

**HASTINGS LOCAL DEVELOPMENT FINANCE AUTHORITY  
BROWNFIELD REDEVELOPMENT AUTHORITY**  
***January Communication***

**To:** LDFA/BRA Members and Staff  
**From:** Dan King – Community Development Director  
**Date:** January 22, 2021  
**Subject:** Information regarding the January 28, 2021 regular meeting

**\*\*\*\*\*MEETING WILL BE HELD VIA ZOOM – MEETING INSTRUCTIONS PROVIDED\*\*\*\*\***

Staff will give an update on the LDFA land purchase by Affordable Metal, LLC.

The LDFA will be asked to set the meeting schedule for 2021.

As you are aware, AJ Veneklasen (AJV) has a purchase agreement on property located at 128 N. Michigan Avenue (former Moose Lodge site). AJV has presented a 381 Brownfield plan amendment to the City as per the conceptual development agreement with City Council. Acceptance of the plan would require an interlocal agreement between the Downtown Development Authority (DDA) and the Brownfield Redevelopment Authority (BRA) which would transfer DDA tax increment finance capture (TIF) to the BRA. The agreement in the packet is a draft for introduction purposes only. No action is required by the BRA at the meeting. A similar agreement was executed by the DDA and BRA for the Walgreens project in 2013.

Ordinances 594 and 595 have been included in your packet. These ordinances have been included since they both pertain to industrial property. As of today, these ordinances have not been adopted. City Council will be conducting the second reading of both ordinances at the January 25<sup>th</sup> Council meeting so it is likely these will have been adopted by the LDFA/BRA meeting next week.

We hope you all can participate in the Zoom meeting next Thursday.

Respectfully,

Dan King

## NOTICE OF ELECTRONIC MEETING

The Local Development Finance Authority/Brownfield Redevelopment Authority (LDFA/BRA) of the City of Hastings will offer an electronic option through ZOOM for the meeting at **3:00 PM on Thursday, January 28, 2021** in response to the concerns of COVID-19. This is a regular meeting of the LDFA/BRA.

If public would like to participate in the meeting, please join:

Internet:

<https://us02web.zoom.us/j/88973244204?pwd=S1c2cC9vZFILUDdkTURCTk04QWtTUT09>

**Meeting ID: 889 7324 4204**

**Password: 020720**

Telephone

312-626-6799

**HASTINGS LOCAL DEVELOPMENT FINANCE AUTHORITY  
AGENDA**

**Thursday, January 28, 2021**

**MEETING AT CITY HALL**

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1. Call to Order/Roll Call. (Meeting starts at 3:00 p.m.)
2. Pledge to the Flag
3. Approval / Additions / Deletions to Agenda
4. Approval of Minutes
5. Public Hearing
6. Receive Financial Statements
7. Old Business
  - A. Affordable Metal, LLC Purchase Update
8. New Business
  - A. Set 2021 Meeting Schedule
  - B. BRA/DDA Interlocal Agreement Draft Introduction
  - C. Ordinance 594 and 595
  - D. FY 2019 - 2020 LDFA Activity Overview
9. Public Comments and Communications Concerning Items Not on Agenda
10. LDFA Board comments
11. Adjourn

*Local Development Finance Authority (LDFA)*  
**DRAFT Notes**  
**Sept. 24, 2020**  
**City Council Chambers 3 p.m.**

Meeting was called to order at 3:05 p.m. by Haas

A quorum could not be established and Haas, acting as chair, announced that the board would conduct the meeting as information only

**1. Roll Call (Taken for the record)**

Present: Gibson, Haas, Tossava, Westerveld  
Absent: Cowan, Neil, Krueger, Warren  
Others Present: King, Ponsetto, Resseguie

**2. Pledge of Allegiance**

**3. Approval of the Agenda**

Chairman ascertained that board members present did not have questions concerning the agenda as presented

**4. Approval of Minutes**

Due to the absence of a quorum, approval of the minutes of the February 27, 2020 meeting of the LDFA was deferred to the next full meeting of the LDFA

**5. Public Hearing-** None

**6. Receive Financial Statements –**

King gave a brief overview of the financial statement included in the board packet

