

**MINUTES
REGULAR MEETING
MICHIGAN INTERNATIONAL TECHNOLOGY CENTER
REDEVELOPMENT AUTHORITY BOARD**

DATE: Monday, July 15, 2024
TIME: 9:00 a.m.
PLACE: Northville Township Hall

1. Call to Order

Chair Heise called the meeting to order at 9:00 a.m.

2. Roll Call

PRESENT: Chair Heise, Vice Chair Abbo, Secretary Heitman, Member Cerny,
and Member Ramanujam

ABSENT: None

3. Approval of the Agenda

Motion by Abbo to approve the Agenda as amended to remove items 5.E and 5.F,
seconded by Cerny.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

4. Approval of Meeting Minutes

Motion by Heitman to approve the Minutes of the April 15, 2024, Regular
Meeting, seconded by Abbo.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

5. New Business

a. 2023 Audit Review – Receive and File the 2023 Audit Review Report

Ms. Wendy Hillman distributed the 2023 audit report prepared by Plante and Moran. The audit, performed in March 2023, reported no issues with MITC's financial statements. Ms. Hillman provided a summary of the 2023 yearend financial results.

Motion by Abbo to receive and file the 2023 audit review report, seconded by Heitman.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

b. Second Quarter 2024 Financial Report

Ms. Hillman provided a summary of the MITC second quarter 2024 financial report. She reported 2024 grant revenue of \$1,644,216 and tax increment revenue of \$19,997 as of June 30, 2024, with general fund expenditures of \$1,644,216 through the second quarter. She also provided updates for the active grants received by MITC.

Ms. Hillman reported that Northville Township is owed \$3,249,670 and Plymouth Township is owed \$175,333 in unreimbursed administrative and infrastructure costs attributed to MITC.

Motion by Abbo to receive and file the Second Quarter 2023 Financial Report, seconded by Ramanujam.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

c. Approval of MITC Parcel 13 Brownfield Plan, Amendment 6 (Verita Project)

Dr. James Harless provided a summary of the MITC Parcel 13 Brownfield Plan, Amendment 6, which added the Verita Telecommunications headquarters project by the Tesoro Property Group, LLC on a portion of MITC Parcel 9 to the MITC brownfield program. The \$11,700,000 project will incur \$1,966,571 in reimbursable eligible costs, of which \$37,500 will be department specific (environmental), \$1,849,071 will be MSF eligible (site preparation and infrastructure improvements), and \$80,000 will be for brownfield plan and Act 381 work plan preparation and implementation.

Motion by Ramanujam to approve the MITC Parcel 13 Brownfield Plan, Amendment 6, seconded by Cerny.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

d. Approval of MITC Parcel 13 Act 381 Work Plan, Amendment 3 for the Verita Project (subject to changes requested by MEDC)

Dr. Harless reported that the MEDC had previously issued a letter in support of the Verita Telecommunications headquarters project. He stated that a draft Parcel 13 Act 381 Work Plan, Amendment 3 for the Verita Telecommunications

headquarters project has been submitted to the MEDC for review, and the initial review was favorable, with minor changes expected.

Dr. Harless requested approval to formally submit the Parcel 13 Act 381 Work Plan, Amendment 3 to after making changes requested by MEDC.

Motion by Abbo to approve the MITC Parcel 13 Act 381 Work Plan, Amendment 3, subject to changes requested by MEDC, seconded by Heitman.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

e. Approval of Budget Amendment #2024-01 Five Mile

Ms. Hillman requested approval of budget amendment #2024-01 Five Mile as a housekeeping measure related to OHM Advisor's contract for managing the Five Mile Road reconstruction project.

Motion by Abbo to approve Budget Amendment #2024-01 Five Mile, seconded by Heitman.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

f. Approval of the Reimbursement Agreement for Toll Northeast V for the Coldwater Ridge Project (subject to changes recommended by MITC legal counsel)

Mr. Steve Mann, MITC's legal counsel, requested approval of MITC's template Reimbursement Agreement to be presented to Toll Northeast V for Coldwater Ridge Project, subject to changes recommended by Mr. Mann.

Motion by Abbo to approve the Reimbursement Agreement for Toll Northeast V for the Coldwater Ridge Project, subject to changes recommended by MITC legal counsel, seconded by Ramanujan.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

6. Brownfield Updates

Dr. James Harless reported that the Act 381 Work Plan, Amendment 2 for the Meijer Inc. project on MITC Parcel 15 is scheduled for MSF approval on July 23, 2024. He

will be working with MEDC to finalize and obtain MSF approval of the MITC Parcel 13 Act 381 Work Plan, Amendment 3 for the Verita project. No Brownfield Plan information has been received from other prospective project developers.

7. MITC Corridor Development Update

a. Update on MITC Parcel Development

Mr. Gary Roberts reported that the Five Mile Road and Ridge Road reconstruction projects and the sanitary sewer upgrade project are proceeding well.

