

Brownfield Redevelopment Authority

Regular Meeting Agenda

Monday, July 13, 2015
4:00 p.m., Council Chambers



City of South Haven

1. Call to Order

2. Roll Call

Chairman Art Bolt, Tyler Dotson, Thomas Erdmann, Eugen Gawreliuk, Mike Henry, Robert Herrera, Stephanie Timmer, Andy Klavins, Doug Schaffer, Christine Valentine.

3. Approval of Agenda

4. Approval of Minutes – April 13, 2015

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

6. Financial Report

7. Overton Brownfield Plan

8. General Comments

9. 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, April 13, 2015
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: Dotson, Erdmann, Gawreliuk, Klavins, Schaffer (arrived 4:18 p.m.), Valentine, Bolt
Absent: Henry, Herrera, Timmer

3. Approval of Agenda

Motion by Valentine, second by Erdmann to approve the April 13, 2015 regular meeting agenda as presented:

All in favor. Motion carried.

4. Approval of Minutes – January 12, 2015

Motion by Erdmann, second by Klavins to approve the January 12, 2015 regular meeting 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. Financial Report

VandenBosch reviewed the Financial Report.

7. Factory Condo Memorandum of Understanding

VandenBosch reviewed the background of the Factory Condominium project in which the city was partner with the Department of Environmental Quality (DEQ) regarding contamination on that site. The DEQ is willing to come back and perform a remediation if the health club building is demolished. The city now owns the health club through tax foreclosure, allowing the city to authorize demolition. The building has to be demolished so

the DEQ can access the contamination which currently is located under the health club foundation.

The various agreements contained in the packet are explained in the memo VandenBosch provided. VandenBosch noted that the city will quit claim the property to the condo association to be converted to open space.

VandenBosch explained that the estimated figure of \$125,000 in the memo has been updated to \$160,000. The estimate from the contractor is just one piece of the expenses involved. The estimate should be higher than what we expect to spend on the project, because if the estimate is low, there will be a problem in getting additional funds.

The reimbursement agreement, which was originally between the City and the owner/developer, is being amended to allow the demolition expenses to be reimbursed to the City. That agreement and the new brownfield plan will allow the city to be reimbursed for demolition costs.

VandenBosch explained the Act 381 Work Plan as a technical report sent to the DEQ by the city requesting the use of school operating tax capture. The city has captured a large amount of school operating funds in the Factory Condominium Brownfield Plan. If the DEQ will permit use of those funds, the city will be able to receive payment for demolition soon after being invoiced for the demolition expenses.

VandenBosch noted that the resolution is to consolidate all these agreements; the Factory Condominium board has approved the resolution.

Motion by Erdmann, second by Dotson to approve Resolution 2015-02, a resolution authorizing agreements and actions to enable environmental remediation at the Factory Condominium site.

Ayes: Erdmann, Dotson, Gawreliuk, Klavins, Bolt
Nays: None

Valentine abstained as a condominium unit owner in The Factory Condominium.

Motion carried.

8. Overton Report

VandenBosch noted that there is still no action on the Overton building. This collapsing building is near a city park and not far from an elementary school. The property owner did not pay the property taxes; therefore the property is going to go into tax foreclosure. The city will have first option whether to take ownership before it goes into auction. VandenBosch explained that it is not like it is a free gift; the back taxes will have to be paid.

VandenBosch noted that the proposed Brownfield budget has some money in it reserved for the Overton Building; approval of the budget is not an approval of demolition, but it gives the Finance Director has an idea what we might be spending in the next fiscal year.

9. Budget

VandenBosch pointed out the amounts for the Overton property and Factory Condos, noting that the other expenditure items are guesstimates of how much the Brownfield Authority might reimburse the developers who have already incurred expenses and are waiting for tax capture to allow them to be reimbursed.

VandenBosch noted the budgeted amount for Administrative Expense and explained that it covers the costs of city staff and overhead.

VandenBosch explained that this budget is an item that the City Council would like to have a recommendation on.

Erdmann asked if there is any alternative for the Overton demolition, if part of the building could be saved. VandenBosch explained even the part of the building that does not have a collapsed roof is kind of rough, noting that parts of the complex were built hurriedly during World War II to expedite production.

In response to a question from Erdmann regarding recycling of bricks VandenBosch explained that usually the recycling of materials is reflected in the bid and the demolition contractor takes care of the recycling of materials. By allowing the contractor to sell the salvaged materials, it lowers the bid amount.

Valentine recalled that VandenBosch said there is some contamination but not enough to apply for a grant. VandenBosch confirmed that, noting that staff is working with an environmental firm in checking for other contamination.

Bolt shared his fear this is going to be a long drawn out process; determining ownership of the property will have to make its way through the courts.

Valentine asked about the budget which VandenBosch explained is not a decision but a planning tool.

Motion by Valentine, second by Klavins to recommend that City Council approve the budget as presented.

All in favor. Motion carried.

10. General Comments

There were none.