**7. Old Business-**

**A. Enterprise Drive Marketing Update-**

King said that, Pat Doezema of Greenridge Realty has had two companies contact her regarding the possibility of relocating their businesses to the Industrial Park

**B. Prein and Newhof Conceptual Plan Cost Update-**

King gave the board information about the cost of potentially updating the conceptual plan

**8. New Business –**

**A. Election of Officers-**

Due to the absence of a quorum, the election of officers was deferred to the next full meeting of the LDFA

**B. BRA Grants in the City of Hastings-**

King said that businesses outside of Hastings are once again looking at Hastings and there is grant money available for projects that meet the criteria; he said that he is conveying to interested parties that the LDFA is willing to lend any support they can to ensure success

**9. Public Comments and Communications Concerning Items Not on the Agenda –**

None

**10. LDFA Members Comments –**

Haas announced that the next meeting of the LDFA would be held at 3 p.m. Thursday, Oct. 22; location to be announced

**11. Adjournment-**

Meeting was concluded at 3:43 p.m.

Marjorie Haas

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Secretary/Acting Chair

Prepared by: Sandra Ponsetto, City of Hastings

*Local Development Finance Authority (LDFA)*  
**DRAFT Minutes**  
**October 22, 2020**  
**City Council Chambers 3 p.m.**

Meeting was called to order at 3:07 p.m. by Neil

**1. Roll Call**

Present: Gibson, Haas, Tossava, Neil, Krueger, Cowan

Absent: Warren, Westerveld

Others Present: King, Resseguie

**2. Pledge of Allegiance**

**3. Approval of the Agenda**

Motion by Gibson with support from Tossava to approve the agenda as presented.

All ayes, motion carried.

**4. Approval of Notes**

Motion by Gibson with support from Cowan to approve the notes as presented.

All ayes, motion carried.

**5. Public Hearing-** None

**6. Receive Financial Statements –**

King gave a brief overview of the financial statement included in the board packet.

**7. Old Business- None**

**8. New Business –**

**A. Election of Officers-**

Nomination of officers was opened by Neil. Nominations were received for Neil and Chair, Cowan as Vice Chair, and Haas as Secretary.

Motion by Neil, supported by Haas, to close the nominations.

All ayes, motion carried.

Motion by Tossava with support from Gibson to approve the nominated slate of officers.

Ayes: Cowan, Gibson, Haas, Krueger, Neil, Tossava

Nays: None

Absent: Warren and Westerveld

## **B. Review of Real Estate Purchase Agreement**

King explained Pat Doezema from Greenridge Realty received a signed purchase agreement from Don Smith of Affordable Metals for the purchase of a two-acre parcel of LDFA property. The parcel represents a northern section of the “Bliss” triangle. Mr. Smith intends to construct a building to house his fabrication and sales office/showroom on the parcel. Mr. Smith currently operates his business in an adjoining township.

Motion by Tossava with support from Haas to approve the acceptance of the purchase agreement and forward to City Council with an approval recommendation.

Ayes: Cowan, Gibson, Haas, Krueger, Neil, Tossava

Nays: None

Absent: Warren and Westerveld

All ayes, motion carried

King presented the cost of the survey from Reynolds Heritage Land Surveying of \$1,500 and title insurance costs estimated at \$800.

Motion by Haas with support from Cowan to approve both expenditures.

Ayes: Cowan, Gibson, Haas, Krueger, Neil, Tossava

Nays: None

Absent: Warren and Westerveld

All ayes, motion carried

## **9. Public Comments and Communications Concerning Items Not on the Agenda –**

None

## **10. LDFA Members Comments –**

King informed the LDFA that Andrew Courtright of TriFit will address the Planning Commission at the November 2, 2020 meeting requesting adding fitness centers as a

permitted use in the D-1 and D-2 Industrial District. Mr. Courtright is interested in acquiring property in the LDFA District to relocate his fitness center due to the need for expansion of his facility.

**11. Adjournment-**

Meeting was concluded at 3:37 p.m.

