u>35,536.68</u>	
TOTAL CURRENT ASSETS		214,075.51

OTHER ASSETS

NOTE REC - ZM BCRLF	<u>494,552.73</u>	
TOTAL OTHER ASSETS		<u>494,552.73</u>

TOTAL ASSETS	\$ <u><u>708,628.24</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

A/P GENERAL	<u>\$ 520.49</u>	
TOTAL CURRENT LIABILITIES		520.49

LONG TERM LIABILITIES

COUNTY OF JACKSON LOAN	<u>117,500.00</u>	
TOTAL LONG TERM LIABILITIES		<u>117,500.00</u>

TOTAL LIABILITIES		118,020.49
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NET ASSETS

UNRESTRICTED FUND EQUITY	580,328.78	
EXCESS REVENUE OVER EXPENSE	<u>10,278.97</u>	
TOTAL NET ASSETS		<u>590,607.75</u>

TOTAL LIABILITIES & NET ASSETS	\$ <u><u>708,628.24</u></u>
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BROWNFIELD REDEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITY
For the Three Months Ending March 31, 2019

	Current Month	Year to Date
REVENUES		
TIF INCOME	\$ 10,593.22	\$ 10,593.22
OTHER INCOME - BRA	0.00	2,500.00
INTEREST INCOME - BRA	3.57	11.34
INTEREST INCOME - ZM BCRLF	24.15	69.32
INTEREST INCOME - TIF ACCT	24.47	66.83
	<hr/>	<hr/>
TOTAL REVENUES	10,645.41	13,240.71
	<hr/>	<hr/>
EXPENSES		
CONSULTING - BRA - BCRLF	2,441.25	2,441.25
LEGAL - BRA	0.00	196.77
TIF REIMBURSEMENT EXP - BRA	241.52	241.52
MISCELLANEOUS - BRA	82.20	82.20
	<hr/>	<hr/>
TOTAL EXPENSES	2,764.97	2,961.74
	<hr/>	<hr/>
EXCESS REVENUE OVER EXPENSE	\$ 7,880.44	\$ 10,278.97
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BROWNFIELD REDEVELOPMENT AUTHORITY
General Ledger
For the Period From Mar 1, 2019 to Mar 31, 2019

Filter Criteria includes: Report order is by ID. Report is printed with shortened descriptions and in Detail Format.

Account ID	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
Account Description							
1010-BRA-000	3/1/19			Beginning Balance			12,007.88
CHECKING ACCOUNT	3/31/19	Interest	GENJ	Mar interest	3.57		
				Current Period Change	3.57		3.57
	3/31/19			Ending Balance			12,011.45
1020-BRA-000	3/1/19			Beginning Balance			76,025.85
TIF ACCOUNT	3/8/19	Summit/Winter	GENJ	Summit Twp 2018 Winter TIF	8,405.24		
	3/12/19	1049	CDJ	Envirologic Technologies Inc.		2,441.25	
	3/26/19	Blkmn Twp	GENJ	Blackman Chrtr Twp 2018 Winter TIF	2,187.98		
	3/31/19	Interest	GENJ	Mar interest	24.47		
				Current Period Change	10,617.69	2,441.25	8,176.44
	3/31/19			Ending Balance			84,202.29
1025-BRA-000	3/1/19			Beginning Balance			79,339.55
CHECKING ACCOUNT- ZM BCRLF	3/11/19	ZM pmt	GENJ	Zimmer Marble - August 2017 pmt	2,961.39		
	3/31/19	Interest	GENJ	Mar interest	24.15		
				Current Period Change	2,985.54		2,985.54
	3/31/19			Ending Balance			82,325.09
1150-BRA-000	3/1/19			Beginning Balance			35,536.68
SHORT TERM REC - ZM	3/31/19			Ending Balance			35,536.68
1205-BRA-000	3/1/19			Beginning Balance			497,514.12
NOTE REC - ZM BCRLF	3/11/19	ZM pmt	GENJ	Zimmer Marble - August 2017 pmt		2,961.39	
				Current Period Change		2,961.39	-2,961.39
	3/31/19			Ending Balance			494,552.73
2005-BRA-000	3/1/19			Beginning Balance			-196.77
A/P GENERAL	3/8/19	5327	PJ	Envirologic Technologies Inc.		2,441.25	
	3/12/19	1049	CDJ	Envirologic Technologies Inc. - Invoice: 5327	2,441.25		