11. Adjourn

Motion by Klavins, second by Erdmann to adjourn at 4:22 p. m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

City of South Haven
Brownfield Authority
For the period ended June 30, 2015

Revenues

Property Tax Captures	137,482	
Interest Income	10,039	
Other Revenue	-	
Other Transfers In	-	
Total Revenue		147,520

Expenditures

Administrative Costs		
General Fund/DDA Reimbursement	58,000	
Total Administrative Expenses	58,000	
Contractual Services	48,898	
Total Other Expenses	48,898	
Total Expenditures		106,898

Year-to-Date Fund Gain/(Loss)		40,623
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Cash and Investments

Cash	314,187	
Certificates of Deposit	279,117	
Other Financial Investments	677,283	
Total	1,270,587	

July 6, 2015

TO: Brownfield Redevelopment Authority

FR: Paul VandenBosch

RE: Overton Brownfield Plan

The attached resolution would authorize the use of Local Site Remediation Revolving Fund monies for the Overton demolition, and it recommends a brownfield plan to the City Council which would recover the expenses of the demolition if a development occurs.

The estimated expenses which may be recovered through a brownfield plan total \$500,000. The actual cost of demolition and remediation will be determined through a bid process for the demolition and remediation work, and actual costs may be different than the estimate. We hope that the actual cost will be lower. The plan will reimburse actual expenses to the Brownfield Redevelopment Authority.

The plan estimate of cost recovery is based on a development with a taxable value of \$1,000,000 and estimates a payback period over 30 years, the maximum length of a brownfield plan under state law. This is a rough estimate. At this time, it is not known whether the site will be rezoned from I-1 Light Industrial to another zoning district. While the surrounding neighborhood would suggest that a residential development may be the highest and best use, no decision has been made on what the potential development may be.

The Local Development Finance Authority is the entity which will own the parcel and carry out the demolition and remediation. Because the LDFA works through the City of South Haven budget and accounting system, the City of South Haven purchasing policy will be used. City Council and the LDFA will have approval authority over contracts and expenditures.

The resolution recommends the brownfield plan to City Council. It authorizes expenditures from the Local Site Remediation Revolving Fund for eligible activities, and it authorizes staff to bring the brownfield plan to City Council for consideration.

Staff Recommendation:

Approve Brownfield Redevelopment Authority Resolution 2015-03.

BROWNFIELD REDEVELOPMENT AUTHORITY
OF THE CITY OF SOUTH HAVEN
VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN

RESOLUTION NO. 2015-03

A RESOLUTION RECOMMENDING THE BROWNFIELD PLAN AMENDMENT
FOR THE PROPOSED OVERTON BUILDING DEMOLITION
REDEVELOPMENT PROJECT
TO THE CITY COUNCIL OF THE CITY OF SOUTH HAVEN

Minutes of a regular meeting of the Brownfield Redevelopment Authority of the City of South Haven, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan 49090 on July 13, 2015 at 4:00 p.m. local time.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by Member _____ and supported by Member _____.

WHEREAS, on July 20, 1998, the City of South Haven Brownfield Redevelopment Authority (the "BRA") adopted a Brownfield Plan (the "Plan") for the City pursuant to Act No. 381 of the Public Acts of 1996, as amended (the "Act"); and

WHEREAS, pursuant to Section 14 of the Act, the Plan may be amended if the amendment is submitted to the South Haven City Council (the "City Council") and approved by the City Council following the same notice necessary for the approval of the Plan; and

WHEREAS, the BRA Board has reviewed the Brownfield Plan Amendment for the proposed Overton Building Demolition Redevelopment Project at 229 Elkenburg Street, and that Brownfield Plan Amendment is attached to this Resolution as Exhibit A (the "Amendment").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Amendment, attached as Exhibit A, is hereby approved by the BRA Board and recommended to the City Council for its approval.
2. The BRA Board authorizes and approves expenditures from the local site remediation revolving fund for the eligible activities to be undertaken by the City of South Haven Local Development Finance Authority pursuant to the Amendment.
3. The Amendment shall be submitted to the City Council for approval and adoption in accordance with the provisions of the Act.

RECORD OF VOTE:

Yeas: _____

Nays: _____

Abstained: _____

RESOLUTION DECLARED ADOPTED.

Arthur Bolt, Chair
Brownfield Redevelopment Authority

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City of South Haven Brownfield Redevelopment Authority at a meeting held on the 13th day of July, 2015, at which meeting a quorum was present, and that this resolution was ordered to take immediate effect. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 167 of the Public Acts of Michigan 1976 (MCL 15.261 *et seq*).

Paul VandenBosch, Secretary



Act 381 Brownfield Plan Amendment
Overton Building Demolition Redevelopment Project
229 Elkenburg Street, South Haven, MI 49090

Prepared by: Dickinson Wright PLLC
July 2015

EXHIBITS

TABLES

Table 1	Summary of Costs for Eligible Activities
Table 2	Tax Capture/Reimbursement Schedule

ATTACHMENTS

Attachment A	Resolution Approving Brownfield Plan
Attachment B	Blight Resolution

FIGURES

Figure 1	Scaled Property Location Map
Figure 2	Eligibility Property Map
Figure 3	Color Site Photographs

1.0 INTRODUCTION

On July 20, 1998, the City of South Haven Brownfield Redevelopment Authority (the “BRA”) adopted a brownfield plan (the “Original Plan”) pursuant to Public Act 381 of 1996, as amended (“Act 381”). This plan amendment (the “Plan”) would amend the Original Plan and authorize reimbursement to the BRA for eligible activities to be performed at a property located at 229 Elkenburg Street (the “Property”).