Clint Neil

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Chair

Marjorie Haas

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Secretary

Prepared by: Dan King, City of Hastings



<b>LDFA Budget 2020/2021</b>					
				12.01 - 12.31	
<b>Revenue</b>		Budget	Previous Periods	Current Period	YTD
250-100-404-000	Tax Capture	\$16,000.00			\$14,837.91
			\$14,837.91		
250-100-573-000	LCSA Share	\$10,200.00			\$11,350.91
			\$11,350.91		
250-100-667-000	Rentals	\$5,000.00	\$2,565.00	\$270.00	\$2,835.00
250-100-665-000	Investment/Interest	\$4,000.00	\$219.06	\$23.05	\$242.11
250-100-693-000	Sale of Capital Assets	\$0.00			\$0.00
<b>Total Revenues</b>		\$35,200.00	\$28,972.88	\$293.05	\$29,265.93
<b>Expenditures</b>					
250-728-751-000	Supplies	\$100.00			\$0.00
250-728-803-000	Administrative Services	\$2,200.00	\$2,200.00		\$2,200.00
250-728-807-000	Contractual Services	\$0.00			\$0.00
250-728-867-000	Title Fees/Insurance	\$3,000.00			\$0.00
250.728.869.000	Survey Services	\$2,000.00			\$0.00
250-728-879-020	Website	\$250.00			\$0.00
250-728-915-000	Memberships	\$300.00			\$0.00
250-728-920-000	Electric	\$450.00	\$242.26	\$43.51	\$285.77
250-728-929-000	Grounds Repair/Maintenance	\$1,500.00			\$0.00
250-728-955-000	Promotions/Marketing	\$2,000.00			\$0.00
<b>Total Charges and Services</b>		\$11,800.00	\$2,442.26	\$43.51	\$2,485.77
<b>Capital Outlay</b>					
250-728-971-000	Land	\$70,000.00			\$0.00
<b>Total Exp. &amp; Cap Outlay</b>		\$81,800.00	\$2,442.26	\$43.51	\$2,485.77
<b>Net Increase (Decrease)</b>		(46,600.00)			26,780.16

## INTERLOCAL AGREEMENT

BETWEEN THE CITY OF HASTINGS DOWNTOWN DEVELOPMENT AUTHORITY AND THE  
CITY OF HASTINGS BROWNFIELD REDEVELOPMENT AUTHORITY TO IMPROVE  
PROPERTY COMMONLY LOCATED AT 128 N. MICHIGAN AVENUE IN HASTINGS  
MICHIGAN, CONSISTING OF ONE (1) PARCEL PRESENTLY KNOWN AS THE HASTINGS  
MICHIGAN AVE, LLC DEVELOPMENT PROJECT

THIS INTERLOCAL AGREEMENT (the "Agreement") dated \_\_\_\_\_,  
2021, is entered into between the **CITY OF HASTINGS DOWNTOWN DEVELOPMENT  
AUTHORITY** (the "DDA"), whose address is 201 E. State Street, Hastings, Michigan 49058; and  
the **CITY OF HASTINGS BROWNFIELD REDEVELOPMENT AUTHORITY** (the  
"BRA"), whose address is 201 E. State Street, Hastings, Michigan 49058. The DDA and the BRA  
shall be referred to, collectively, as the "Parties".

**WHEREAS**, the Urban Cooperation Act, Public Act 7 of 1967 ("Act 7") provides that a  
public agency may enter into interlocal agreements with other public agencies to exercise jointly  
any power, privilege, or authority that the agencies share in common and that each might exercise  
separately, and allow for the allocation of certain taxes or money received from tax increment  
financing plans as revenues; to permit tax sharing; and to provide for the imposition of certain  
surcharges; and

**WHEREAS**, the DDA is an authority established pursuant to Act 197 of the Public Acts  
of 1975, as amended ("Act 197"); and

**WHEREAS**, the BRA is an authority established pursuant to Act 381 of the Public Acts  
of 1996, as amended ("Act 381"); and

**WHEREAS**, the DDA and BRA are each considered a "public agency" under Act 7; and

**WHEREAS**, the Property does constitute eligible property for the purpose of such capture  
of tax increment revenues; and

