

**CITY OF ESCANABA
BROWNFIELD REDEVELOPMENT AUTHORITY
September 10, 2014**

A meeting of the Brownfield Redevelopment Authority was held September 10, 2014, at 10:15 a.m. in Room C101 of the Escanaba City Hall/Library Complex, Escanaba, MI 49829.

PRESENT: Chairperson Randy Godlewski, Vice Chairperson Joseph Kaplan, Authority Members, Patrick Connor, and Matthew Sviland

ABSENT: Glenn Vande Water

ALSO PRESENT: Daina Norden, City Assessor
Tammy Weissert, Office Clerk
Mike Dewar, City Controller
Michael R. Sattem, Council Liaison
Myron Berry, P.E., Mountain Engineering, Inc.

ROLL CALL: Tammy Weissert conducted roll call.

Approval/Correction of Regular Meeting Minutes of February 12, 2014.

Chairperson Godlewski asked for approval and/or corrections to the Regular Meeting Minutes of February 12, 2014.

Motion by Matthew Sviland, seconded by Patrick Connor, to approve the February 12, 2014, Brownfield Redevelopment Authority Meeting Minutes.

Ayes were unanimous.

Approval/Adjustments to the Agenda

Chairperson Godlewski asked for approval and/or adjustments to the agenda.

Motion by Joseph Kaplan, seconded by Patrick Connor, to approve the meeting agenda as printed.

Ayes were unanimous.

Conflict of Interest Declaration

Chairperson Godlewski asked for any Conflict of Interest Declarations.

Authority Member Matthew Sviland recused himself from Item #1 due to the item being his building at 1615 Ludington Street.

Unfinished Business - None

Public Hearing - None

New Business

1-Swanee Inc. requested that CEBRA approve project costs of \$318,000 which was the amount approved in the plan however, the categorized amounts in the plan would change.

Mr. Sviland stated they were approved for the Act 381 Plan back in June of 2009 and did not close on the project until March of 2011. Between those years they did not add to the scope of work, but costs went up. At the time they did their Act 381 Plan, they did not know there was a rule which prevented reimbursements from increasing. The actual cost came in about 17% higher than what the architect's projections were. Mr. Sviland stated he would love to see if he can get an amendment for actual costs, which was \$372,851, but as his letter states, all of the projections indicate the \$318,000 (actual figure is \$318,800) which is something they need in order to meet future projections.

Mr. Kaplan stated looking at the Plan Amendment Policy it talks about additional expenses. Mr. Kaplan agreed with Mr. Sviland that this Plan Amendment Policy was adopted after Mr. Sviland's project had initially begun. He asked for future reference, if we had a similar case where you end up with additional costs, can we work with the developer while the case is still open.

Mr. Berry stated that Brownfield Law is set up to allow the individual Authority to handle the procedure for additional costs, as long as it is not a change in scope and as long as it is just an increase in costs.

Mr. Kaplan asked if our Plan Amendment Policy applies to this project. Would an increase in costs be considered a plan amendment?

Ms. Norden stated these itemized expenses are set forth in the plan, so if we change the amounts in the columns, it would be a plan amendment.

Mr. Dewar stated that this plan had already been amended. The original request was for \$129,500, it was amended by the authority to \$318,800. There was an amendment process in place at that time.

Mr. Dewar stated the \$295,838 calculation that has been provided is what Administration is recommending be approved according to the policies that have been established to date.

More discussion was held regarding the current Plan Amendment Policy.

NB-1 Motion by Randy Godlewski, seconded by Patrick Connor, to table Mr. Sviland's request and sit down and discuss the Plan Amendment Policy.

Ayes were unanimous.

2-Project Update – Fleet Maintenance Brownfield.

Assessor Norden updated the Brownfield Redevelopment Authority with an e-mail sent on August 30, 2014, to Jeff Hukill of the MDEQ stating:

- Project was still moving forward,
- Bank financing is in its final stages
- Have County sign DEG Agreement within a week;
- Talking to the bank and developer and financial consultants the following Tuesday.

General Public Comment

Chairperson Godlewski asked for public comments. None were heard.

Authority Member/Staff Comment and Announcements

Chairperson Godlewski introduced City Council Member, Michael Sattem as the new City of Escanaba Brownfield Redevelopment Authority Council Liaison. Welcome Council member Sattem.

Adjournment

Motion by Randy Godlewski, seconded by Patrick Connor, to adjourn at 10:42 a.m.

Ayes were unanimous.

Randy Godlewski, Chairperson
Brownfield Redevelopment Authority

Daina Norden, City Assessor