The Property consists of a single parcel that was recently acquired by the City of South Haven Local Development Finance Authority (the “LDFA”), and is a “facility” as defined in Section 20101 of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.101 *et seq.* (“NREPA”). There is a single building on the Property that was built in the early 1900s and used primarily as a factory for manufacturing gun stocks (the “Building”). The Building is blighted and in imminent danger of collapse.

The BRA plans to expend funds from its local site remediation revolving fund to demolish the Building and remediate environmental conditions on the Property (the “Project”). The LDFA would coordinate the Project and coordinate the needed labor, and would then sell the Property to a third party to be developed.

The Project is seeking tax increment financing to reimburse the BRA’s local site remediation revolving fund for the cost of eligible activities. The following sections provide a more detailed summary of the Project and the proposed tax increment financing, in accordance with the requirements of Act 381.

1.1 Proposed Redevelopment and Future Use

The Building on the Property was built in the early 1900s and used primarily as a factory for manufacturing gun stocks. The Building has been vacant and unused for several years and is falling into disrepair.

The Project consists of demolishing the Building and remediating environmental conditions on the Property. After the demolition, the LDFA will consider sale of the property for development, which may be a residential complex. The demolition, environmental remediation, and subsequent development of the Property would eliminate a threat to public safety, improve the aesthetics of the area, and increase the tax base in the City.

1.2 Eligible Property Information

The following sections provide details regarding the Property’s location, ownership, and use.

1.2.1 Description of Eligible Property; Basis of Eligibility

The Property is located at the northwest corner of the intersection of Indiana Street and Elkenburg Street in the City of South Haven. Its mailing address is 229 Elkenburg Street, MI 49544, and its tax parcel ID number is 80-53-260-006-00. It is legally described as follows:

BEG 90’ W OF THE E LINE & 33’ N OF THE S LINE OF NW 1/4 OF SW 1/4 OF SEC 10, TH N 2.64’, TH N 24 DEG 40’ W 48.67’, TH ALG CURVE TO RT WITH RAD OF 861.41’ & CHORD BEARING N 20 DEG 40’ 30” W 119.3’, TH ALG CURVE TO RT WITH RAD OF 708.17’ & CHORD BEARING N 13 DEG 30’ W 79.26’, TH ALG CURVE TO RT WITH RAD OF 822.55’ & CHORD BEARING N 7 DEG W 80.87’ TO PT 12.5’ E OF CEN L MAIN TRACK OF RR, TH N PAR

SD CEN L 230.2', TH N 5 DEG 50' E 10', TH N 9 DEG 21' E 37.9' TO PT 627' A856 10-1-17 1049-664-666 1474-596 1490-583 N OF S L OF NW1/4 SW1/4 OF SEC, TH S 89 DEG 52' E PAR SD S L 174' TO N & S 1/8 L OF SW1/4 OF SEC, TH N ALG SD 1/8 L 85.79', TH E TO A PT 160' W OF W L OF INDIANA AVE, THE S 93.88', TH E 160' TO SD W L OF INDIANA AVE, THE S ALG SD W L 50', TH W 122.58', TH S 150', TH E 122.58' TO SD W L, TH S 385.91', TH W TO BEG. BEING PART OF BLK 1 OF ELKENBURG ADD & UNPLATTED SECTION 10.

A Scaled Property Location Map is attached as Figure 1, and an Eligible Property Boundary Map is attached as Figure 2. Photographs are included in Figure 3.

The Property is considered "eligible property" as defined by Act 381 because it is blighted, functionally obsolete, and a facility. The bases for these classifications are further described in Sections 1.7 and 1.8 of this Plan.

1.2.2 Current Ownership

The Property is owned by the LDFA, which has a principal business address of:

539 Phoenix Street
South Haven, MI 49090

1.2.3 Proposed Future Ownership

It is expected that the site will be transferred to a private developer.

1.2.4 Delinquent Taxes, Interest, and Penalties

The Van Buren County Treasurer foreclosed on the Property in March 2015, pursuant to Section 78 *et seq.* of the General Property Tax Act, 1893 PA 206, as amended, MCL 211.78 *et seq.* (the "GPTA"). The tax foreclosure which extinguished the tax liens on the Property.

1.2.5 Existing and Proposed Future Zoning

The Property is located in the City's I-1 Industrial Zoning District. The City plans to consider rezoning the Property to allow for development other than industrial.

1.3 Historical & Previous Use and Ownership

The oldest portions of the Building on the Property were built in the early 1900s, prior to World War I. From that time up until 1995, the Overton Company used the building primarily as a factory for manufacturing gun stocks. The Overton Company also manufactured other wood products, such as guitar products, from time to time.

In 1995, the Overton Company sold the Property to ELC Corporation ("ELC"). ELC used the Building as a rental property for warehousing and light manufacturing, including manufacture of tarps for the trucking industry. In 2006, Satori Corporation ("Satori") foreclosed on the Property after ELC defaulted on its mortgage. Satori then transferred the Property to Sitties, LLC ("Sitties"), which initially used the building for various storage uses. However, Sitties later ceased operations in the Building. It has remained vacant and unused since approximately 2010, and its physical condition has deteriorated substantially during that time. It is now in imminent danger of collapse.

The Van Buren County Treasurer foreclosed on the Property in March 2015, pursuant to the GPTA. The City then purchased the Property from Van Buren County and transferred it to the LDFA.

1.4 Current Use

The Building on the Property is currently vacant and unused.