**WHEREAS**, the BRA has the authority to reimburse the cost of “Eligible Activities” and other reimbursable costs through the capture “Tax Increment Revenue” on “Eligible Property” pursuant to and as described in Act 381; and

**WHEREAS**, the DDA has the authority to pay for certain eligible activities and capture tax increment revenues generated by the levy of certain taxes on eligible property pursuant to and as described in Act 7; and

**WHEREAS**, Hastings Michigan Ave, LLC (“Developer”) has completed a Brownfield Plan (the “Brownfield Plan”), which is included with this Agreement as Attachment A, for redevelopment of certain property (the “Property”); and

**WHEREAS**, the DDA and the BRA now wish to enter into this Agreement to transfer the tax increment revenues, which are generated by the redevelopment of the Property located at 128 N. Michigan Avenue in Hastings, Michigan, consisting of one (1) parcel and subject to capture by the DDA pursuant to Act 197, be transferred to the BRA for reimbursement of Act 381 “Eligible Activities” and any other reimbursable costs pursuant to the Brownfield Plan, and

WHEREAS the Boards of the BRA (\_\_\_\_\_, 2021) and DDA (\_\_\_\_\_, 2021) have respectively approved the contents of this agreement and authorized the signatures contained herein.

**NOW THEREFORE**, the DDA and BRA agree to the following:

1. **Transfer and Use of Tax Increment Revenues.** Only upon affirmative vote by the BRA and the City of Hastings City Council approving the Brownfield Plan shall the tax increment revenues captured by the DDA that are generated by redevelopment of the Property be transferred to the BRA within 30 days of receipt, so BRA can reimburse approved costs pursuant to the Brownfield Plan and in accordance with Act 381.

2. **Limitation to Tax Increment Revenues from the Property.** The DDA shall transfer to the BRA one hundred percent (100%) of the DDA's capturable new tax increment revenues generated by the Property to reimburse approved eligible costs identified in the approved Brownfield Plan and any further amendments, which are authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues generated by the Property shall be captured by the DDA as authorized by Act 197.

3. **BRA as Agent under This Agreement and Development or Reimbursement Agreements.** The Parties designate the BRA as the agent to enforce the terms under this Agreement, any development or reimbursement agreement, and disbursement of all tax increment revenues generated by the Property until such time as all obligations and terms of the approved Brownfield Plan have been satisfied.

4. **Limitation to Tax Increment Revenues from Property.** The DDA and BRA shall only use tax increment revenues generated by the identified "Eligible Property" to pay for approved Eligible Activity costs and other uses authorized by Act 381 and the approved Brownfield Plan, and neither party shall be required to use other revenues generated by virtue of other properties or projects other than for the identified Eligible Property. Upon conclusion or dissolution of the Brownfield Plan, all eligible tax increment revenues generated by the Eligible Properties shall be captured by the DDA as pursuant to the DDA's Downtown Development and Tax Increment Financing Plan, hereafter referred to as the "DDA Plan". This Agreement does not affect those tax incremental revenues that the BRA can receive which are not subject to capture by the DDA. Furthermore, this Agreement does not affect incremental taxes collected from those Property parcels that the BRA can receive solely which are not subject to capture by the DDA.

5. **Effective Date.** The Agreement shall take effect upon its approval by the Hastings City Council following the approval by the DDA and BRA boards, and execution by their authorized representatives, and subsequent filing with the Barry County Clerk and Secretary of State of the State of Michigan, as required by Act 7.

6. **Severability.** To the extent that any provisions contained in this Agreement are deemed unenforceable, to the extent possible the remaining terms shall remain in effect.

7. **Term.** The parties agree that the transfer of tax increment revenue from the Property to reimburse approved costs pursuant to Act 381 shall begin once tax increment revenues are collected from the Property, which will only occur after official approval of the Brownfield Plan by the City of Hastings City Council and as outlined in the Brownfield Plan. This Agreement extends until all obligations under this Agreement are met, but in no case shall it extend past December 31, 2038.

