

# Brownfield Redevelopment Authority

## Regular Meeting Agenda

Monday, November 14, 2011  
4:00 p.m., Council Chambers



City of South Haven

### 1. Call to Order

### 2. Roll Call

Chairman Art Bolt, Vice-Chairman Robert Black, Thomas Erdmann, Eugen Gawreliuk, Mike Henry, Lynn Kerber, Andy Klavins, Larry Lewis, Mike Rainey, Christine Valentine, Janice Varney.

### 3. Approval of Agenda

### 4. Approval of Minutes – July 11, 2011

### 5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

### 6. Administrative Expenses for Approval

Clark Hill, August 9, 2011, #422499, Preserve Brownfield,	\$126.00
Clark Hill, October 11, 2011, #428422, Everett Park Brownfield,	\$ 57.00

### 7. General Comments

### 8. Adjourn

RESPECTFULLY SUBMITTED,  
Paul VandenBosch  
Secretary, Brownfield Redevelopment Authority

SOUTH HAVEN CITY HALL IS BARRIER FREE AND THE CITY OF SOUTH HAVEN WILL PROVIDE THE NECESSARY REASONABLE AUXILIARY AIDS AND SERVICES FOR PERSONS WITH DISABILITIES, SUCH AS SIGNERS FOR THE HEARING IMPAIRED AND AUDIO TAPES OF PRINTED MATERIALS BEING CONSIDERED AT THE MEETING TO INDIVIDUALS WITH DISABILITIES AT THE MEETING UPON SEVEN (7) DAYS NOTICE TO THE SOUTH HAVEN CITY HALL.

# Brownfield Redevelopment Authority

## Regular Meeting Minutes

Monday, July 11, 2011  
4:00 p.m., Council Chambers



City of South Haven

### 1. Call to Order by Bolt at 4:00 p.m.

### 2. Roll Call

Present: Black, Erdmann, Gawreliuk, Henry, Klavins, Valentine, Varney, Bolt  
Absent: Kerber, Lewis

### 3. Approval of Agenda

Motion by Valentine, second by Klavins to approve the agenda. All in favor. Motion carried.

### 4. Approval of Minutes – June 13, 2011

Motion by Henry, second by Klavins to approve the June 13, 2011 Minutes as written. All in favor. Motion carried.

### 5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

There were none.

### 6. The Preserve Refund of School Operating Tax Capture and Reimbursement

VandenBosch explained that there was a tax capture that needed to be refunded but the refund had been delayed due to a tax appeal on the Preserve development. The Department of Environmental Quality did not approve the developers' work plan, which means that the school operating dollars collected under the brownfield plan could not be reimbursed to the developer. The reimbursement agreement with the developer has been amended to allow for the refund. The school operating tax capture must now be refunded to the County Treasurer for distribution to the original taxing jurisdictions. Black asked if this funding reached the delinquent tax rolls, because the school district has already been reimbursed for delinquent taxes. VandenBosch said that the County Treasurer will have to determine if the schools had already received the funding under delinquent tax payments from the County.

Motion by Valentine, second by Gawreliuk to approve the payment of \$222,009.13 to Van Buren County.

Varney asked if the Department of Environmental Quality did not approve the work plan, can the school operating tax still be captured. VandenBosch replied yes, it can be captured

under a brownfield plan, but could not be reimbursed to the developer. The law requires that it be refunded to the original taxing jurisdictions.

Bolt called the question. All in favor. Motion carried.

VandenBosch noted that the next item for consideration is reimbursement to the developer from local tax capture. The tax tribunal reduced the taxable value for years 2008 to 2010, which reduced the tax capture amount. There is now \$47,260.49 available to the developer for reimbursement. VandenBosch explained that the City has been holding the funds for some time while waiting for the tax tribunal's decision. VandenBosch also noted that he wants to confirm with the county treasurer that the taxes have been paid in full before the reimbursement is paid.

Bolt asked if payment of this reimbursement closes the Brownfield plan. VandenBosch said no, the Brownfield plan continues to 2026. In the future, VandenBosch noted, repayments should be issued on an annual basis.

Motion by Gawreliuk, second by Klavins to approve the reimbursement of \$47,260.49 to the developer after confirmation that the developer has paid the taxes in full. All in favor. Motion carried.

## **7. General Comments**

There were none.

## **8. Adjourn**

Motion by Henry, second by Erdmann to adjourn at 4:08 p.m. All in favor,. Motion carried.

RESPECTFULLY SUBMITTED,  
Marsha Ransom  
Recording Secretary

CLARK HILL P.L.C.