1.5 Summary of Liability

The LDFA plans to complete a Baseline Environmental Assessment (“BEA”) and to disclose the BEA to the Michigan Department of Environmental Quality (“MDEQ”) in accordance with Part 201 of NREPA. Accordingly, the LDFA will not be considered a liable party.

Sitties LLC was the previous owner/operator and potential liable party.

1.6 Summary of Environmental Study Documents

The following Environmental Study Documents have been completed for the Property:

- Phase I Environmental Site Assessment, June 6, 2014.
- Phase II Environmental Site Assessment, March 19, 2015.
- NESHAP Asbestos Inspection Report, June 26, 2015.

1.7 Summary of Environmental / Brownfield Conditions

The Phase I Environmental Site Assessment identified the historical use of stains, paints and thinners on the Property, an oil tank that was removed, a coal bunker, an adjacent foundry which may have distributed foundry sand on the Property, a site of groundwater contamination to the west and a number of unlabeled drums in the Building.

The Phase II Environmental Site Assessment determined that the Property is a “facility” for purposes of Section 20101 of NREPA based on concentrations of arsenic, cadmium, benzo(a)pyrene, benzo(b)fluoranthene, and dibenzo(a,h)anthracene. It further determined that a BEA and due care plan needs to be obtained, and that the unlabeled drums in the Building should be submitted for further sampling when the liquids in the drums thaw.

The NESHAP Asbestos Inspection Report determined that there are asbestos-containing materials throughout the Building that need to be removed. It specifically concluded that the roofing material should be removed by a trained and experienced demolition contractor, and that the asbestos-containing pipe insulation needs to be removed during the demolition process because it is likely unsafe to remove prior to demolition.

1.8 Summary of Functionally Obsolete, Blighted, and/or Adjacent Contiguous Conditions

1.8.1 Functionally Obsolete

The Property has not been formally declared to be functionally obsolete, although it would likely qualify under the statutory standards.

1.8.2 Blighted

On April 21, 2014, the City Council adopted a resolution declaring that the Building on the Property is a public nuisance a risk to human safety because it is dilapidated and in imminent danger of collapse, thereby qualifying it as “blighted” under Act 381. The resolution is attached as Attachment B.

1.8.3 Adjacent and Contiguous

The Property consists of a single parcel.

1.9 Summary of Historic Qualities

The Property does not have historic qualities, as that term is defined under Act 381.

2.0 DESCRIPTION OF COSTS & SCOPE OF WORK

2.1 Summary of Eligible Activities

The BRA will conduct activities including demolition, asbestos and lead abatement, due care and/or additional response activities involving the disposal of chemical drums and remediation of Polychlorinated biphenyl ("PCB"), and preparation of this Plan. A summary of the estimated costs for each eligible activity is provided in the attached Table 1. The eligible activities are more thoroughly described as follows:

2.1.1 Demolition

Building demolition includes a demolition survey and the actual demolition of the Building. Site demolition includes leveling, backfilling and seeding of the site.

2.1.2 Asbestos and Lead Abatement

The Project involves abating lead and asbestos-containing materials prior to demolition. All asbestos removal will be performed in accordance to OSHA Class 1 asbestos removal requirements as found in 29 C.F.R. § 1926.1101.

2.1.3 Disposal of Chemical Drums

The LDFA will contract with an environmental specialist to remove and dispose of the unidentified chemical drums in the Building, classifying the drums as needed for proper disposal.

2.1.4 PCB Remediation

The LDFA will contract with an environmental specialist to remediate PCB contamination on the Property.

2.1.5 Development and Preparation of Brownfield Plan

Dickinson Wright PLLC, has prepared this Plan in accordance with the requirements of Act 381 and the applicable MSF guidance.

3.0 TAX INCREMENT REVENUE ANALYSIS

3.1 Estimate of Captured Taxable Value and Tax Increment Revenues

This Project is seeking capture of tax increment revenues to reimburse the BRA's local site remediation revolving fund for the cost of eligible activities. A table of estimated tax increment revenues is attached as Table 2.

It is projected that the total estimated cost of the eligible activities will be \$500,000, which will be reimbursed to the BRA's local site remediation revolving fund with interest accruing at the

Federal Funds rate, not to exceed 5%. The initial taxable value of the Property is \$0. The City projects that the Property will reach a true cash value of \$2 million when it is redeveloped.

Captured tax increment revenues will be based on the actual increase in taxable value resulting from the Project and the millage rates levied by the various taxing jurisdictions in the City of South Haven. These figures are shown in the attached Table 2.

3.2 Method of Financing and Description of Advances Made by the Municipality

The BRA will finance the eligible activities with money from the BRA's local site remediation revolving fund.

3.3 Maximum Amount of Note or Bonded Indebtedness

This Plan does not contemplate note or bonded indebtedness.

3.4 Duration of Brownfield Plan

It is estimated that the Project will take approximately 25 years to capture the \$500,000, plus interest, in tax increment revenues needed to provide full reimbursement for the eligible activities. Accordingly, the Plan tax increment capture is estimated to endure until approximately 2043, but in no event will last more than 30 years.

3.5 Local Site Remediation Revolving Fund

The Project will be financed with money from the local site remediation revolving fund.

3.6 Effective Date of Inclusion in Brownfield Plan

The Property will become a part of this Plan on the date that this Plan is approved by the South Haven City Council. Tax capture will commence in 2017 or 2018 as increment revenue becomes available as a result of the Project and the planned redevelopment.