The DDA and the BRA, by their authorized representatives, have executed this Agreement on the dates set forth below.

**Witness:**

\_\_\_\_\_

CITY OF HASTINGS DOWNTOWN  
DEVELOPMENT AUTHORITY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Witness:**

\_\_\_\_\_

CITY OF HASTINGS BROWNFIELD  
REDEVELOPMENT AUTHORITY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**City of Hastings**  
COUNTY OF BARRY, STATE OF MICHIGAN

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**ORDINANCE NO. 594**

AN ORDINANCE TO AMEND CHAPTER 90 OF THE HASTINGS CODE OF 1970, AS AMENDED, TO **ADD THE DEFINITION OF COMMERCIAL RECREATIONAL FACILITIES TO SECTION 90-1 AND AMEND SECTION 90-472 BY ELIMINATING CURRENT SUBSECTION (d) AND REPLACE SUBSECTION (d) BY ADDING COMMERCIAL RECREATIONAL FACILITIES AND AMEND SECTION 90-483 BY ELIMINATING SUBSECTION (b).**

*As recommended by the Planning Commission 01-04-2021*

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**THE CITY OF HASTINGS ORDAINS:**

**SECTION I.**

Chapter 90 of the Hastings Code of 1970 is hereby amended to add the definition of commercial recreational facilities to Section 90-1. **Additions/Amendments in bold**

**Commercial Recreational Facilities means indoor or outdoor commercial recreational facilities such as athletic and health clubs, bowling centers, indoor theaters, skating rinks, miniature golf, video amusement establishments, pool or billiard establishments or similar uses.**

Chapter 90 of the Hastings Code of 1970 is hereby amended to **amend Section 90-472 by eliminating current subsection 90-472 (d) and replace subsection 90-472 (d) with Commercial Recreational facilities.** (Current text in *italics* below, additions or amendments in **Bold**, and ~~strikethrough~~ for proposed deletions)

**Sec 90-472 Permitted Uses**

Land and structures in the B-1 zoning district may be used for the following purposes only:

- a) *Any generally recognized retail business that supplies commodities on the premises within a completely enclosed building, such as but not limited to foods, drugs, liquor, furniture, clothing, dry goods, appliances or hardware.*
- b) *Any personal service establishment that performs services on the premises within a completely enclosed building, such as but not limited to repair shops (watches, radio, television, shoe, etc.), tailor shops, beauty parlors, barbershops, interior decorators and photographers.*

- c) *Restaurant, tavern or catering establishment.*
- d) ~~*Theater, bowling alley, pool or billiard parlor or similar commercial recreation establishment.*~~ **Commercial Recreational Facilities**

Chapter 90 of the Hastings Code of 1970 is hereby amended to **amend Section 90-483 by eliminating subsection (b)**. (Current text in *italics* and strikethrough for proposed deletions):

### **Sec 90-483 Permitted Uses**

*Land and structures in the B-2 zoning district may be used for the following purposes only:*

- a) *Any use permitted as a matter of right in the B-1 zoning district, except a residential use is not permitted.*
- b) ~~*Indoor or outdoor commercial recreation facilities such as bowling centers, indoor theaters, skating rinks, racquet clubs, miniature golf, video amusement establishments, pool and billiard establishments or similar uses.*~~
- c) *Mortuaries or funeral homes.*
- d) *Retail building supply and equipment stores.*
- e) *Retail nurseries and garden centers.*
- f) *Printing, lithography, publishing and photocopy establishments.*
- g) *Building contractors such as painters, plumbers, electrical, cement, heating and air conditioning, fencing, and similar uses provided that any materials or equipment kept outside shall be screened from the view of nearby properties and roadways.*
- h) *Laboratory, medical or dental.*
- i) *Ambulance service establishments.*

## **SECTION II.**

If any article, section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

**SECTION III.**

This ordinance shall become effective upon its adoption and publication as provided by City Charter.