Mr. Roberts also provided the following updates on the redevelopment of MITC parcels:

- Parcel 2 – Zhongding has placed the western 2-3 acres of Parcel 2 on the market for sale to a new developer.
- Parcel 3 – No redevelopment activity reported. The parcel is being used as a temporary materials and equipment staging area for construction projects along Five Mile Road and Ridge Road.
- Parcel 4 – No redevelopment activity reported. Wetlands encroachment has left only approximately 1 acre of usable land on the parcel.
- Parcel 5 – Negotiations are underway with Red Guard, an engineering firm, to acquire the parcel and build an approximately 25,000 square-foot office building.
- Parcel 6 – No redevelopment activity reported, although some developer interest was noted.
- Parcel 7 – Parcel 7 is being redeveloped by Schafer Development and Toll Brothers Homes as the Coldwater Ridge residential neighborhood with approximately 100 single family, attached townhome residences. The developer is in the entitlements process and is negotiating a pre-closing agreement to allow some earthwork to begin.
- Parcel 8 - Schafer Development and Toll Brothers Homes have an option to purchase Parcel 8, where possible future development is hindered by wetlands.
- Parcel 9 (western 27 acres) – Construction of the new Northville Lumber Co. development is nearing completion.
- Parcel 9 (central 15 acres) – Fifteen acres of land adjacent to the Northville Lumber Co. parcel is under contract for sale to Tesoro Group, LLC for the development of a headquarters facility for Verita Telecommunications Corp.
- Parcel 9 (remainder) - A purchase agreement for a 22-acre parcel east of the Tesoro parcel is pending with an out-of-state developer, Scannell. Schafer Development is planning a flex commercial building development on the eastern-most, approximately 6 acres of Parcel 9, but progress is hindered by

the presences of spoils excavated from the adjoining storm water detention basin.

- Parcel 10 – Jones Development has acquired the parcel and is in the process of planning for redevelopment, but the project has been paused for economic reasons.
- Parcel 11 – Northville Downs at Plymouth Township acquired MITC Parcel 11, but the proposed redevelopment has been cancelled, and the parcel is for sale. It is being marketed both as a single property and as individual lots.
- Parcel 12 – The parcel is being marketed for sale by the current owner.
- Parcel 13 – The parcel is being marketed for sale by the current owner.
- Parcel 14 – The Choctaw-Kaul warehouse is complete. Nel Hydrogen has expressed interest in constructing a manufacturing facility on a portion of this parcel. This will be a \$400 million dollar, 500,000 square-foot, electrolysis equipment manufacturing facility supporting the green hydrogen industry. Employment is expected to be approximately 500.
- Parcel 15 – Meijer Inc. has acquired and is redeveloping the northeastern portion of Parcel 15 with a large retail/grocery store and gasoline filling station/convenience store. Several parties, including a light manufacturing company, have expressed interest in other portions of the parcel.

8. Other Business

Chair Heise initiated a discussion about the potential for MITC to establish a Local Brownfield Revolving Fund (LBRF). Dr. Harless explained that the LBRF could be funded with annual contributions from capture tax increment revenues (TIR) during the developer reimbursement period and/or continued TIR capture for up to five years after the developer has been fully reimbursed. The only limitation is that school operating taxes can only be captured for the LBRF in an amount equivalent to the total of reimbursed department specific (environmental) costs.

The decision to capture TIR for the LBRF, and the amount and method of capture, can be made on a project-by-project basis for future projects. The Parcel 13 Brownfield Plan can be amended to extend the capture periods for existing projects up to five years to fund the LBRF, but there may not be enough time between completion of developer reimbursement and the statutory Brownfield Plan termination for a full five years of capture for all projects.

There was general agreement among the MITC board members to establish an LBRF and decide on funding when the Parcel 13 Brownfield Plan is next amended.

Motion by Heise to establish a Local Brownfield Revolving Fund for MITC, seconded by Abbo.

AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

9. MITC Stakeholder Comments

Ms. Barbara Rykwaldler of DTE provided updates on the two components of the project:

Phase I: Napier Road – DTE has started construction of foundations for the Nitro substation, with commissioning expected by the end of 2025.

Phase II: Five Mile Road - DTE is still working on obtaining needed easements and permits. Groundbreaking is scheduled for the second quarter of 2025, with commissioning expected in the second quarter of 2026.

10. Public Comments

No comments were forthcoming.

11. Board Member Comments

Mr. Abbo commented on the gratifying increase in redevelopment activity in the MITC Redevelopment Area compared to just a few years ago.

Chair Heise asked for the status of interactions with the railroad with respect to utility crossings. Mr. Roberts responded that OHM Advisors was handling the issue and making progress. Chair Heise also expressed MITC's and others' willingness to help market MITC Parcel 11.

Chair Heise reported that an additional \$10-12 million in federal funding for MITC infrastructure improves has been requested through Congresswoman Dingell's office.

Mr. Heitman expressed a desire for properties in the MITC Redevelopment Area to be better tended, especially grass cutting, to present a better image for marketing.

Mr. Cerny invited everyone to attend the Jazz Festival to be held at Schoolcraft College.

12. Adjournment

Motion to adjourn by Heitman, second by Abbo.

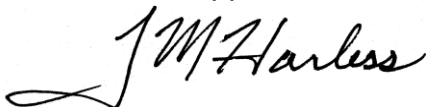
AYES: Heise, Abbo, Heitman, Cerny, and Ramanujam

NAYS: None

Motion Approved

Meeting adjourned at 9:58 a.m.

Minutes approved on October 21, 2024.



James Harless, PhD, CHMM
Recording Secretary