3.7 Displacement/Relocation of Individuals on Eligible Property

There are no persons or businesses on the Property, so no displacement or relocation will occur under this Plan.

4.0 SCHEDULE OF ACTIVITIES

4.1 Schedule

The demolition and initial environmental remediation is scheduled to commence in October 2015 and reach completion in December 2015. However, further environmental testing and remediation may be needed in 2016. The LDFA hopes to then sell the Property to a private developer, with development being completed in 2017.

4.2 Estimated Costs

The estimated costs of completing the eligible activities are provided in the attached Table 1.

4.3 Additional Information

None.

TABLE 1
Summary of Costs for Eligible
Activities

Table 1

Summary of Costs for Eligible Activities

Eligible Activities	Estimated Cost
Demolition	\$ 380,000
Lead and/or Asbestos Abatement	\$ 50,000
Chemical Drum Removal	\$ 30,000
PCB Remediation	\$ 15,000
Brownfield Plan Preparation	\$ 5,000
Interest	\$ 20,000
TOTAL	\$ 500,000

TABLE 2
Tax Capture/Reimbursement
Schedule

Table 2

Available Tax Increments

	Rate	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Original Land and Real Property Taxable Value		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Taxable Value of Development				\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Estimated Increment Available for Reimbursement				\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Local Taxes															
Charter	10.2860	\$0	\$0	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286
Garbage	1.2000	\$0	\$0	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Drug Enforcement	0.6798	\$0	\$0	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680
Library	0.5900	\$0	\$0	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590
Community College	1.7854	\$0	\$0	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785
City Road	1.5813	\$0	\$0	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581
County Operating	4.4719	\$0	\$0	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472
Total Amounts Available	20.5944	\$0	\$0	\$20,594											

Capture & Reimbursement Schedule

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Revolving Fund Reimbursement	\$0	\$0	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594
Principal on Eligible Activities Remaining	\$500,000	\$500,000	\$479,406	\$458,811	\$438,217	\$417,622	\$397,028	\$376,434	\$355,839	\$335,245	\$314,650	\$294,056	\$273,462	\$252,867
Interest Accumulated Per Year*		\$1,250	\$1,250	\$1,199	\$1,147	\$1,096	\$1,044	\$993	\$941	\$890	\$838	\$787	\$735	\$684
Total Balance Remaining (Including Interest)	\$500,000	\$501,250	\$481,906	\$462,510	\$443,062	\$423,563	\$404,013	\$384,411	\$364,758	\$345,053	\$325,297	\$305,489	\$285,630	\$265,719

*Interest calculated at the Federal Funds rate, not to exceed 5%.

Estimated Taxable Value is based on attracting a 20 unit development with assessed value of \$50,000 per unit.

2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
\$0	\$0	\$0											
\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286	\$10,286
\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680	\$680
\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590	\$590
\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785	\$1,785
\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581
\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472	\$4,472
\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594

2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$20,594	\$2,194
\$232,273	\$211,678	\$191,084	\$170,490	\$149,895	\$129,301	\$108,706	\$88,112	\$67,518	\$46,923	\$26,329	\$5,734	\$0	\$0
\$632	\$581	\$529	\$478	\$426	\$375	\$323	\$272	\$220	\$169	\$117	\$66	\$14	\$0
\$245,757	\$225,743	\$205,678	\$185,561	\$165,393	\$145,173	\$124,902	\$104,580	\$84,206	\$63,780	\$43,303	\$22,774	\$2,194	\$0

ATTACHMENT A
Resolution Approving
Brownfield Plan

CITY OF SOUTH HAVEN
VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN

RESOLUTION NO. 2015-___

A RESOLUTION APPROVING A BROWNFIELD PLAN FOR THE OVERTON BUILDING
DEMOLITION AND REDEVELOPMENT PROJECT

Minutes of a regular meeting of the City Council of the City of South Haven, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan 49090 on _____, 2015 at 7:00 p.m. local time.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by Member _____ and supported by Member _____.

WHEREAS, the City of South Haven Brownfield Redevelopment Authority (the "Authority"), has prepared and recommended a Brownfield Plan Amendment for the Overton Building Demolition and Redevelopment Project, attached as Exhibit A (the "Plan"), for approval by the City Council pursuant to Section 13 of the Brownfield Redevelopment Financing Act, 1996 PA 382, as amended MCL 125.2651 et seq. (the "Act"); and

WHEREAS, at least ten days before the meeting at which this resolution was considered, the Authority provided notice to and fully informed all taxing jurisdictions that are affected by the Plan (the "Taxing Jurisdictions") about the Plan's potential effect on their tax revenues; and

WHEREAS, the City Council has previously provided the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Sections 13(13) and 14(1) of the Act; and

WHEREAS, the City Council has made the following determinations and findings:

1. The Plan constitutes a public purpose under the Act;
2. The Plan meets all of the requirements for a Brownfield Plan set forth in the Act;
3. The Plan's proposed method of financing the costs of the eligible activities is reasonable, and the Authority has the ability to arrange the financing;
4. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
5. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable; and

WHEREAS, as a result of its review of the Plan and upon consideration of the views and recommendations of the Taxing Jurisdictions, the City Council desires to approve the Plan.

