

Lenart anticipates that check going out this month. Lenart will keep the board apprised of the status which could mean a budget adjustment.

E. Budget Approval

Lenart reviewed the budget in detail and after discussion by the board, it was agreed to bring back next month for approval.

F. Economic Luncheon

Lenart reminded the board of the luncheon on Monday, April 5th.

G. Bosal

Ms. Gibb stated that a letter had been directed to the Mayor from Bosal, Inc., indicating that due to the many site constraints, they do not plan to move forward on this project.

H. Personnel Change

Ms. Gibb stated that our Planner I, Jimar Wilson, had resigned to move back to California and we have hired Karen Wieber as a Planning Assistant to assist with the duties of that position.

V. NEXT MEETING

The next meeting is scheduled for May 6, 2004.

I hereby certify that this document is an accurate and true copy of the minutes approved by the Economic Development Corporation and Brownfield Redevelopment Authority on May 6, 2004.

Megan L. Gibb, Secretary, Economic Development
Corporation/Brownfield Redevelopment Authority

Date

application to the State for a single business tax credit. Within the \$1,475,000, there is a significant amount of state dollars, i.e. state education tax and local Ypsilanti Public School Tax which the state reimburses the jurisdiction. Even if we cap it at \$1,500,000, it does not mean that it is all local tax, it still includes a significant state contribution to the project.

Staff met with the State who was concerned about the qualifying SBT credit and what we envisioned is \$1,475,000 TIF capture and whatever costs exceed that amount, would be eligible under the SBT. The Michigan Economic Development Corporation is not interested in such a qualified SBT and would much rather have the applicant apply for a set SBT and they have given us feedback that they would approve a \$500,000 SBT credit based on the City providing up to \$1,500,000 in tax captures. Since this is only a \$25,000 increase in the authorization by the BRA and given the flexibility, staff thought this was a reasonable solution and have recommended a \$1,500,000 cap to City Council and that plan will be considered at the April 6th meeting.

C. Water Street

The City has completed the purchase of 33 parcels from 19 property owners. We have received a signed settlement offer on the Rim property and have a tentative closing date the week of April 5th, 2004. We filed eminent domain proceedings on the Hijazi property and since they did not challenge public necessary, they were not part of our recent court hearings in January but they are contesting the valuation of the property. The next step for this property is to update our appraisal, submit to the property owner, and a settlement is not negotiated, it will go to a jury trial.

Ms. Gibb gave an update on changes with the developer who will be partnering with another builder. They are proposing some changes to unit types which she described. Staff has also applied for an MDEQ Brownfield loan since they just re-opened their grant program.

D. Huron Trade Center

Lenart stated that the good news is that the EDC no longer owns the Huron Trade Center. However, Lenart added that he had been under the impression the EDC increased its balance of EDC funds for TIF capture but he just recently learned that \$17,000 of that fund balance was a security deposit assumed when Brownfield Redevelopment Authority purchased the Huron Trade Center from the Huron Capital Investors. Measurement Inc. moved out quite some time ago in anticipation of the Water Street project. We had reached a settlement with them but they never submitted a request for reimbursement. They are now requesting reimbursement of \$17,000 security deposit and \$8,000 in moving expenses and

**ECONOMIC DEVELOPMENT CORPORATION/
BROWNFIELD REDEVELOPMENT
MEETING MINUTES
APRIL 1, 2004**

I. CALL TO ORDER

The meeting was called to order at 5:11 p.m.

II. ROLL CALL

Present: D. Davis, M. Greff, M. Gibb, B. Furman

Absent: J. Lusk (excused), B. French, R. Smith

Staff: B. Lenart, Redevelopment Coordinator
N. Schuette, Secretary
W. Hamilton, Legal Counsel

III. APPROVAL OF MINUTES

M. Greff moved to approve the minutes of March 4, 2004 (Support: B. Furman) and the motion carried unanimously.

IV. OLD BUSINESS

A. 972 Watling

Lenart stated he had a discussion with Deryl Beasley of the Gateway Community and Economic Development Corporation, who indicated that they would not be able to move this project to be one of their first three houses but they anticipate it could be fourth in their schedule. Lenart asked if it was decided to them with the condition they begin construction by December 2004 and occupied no later than December 2005, if this would be feasible and Mr. Beasley agreed that this time frame would work. The Board agreed that this was acceptable and asked Walter Hamilton, Legal Counsel to draft an agreement for Mr. Beasley to take back to his board defining the start date as the date permit is pulled.

B. Peninsular Park Residential Project

Lenart updated the board on the progress that has occurred since consideration of the Brownfield Plan. The board approved \$1,475,000 capturing cap on tax revenues with the thought that the applicant should supplement any environmental