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
	3/12/19	189/mailling	PJ	The Enterprise Group of Jackso		82.20	
	3/19/19	Brwnfld IFT reimt	PJ	Blackman Charter Township		241.52	
				Current Period Change	2,441.25	2,764.97	-323.72
	3/31/19			Ending Balance			-520.49
2025-BRA-000 COUNTY OF JACKSON LOAN	3/1/19			Beginning Balance			-117,500.00
	3/31/19			Ending Balance			-117,500.00
3005-BRA-000 UNRESTRICTED FUND EQUITY	3/1/19			Beginning Balance			-580,328.78
	3/31/19			Ending Balance			-580,328.78
4825-BRA-000 TIF INCOME	3/1/19			Beginning Balance			
	3/8/19	Summit/Winter	GENJ	Summit Twp 2018 Winter TIF		8,405.24	
	3/26/19	Blkmm Twp	GENJ	Blackman Chrtr Twp 2018 Winter TIF		2,187.98	
				Current Period Change		10,593.22	-10,593.22
	3/31/19			Ending Balance			-10,593.22
4905-BRA-000 OTHER INCOME - BRA	3/1/19			Beginning Balance			-2,500.00
	3/31/19			Ending Balance			-2,500.00
4910-BRA-000 INTEREST INCOME - BRA	3/1/19			Beginning Balance			-7.77
	3/31/19	Interest	GENJ	Mar interest		3.57	
				Current Period Change		3.57	-3.57
	3/31/19			Ending Balance			-11.34
4915-BRA-000 INTEREST INCOME - ZM BCRLF	3/1/19			Beginning Balance			-45.17
	3/31/19	Interest	GENJ	Mar interest		24.15	
				Current Period Change		24.15	-24.15
	3/31/19			Ending Balance			-69.32
4920-BRA-000 INTEREST INCOME - TIF ACCT	3/1/19			Beginning Balance			-42.36
	3/31/19	Interest	GENJ	Mar interest		24.47	

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
				Current Period Change		24.47	-24.47
	3/31/19			Ending Balance			-66.83
5710-BRA-000	3/1/19			Beginning Balance			
CONSULTING - BRA - BCRLF	3/8/19	5327	PJ	Envirologic Technologies Inc. - Brownfield Plan for DEP, fees thru 2/28	2,441.25		2,441.25
				Current Period Change	2,441.25		
	3/31/19			Ending Balance			2,441.25
5715-BRA-000 LEGAL - BRA	3/1/19			Beginning Balance			196.77
	3/31/19			Ending Balance			196.77
6005-BRA-000	3/1/19			Beginning Balance			
TIF REIMBURSEMENT EXP - BRA	3/19/19	Brwnfld IFT reimt	PJ	Blackman Charter Township - TIF reimb- IFT for summer 2018 (Granger/NW project)	241.52		
				Current Period Change	241.52		241.52
	3/31/19			Ending Balance			241.52
9010-BRA-000	3/1/19			Beginning Balance			
MISCELLANEOUS - BRA	3/12/19	189/mailing	PJ	The Enterprise Group of Jackso - Reimburse the EG for certified mailing expense- public hearing notices to taxing entities for Dollar General Brownfield Plan	82.20		82.20
				Current Period Change	82.20		
	3/31/19			Ending Balance			82.20



Brownfield Redevelopment Authority
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May 2, 2019 Invoice Report

ZM BCRLF LOAN STATUS/ACTIVITIES:

FUND CATEGORY	AMOUNT
Revenue	
Original Zimmer Marble BCRLF Loan <i>Balance as of 3/11/19: \$530,089.41</i>	\$800,000.00 <i>(Current through 09/01/2017)</i>
Expenses: <i>None.</i>	<u>\$0</u>
Total:	<u>\$0</u>

TIF Account Expenses:

The Enterprise Group of Jackson: Reimburse for Certified Mailings to tax entities – Kelcade/DEP Public Notices	\$ 89.05
Envirologic: Old Irish Mill Project – additional fees through March 31, 2019	\$552.50
Envirologic: TIF Capture fees through March 31, 2019	<u>\$2,553.75</u>
TOTAL:	\$3,195.30

Total amount to be approved by the JCBRA Board of Directors on 5/02/2019: \$3,195.30

MEMORANDUM

DATE: April 1, 2019

TO: Jackson County Brownfield Redevelopment Authority

FROM: Envirologic Technologies, Inc.

RE: Former NextGen Energy, 221 Mill Street, Brooklyn, Michigan, Brownfield Plan
Financial Tracking

Pursuant to our previous discussions regarding the above-referenced site, Envirologic Technologies, Inc. (Envirologic) has prepared this summary for the Authority to accept which memorializes updates to the Brownfield Plan with respect to financial tracking.

A Brownfield Plan for the above-referenced property was approved on March 18, 2008, to allow tax increment financing (TIF) capture that will reimburse eligible costs. The Brownfield Plan was also amended in 2013 to better reflect property values and to allow the Village of Brooklyn to claim interest on an MDEQ Loan as an eligible expense. Another amendment was made in 2016 to support the Old Irish Mill development on the property.

To further support the Old Irish Mill Redevelopment Project, the Village of Brooklyn authorized a Commercial Facilities Exemption that took effect with the 2018 tax year. This tax abatement freezes the taxable value of the structures on the property, while land values are unaffected by the abatement. As a result, a new parcel ID was created in 2018 to represent the buildings on the property (990-20-37-600-001-00).

The "Statement of Account" financial tracking spreadsheets were updated in March of 2019 to reflect the separate parcel identification numbers (PID) that were set up with the new Facilities Tax Exemption. Specifically, the industrial improved parcel (000-20-19-151-002-01) prior to 2018 was inclusive of land and building values. The improved parcel (000-20-19-151-002-01) includes the land values only from 2018 on, and a new PID (990-20-37-600-001-00) was established for the improved parcel buildings only from 2018 on. The vacant parcel retains the 000-20-19-151-003-00 PID. The Commercial Facilities Exemption is scheduled to expire after the 2029 tax year.

The Village of Brooklyn has also established a Corridor Improvement Authority and established a Development Area for the Authority that is inclusive of the property subject to this Brownfield Plan. Envirologic has conducted a cursory review of the provisions of the Recodified Tax Increment Financing Act (2018 PA 57) pertaining to Corridor Improvement Authorities and the Corridor Improvement Authority Act (2005 PA 280). Neither statute provides direction on

Jackson County Brownfield Redevelopment Authority

April 1, 2019

Page 2 of 2

whether an existing Brownfield Plan within the Development Area has supremacy over the tax increment capture plan of the Corridor Improvement Authority. The Brownfield Redevelopment Financing Act (1996 PA 381) indicates that if a Brownfield Plan is contemplated in an area where a tax increment capture plan already exists (such as a Downtown Development Authority), the pre-existing tax capture plan has supremacy. It would thus seem that an existing Brownfield Plan should have supremacy over a tax capture plan that is later initiated under a different authority. Where there are competing Authorities, an Interlocal Agreement may be established between the two Authorities to determine the fate of tax increment revenues. Since the statutes are silent on this matter, and because it has been demonstrated that the Brownfield Plan is a necessary economic development tool for this property, Envirologic recommends that the Jackson County Brownfield Redevelopment Authority and the Brooklyn Corridor Improvement Authority enter into an Interlocal Agreement to memorialize the treatment of tax increment revenues generated at this property.