THEREFORE, BE IT RESOLVED:

1. Plan Approved. Pursuant to the authority vested in the City Commission by the act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Plan is approved in the form attached as Exhibit A to this Resolution.
2. Severability. Should any section, clause or phase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part declared to be invalid.
3. Repeals. All resolutions and parts of resolutions are, to the extent of any conflict with this Resolution, rescinded.

RECORD OF VOTE:

Yeas: _____

Nays: _____

RESOLUTION DECLARED ADOPTED.

Robert G. Burr, Mayor

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council at a meeting held on the ___ day of _____, 2015, at which meeting a quorum was present, and that this resolution was ordered to take immediate effect. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 167 of the Public Acts of Michigan 1976 (MCL 15.261 *et seq*).

Amanda Morgan, City Clerk

ATTACHMENT B

Blight Resolution

CITY OF SOUTH HAVEN
VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN

RESOLUTION NO. 2014-17

A RESOLUTION TO LEVY A SINGLE-LOT SPECIAL ASSESSMENT

Minutes of a regular meeting of the City Council of the City of South Haven, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan 49090 on April 21, 2014 at 7:00 p.m. local time.

PRESENT: Arnold, Fitzgibbon, Gruber, Klavins, Kozlik Wall, Patterson, Burr

ABSENT: None

The following preamble and resolution was offered by Member Patterson and supported by Member Kozlik Wall.

WHEREAS, the City's building inspector determined that the building located at 229 Elkenburg Street (the "Overton Building") is dilapidated and at imminent risk of collapsing, making it a nuisance *per se* under Section 30-91 of the South Haven Code of Ordinances (the "City Code");

WHEREAS, the City's fire inspector determined that the Overton Building is a fire hazard and is imminently dangerous and menacing to public safety, making it a nuisance *per se* under MCL 29.23;

WHEREAS, City Code § 72-18 authorizes the City Council to levy a special assessment against a single parcel of real property to recover an expense incurred by the City that is chargeable to the property owner by law;

WHEREAS, the City Manager made a preliminary determination that the City should construct and install a temporary fence around the Overton Building to abate imminently dangerous nuisance conditions, pursuant to City Code §§ 30-93 and 30-94, if the property owner failed to abate such conditions by April 21, 2014;

WHEREAS, on April 10, 2014, the City sent a notice by first class mail informing the property owner that the City Council would hold a hearing on April 21, 2014, at 7:00 p.m. at City Hall to consider levying a single-lot special assessment in the amount of \$25,000 to recover the cost of constructing and installing a temporary fence; and

WHEREAS, after hearing any persons interested in the proposed levy of the special assessment and giving due consideration to any written objection filed with the City Clerk, the City Council deemed the proposed special assessment to be fair, equitable, just, and proportional to the benefits to be derived by the parcel of land assessed.

THEREFORE, BE IT RESOLVED:

1. The City Manager shall cause a temporary fence to be constructed and installed around the Overton Building as soon as possible in order to abate imminently dangerous nuisance conditions.

2. A special assessment in the amount of \$25,000 is levied against the parcel of real estate located at 229 Elkenburg Street to recover the cost of constructing and installing the temporary fence.
2. This resolution shall be treated as a confirmation of a special assessment roll, pursuant to City Code § 72-18(c).
3. On or before May 1, 2014, the City Treasurer shall send a copy of this resolution by first-class mail to the owner of the property at 229 Elkenburg Street.
4. The special assessment shall be paid to the City Treasurer in a single installment on or before May 16, 2014.
5. If the special assessment is not paid in full by May 16, 2014, the assessment shall be considered delinquent and the City shall collect interest at the rate of 1% per month on any amount that remains unpaid.
6. Pursuant to City Code § 72-11, the special assessment authorized in this resolution shall constitute a lien upon the property located at 229 Elkenburg Street.
7. All resolutions or parts of resolutions in conflict with this resolution are rescinded.

RECORD OF VOTE:

Yeas: Arnold, Fitzgibbon, Gruber, Klavins, Kozlik Wall, Patterson, Burr

Nays: None

RESOLUTION DECLARED ADOPTED.