August 9, 2011  
INVOICE # 422499  
Page 2

DETAILED DESCRIPTION OF SERVICES

RE: Brownfield Authority

07/01/11	SGS	Review email information on TIF payments for the Preserve; telephone conference with P. VandenBosch regarding same.	.20
07/15/11	SGS	Responded to email from P. VandenBosch regarding reimbursements for The Preserve given lack of tax payments.	.50
TOTAL SERVICE FOR THIS MATTER			\$126.00

**CLARK HILL P.L.C.**

October 11, 2011  
INVOICE # 428422  
Page 2

DETAILED DESCRIPTION OF SERVICES

RE: Brownfield Authority

09/19/11 SGS	Telephone conference with J. Byl regarding issues involving Macatawa Bank and Everett Park; brief conversation with P. VandenBosch and J. Byl regarding same.	.30
--------------	---	-----

TOTAL SERVICE FOR THIS MATTER		\$57.00
-------------------------------	--	---------

**CITY OF SOUTH HAVEN**  
**REVIEW OF AUDITED FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**PREPARED FOR BRA BOARD MEMBERS**

**November 3, 2011**

To: Paul VandenBosch, Brownfield Administrator  
From: Wendy Hochstedler, Finance Director  
Subject: BROWNFIELD REDEVELOPMENT AUTHORITY (BRA)  
Financial Statements for the Fiscal Year ended June 30, 2011

Attached is a draft copy of the audited financial statements for the Brownfield Fund.

To summarize the balance sheet items:

- The Cash and investment total at the end of the fiscal year was \$1,493,859. Financial reporting standards require that the investments be reported at market value at June 30. The total market value exceeds the investment cost by \$222.
- The amount captioned "Accounts receivable" represents interest earned but not received at year end.
- The Accounts payable amount of \$269,270 represents the corresponding expense line item "Contractual-The Preserve". This amount owed but not paid out at year end includes a reimbursement to Edward Salomon for \$47,261 and the School tax reimbursement approved by the board for 222,009.
- The amount captioned "Due to other governments" represents two obligations:
  - (1) To the VBS ISD for \$1,534 for the Woodland Harbor Tax Tribunal adjustment of captured taxes for 2010.
  - (2) To the State for \$75,253 of unspent grant funds relating to the Eagle Street project. Earlier in the fiscal year, a transfer to DDA of unspent funds was approved in the amount of \$79,535. The Downtown Development Authority has reimbursed the Brownfield Fund for \$75,253 and kept the balance to pay the debt service on the Eagle Street loan.
- As of June 30, 2011, the Brownfield Redevelopment Authority had a fund balance of \$1,150,317.

To summarize the income statement items:

- There was an overall reduction in fund balance this fiscal year due to repayment of grant funds and refund of captured school taxes mentioned above. These items totaled \$298,796.
- Without taking these non-recurring items into account, normal operating revenues actually exceeded expenditures by \$37,880.
- The actual net change in the total fund balance was (\$260,916).

**CITY OF SOUTH HAVEN**

**BROWNFIELD REDEVELOPMENT AUTHORITY  
BALANCE SHEET/STATEMENT OF NET ASSETS**

**JUNE 30, 2011**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Totals</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
<b>Assets</b>					
Cash and pooled investments	\$ 1,493,859	\$ -	\$ 1,493,859	\$ -	\$ 1,493,859
Accounts receivable	<u>2,535</u>	<u>-</u>	<u>2,535</u>	<u>-</u>	<u>2,535</u>
<b>Total assets</b>	<u>\$ 1,496,394</u>	<u>\$ -</u>	<u>\$ 1,496,394</u>	<u>-</u>	<u>1,496,394</u>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 269,270	\$ -	\$ 269,270	-	269,270
Due to other governments	<u>76,807</u>	<u>-</u>	<u>76,807</u>	<u>-</u>	<u>76,807</u>
<b>Total liabilities</b>	<u>346,077</u>	<u>-</u>	<u>346,077</u>	<u>-</u>	<u>346,077</u>
<b>Fund balances</b>					
Unreserved					
Undesignated	<u>1,150,317</u>	<u>-</u>	<u>1,150,317</u>	<u>(1,150,317)</u>	
<b>Total liabilities and fund balances</b>	<u>\$ 1,496,394</u>	<u>\$ -</u>	<u>\$ 1,496,394</u>		
<b>Net assets</b>					
Unrestricted				<u>\$ 1,150,317</u>	<u>\$ 1,150,317</u>

**CITY OF SOUTH HAVEN**

**BROWNFIELD REDEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE/STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2011**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Taxes	\$ 162,547	\$ -	\$ 162,547
Investment earnings	7,688	-	7,688
	<u>170,235</u>	-	<u>170,235</u>
<b>Expenditures/expenses</b>			
Community development	<u>431,151</u>	-	<u>431,151</u>
Net changes in fund balances	(260,916)	260,916	
Change in net assets		(260,916)	(260,916)
<b>Fund balances/net assets, beginning of year</b>	<u>1,411,233</u>		<u>1,411,233</u>
<b>Fund balances/net assets, end of year</b>	<u>\$ 1,150,317</u>		<u>\$ 1,150,317</u>

City of South Haven  
Brownfield Authority  
For the period ended September 30, 2011

**Revenues**

Property Tax Captures	108,597	
Interest Income	1,092	
Other Revenue	-	
Other Transfers In	-	
<b>Total Revenue</b>		109,689

**Expenditures**

Administrative Costs	-	
General Fund/DDA Reimbursement	-	
Total Administrative Expenses	-	
Contractual Services	126	
Total Other Expenses	126	
<b>Total Expenditures</b>		126
Year-to-Date Fund Gain/(Loss)		109,563

**Cash and Investments**

Cash	755,557	
Certificates of Deposit	375,839	
Other Financial Investments	201,222	
<b>Total</b>	1,332,618	