

Washtenaw County
Brownfield Redevelopment Authority (WCBRA)
Meeting held in-person at 200 N. Main, downtown Ann Arbor
Lower Level LARGE Conference Room

DRAFT MEETING MINUTES
Thursday, February 8, 2024, 9:00 a.m.

Board Present: Allison Krueger – Chair, Colleen O'Toole – Vice Chair, Sam Baushke – Secretary, Jenn Cornell, Christy Maier, James Harless, Trevor Woollatt, Justin Hodge, Katie Jones

Board Absent: None

Staff: Nathan Voght – OCED

Joining the Meeting: Derric Scott – J29:7, developer for 124 Pearl St, Elizabeth Masserang – SME, consultant for 124 Pearl, Troy Helmick – SME, for 124 Pearl, on Zoom, Bonnie Wessler – City of Ypsilanti DPW Director, on Zoom, Jill Ferrarri – Renovare, for Dorsey Estates.

Handouts: None

1. Call to Order

Chair Krueger called the meeting to order at 9:02 a.m.

2. Public Comment

None.

3. Approval of Agenda

C. O'Toole moved to approve the Agenda (2nd J. Cornell), and the motion passed unanimously.

4. Approval of December 4th, 2023 Meeting Minutes

C. O'Toole moved to approve the December 4th, 2023 minutes (2nd S. Baushke), and the motion passed unanimously.

5. Board Member Conflict of Interest Disclosure

None declared.

6. Business

1. Water Street Brownfield Reimbursement Agreement, City of Ypsilanti – Action

Staff referred to the draft Agreement in the packet, which was reviewed in December, and the board had specific feedback and revisions at that time. Those changes have been incorporated in the version here. Mr. Harless has also suggested some alternative language for Section #7 d., which is provided in the revised Agreement as an alternate.

Mr. Harless explained his alternative language, and what the effect would be on developer reimbursement and LBRF capture. The Board discussed the additional revisions and Mr. Harless' alternative language. Board members accepted Mr. Harless' alternate for Section 7 d.,

but added a new sentence to the end: "These terms and conditions shall be made part of the Reimbursement Agreements with all other development entities henceforth."
The Board further discussed whether a Brownfield Plan Amendment would be necessary.

J. Harless moved to approve the revised Reimbursement Agreement, as revised in the December meeting, and at the table today, using his alternative language for 7 d., adding an additional sentence, (2nd C. Maier), and the motion passed unanimously.

2. 599 S. Mansfield Phase I Environmental Assessment Grant, City of Ypsilanti – Discussion

Staff updated the Board that the City did not proceed with purchase of 599 Mansfield, but AKT Peerless had ordered some initial work on the Phase I. Staff and the Chair would like the Board's opinion on whether the small initial work done, which the City has been invoiced for, is reimbursable.

The Board indicated that since the Phase I was not completed, and the property is not being pursued for purchase, that reimbursement is not possible.

3. 124/126 Pearl Street Project Introduction – Presentation

Staff introduced Derric Scott, with J29:7, the development entity that purchased the Centennial Building in December, with plans to construct a new mixed-use building on the north end of the site, where the parking lot is now. Mr. Scott introduced the project, and the proposed Brownfield Plan, with approximately \$9 million in Eligible Activities, most of which is an affordable housing subsidy for approximately 15 proposed affordable units, out of 60 total units in the development.

The developers may be requesting a PA 210 Tax Abatement, as well, which is the Commercial Rehabilitation District abatement. This was used for the Chelsea Rockwell Building in 2021.

Total investment is approximately \$20M with \$180 to 190K in annual TIF capture.

The Board noted that future Plans may want to include up to \$50K in Brownfield Implementation, which is allowed with the 381 Amendment last year. This could be separate funding for the Authority to administer new plans with the annual affordable housing reporting required by MSHDA.

There was discussion on what MSHDA requires for a housing study in the region, to justify the need for the affordable housing. This could be done by the developer, or we could rely on City housing studies. The State did a housing study, as well.

Troy Helmick, with SME, the environmental consultant for the project, commented on environmental conditions on the site. There are three tanks to pull from the previous filling station. There could be contamination under the tanks. The BEA only notes metals that exceed Part 201.

4. 124/126 Pearl Street form Brownfield Plan Review Sub-Committee – Action

Board members A. Krueger, J. Harless, T. Woollatt, and K. Jones volunteered to serve on the Brownfield Plan review sub-committee.

5. Dorsey Estates/220 N. Park Brownfield Plan Amendment – Discussion

Jill Ferrarri provided an overview of the changes to the Brownfield Plan, approved in 2022, necessary to address the modified approach necessary to address the environmental conditions

on site. The initial plan was to use excavated soils from the residential areas on the south side of the site for the stormwater basin. However, there is too much volume now, and there will be considerable soil needing to come offsite and will be characterized, and disposed of in a Type II landfill. The anticipated increase in Eligible Activities costs, to be incorporated in the Brownfield Plan Amendment, is approximately \$1.3M. All of this increase will be within EGLE line items.

T. Woollatt asked what the volume of soil coming off site would be. J. Ferrarri responded about 11,000 cubic yards. The original plan was only 1,300. She further stated that the fill under the roadway has to be excavated and removed.

There will be an increase in soft costs on the MEDC side, and Environmental Insurance will be added as an eligible activity. Ms. Ferrarri anticipates submitting the Amendment within several weeks.

6. December 2023 Financial Report – Information

The report is for information only.

7. Other Business

C. O'Toole discussed several city-owned industrial sites that they are looking to sell, which may need environmental investigation. J. Harless suggested that the City only do the investigation and research portion of the Phase I, rather than a full Phase I, at this time if the City wants to find out more information and potential environmental concerns about the sites.

The Board discussed Maple Oaks, and how to handle Winter 2023 capture, since there is no movement on Phase II of the development, north of the tracks, where additional Eligible Activities might occur. At this time, we have captured sufficient taxes from the City to reimburse for the 50% of the 'Look Back' activities, which were conditioned on the developer satisfying the City's punch list on certain issues with Phase I. If we capture more, it's unclear if they would ever be reimbursed. J. Harless suggested that maybe the approach should be terminating the Plan, or amending it.

There was no other business.

8. Public Comment:

None..

9. Adjournment:

J. Harless moved to adjourn the meeting at 10:16 a.m. (2nd T. Woollatt), and the motion passed unanimously.

These minutes were approved by the Washtenaw County Brownfield Redevelopment Authority at the April 11, 2024 meeting, held at 200 N. Main, lower level large conference room, downtown Ann Arbor.