Robert G. Burr, Mayor

CERTIFICATION

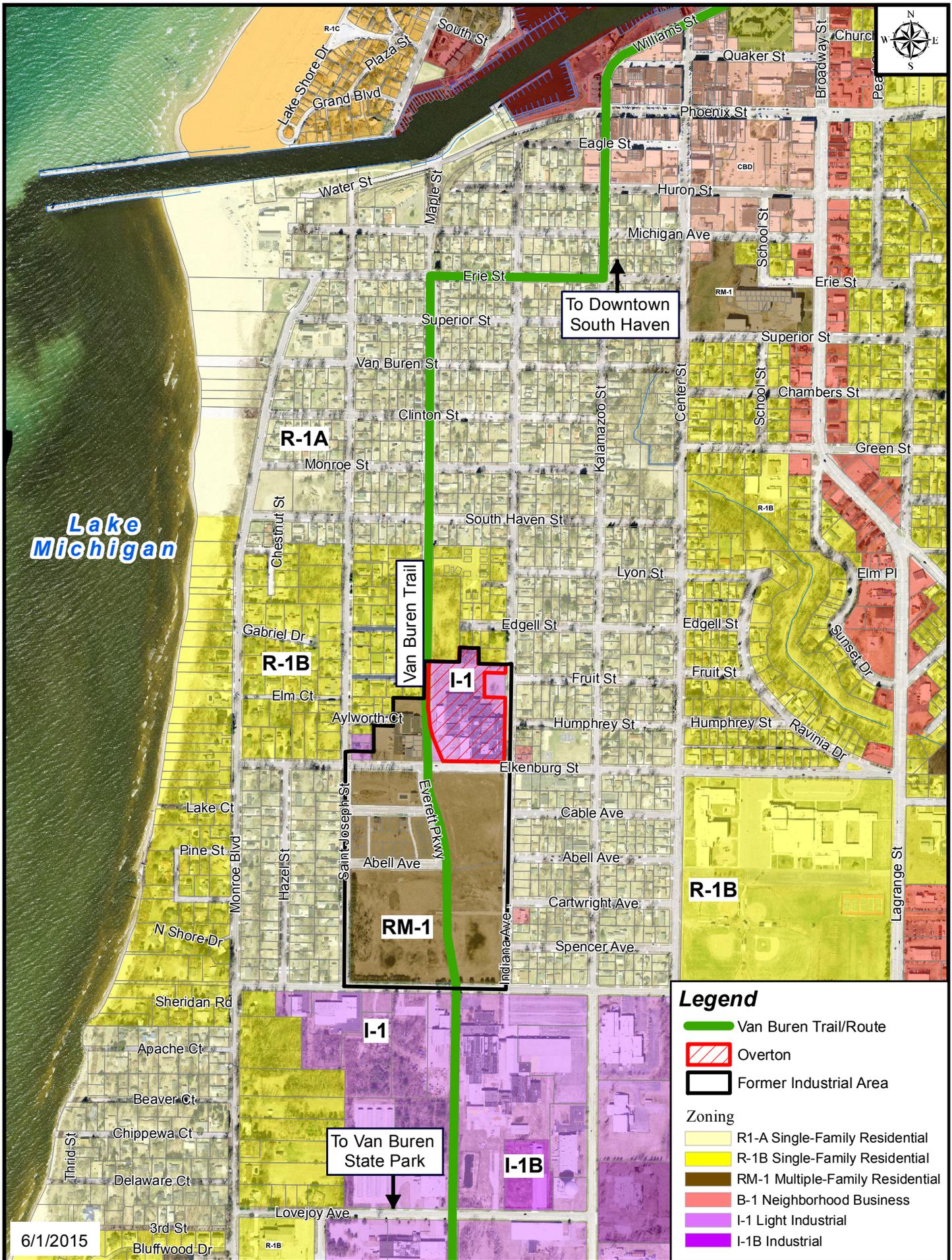
I certify that the foregoing is a true and complete copy of a resolution adopted by the City Council at a meeting held on April 21, 2014.