YEAS:  
NAYS:  
ABSENT:

**CITY OF HASTINGS**

Adoption Date:  
Effective Date:  
First Reading: 01-11-2021  
Second Reading: 01-25-2021

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By: Jane M. Saurman  
Hastings City Clerk

**CERTIFICATE**

The undersigned, being the duly qualified and acting Clerk of the City of Hastings, Michigan, does hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the City Council of the City of Hastings, at a regular meeting of the City Council on the    day of    at which meeting a quorum was present and remained throughout, and that the original of said Ordinance is on file in the records of the City of Hastings. I further certify that the meeting was conducted and public notice was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

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Jane M. Saurman  
City Clerk



**ORDINANCE NO. 595**

AN ORDINANCE TO AMEND CHAPTER 90 OF THE HASTINGS CODE OF 1970, AS AMENDED, BY AMENDING THE FOLLOWING: ARTICLE 90 - VI, DIVISION 90 – VI – 14 D1 INDUSTRIAL DISTRICT, BY **AMENDING SECTION 90-553 (F)**

*As recommended by the Planning Commission on 01-04-2021*

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**THE CITY OF HASTINGS ORDAINS:**

**SECTION I.**

Section 90-553 (f) is hereby amended to Chapter 90 - VI, Article 90 - VI, Division 90 – VI - 14 of the Hastings Code of 1970, as amended, to read as follows: (Additions/amendments in **bold**, existing text in *italics*).

**Sec 90-553 Special Uses**

*The following uses may be permitted as special land uses in the D-1 district subject to the applicable general and specific requirements of article XIII of this chapter:*

- a) Open-air businesses, including but not limited to the sale of motor vehicles, farm implements, lawn and garden equipment sales and service, motor homes, mobile or modular homes, and similar uses.*
- b) Contractor yards for construction equipment such as bulldozers, backhoes and dump trucks, provided all such equipment and vehicles are stored indoors or otherwise well screened from view of surrounding properties and roadways.*
- c) Antennas and towers exceeding a height of 35 feet.*
- d) Gas stations with or without vehicle repair facilities and with or without retail sales of food, beverages and miscellaneous convenience items.*
- e) Noncommercial parks, playgrounds and playfields.*
- f) Commercial Kennels **as regulated by Section 90-1083 subsection (c).***

**SECTION II.**

If any article, section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

**SECTION III.**

This ordinance shall become effective upon its adoption and publication as provided by City Charter.

Moved by , with support by , that **Ordinance No. 595** be adopted as read.

YEAS: None  
NAYS: None.  
ABSENT: None.

**CITY OF HASTINGS**

Adoption Date:  
Effective Date:  
First Reading: 01-11-2021  
Second Reading: 01-25-2021

\_\_\_\_\_  
By: Jane M. Saurman  
Hastings City Clerk

**CERTIFICATE**

The undersigned, being the duly qualified and acting Clerk of the City of Hastings, Michigan, does hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the City Council of the City of Hastings, at a regular meeting of the City Council on the day of 2020, at which meeting a quorum was present and remained throughout, and that the original of said Ordinance is on file in the records of the City of Hastings. I further certify that the meeting was conducted and public notice was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

Dated: \_\_\_\_\_  
Jane M. Saurman  
City Clerk



City of *Hastings* Michigan

(269) 945-2468  
FAX (269) 948-9544

201 E. State Street 49058

**CITY OF HASTINGS LOCAL DEVELOPMENT FINANCE AUTHORITY  
ACCOMPLISHMENTS, PROJECTS, INVESTMENTS, AND AUTHORITY EVENTS FOR  
FISCAL YEAR 2019-2020**

- July 2019 – Approved \$520 to Reynolds Heritage Land Survey for the survey of property Co-Dee Stamping planned to purchase from the LDFA
- July 2019 – Approved up to \$2,000 to brush hog parcels north of Enterprise Dr.
- October 2019 – Approved \$2,000 to support BCAN in 2020
- November 2019 – Set 3 p.m. on the fourth Thursday of each month as the meeting date for the LDFA
- January 2020 – Approved the offer of \$30,000 for the purchase of property on E. State St., subject to approval by City Council
- January 2020 – Approved up to \$4,900 to Reynold’s Heritage Land Survey to correct discrepancies in the legal descriptions of LDFA properties