Amanda Morgan, City Clerk

FIGURE 1

Scaled Property Location Map



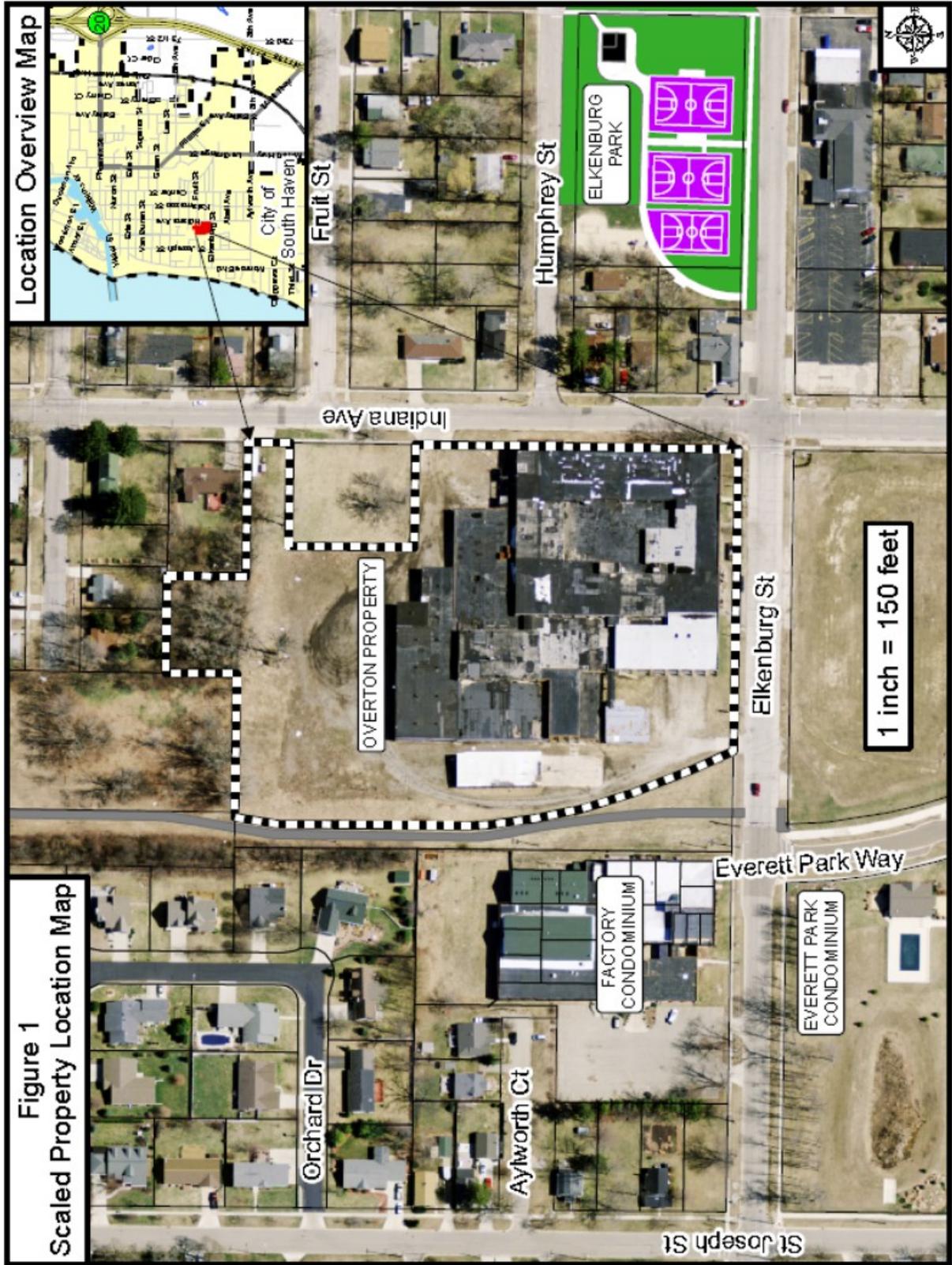


FIGURE 2

Eligible Property Map

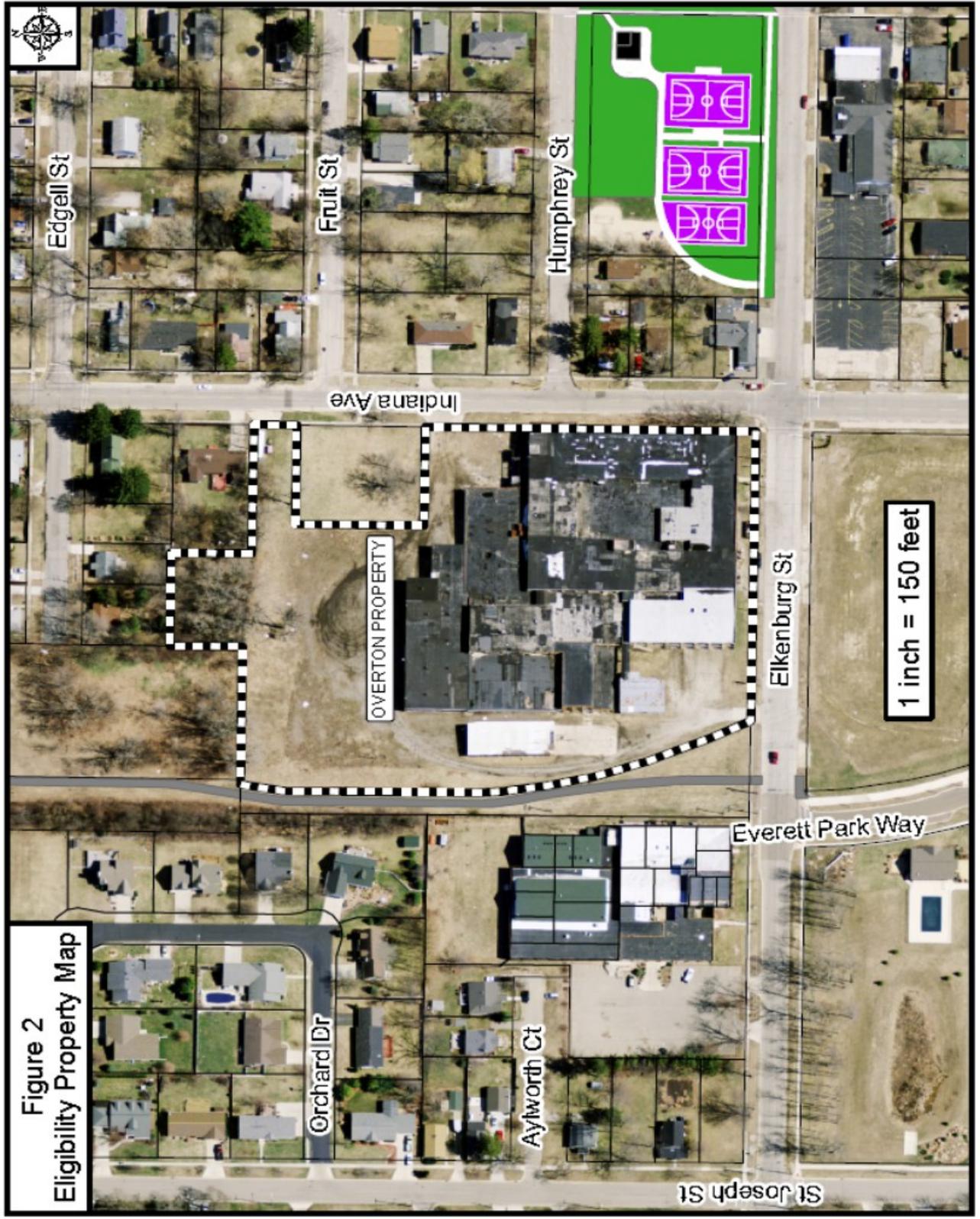


FIGURE 3

Color Site Photographs



