



**LOCAL DEVELOPMENT
FINANCE AUTHORITY**

AGENDA

**Regular Meeting: Tuesday, November 10, 2020 - 2:00 p.m. –
Virtual Meeting via Zoom due to COVID-19 pandemic**

CALL TO ORDER

ROLL CALL

Chairman Dotson _____
VACANT _____
Leonard Armstrong _____
Chuck Covington _____
Scott Medlen _____
Supervisor McNamara _____

Doug Peters _____
John Delaney _____
James Williams _____
Sara Cortese _____
David Schreiber _____

Acting Recording Secretary Murphy _____

APPROVAL OF AGENDA:

APPROVAL OF MINUTES:

1. Regular Meeting: September 8, 2020

CORRESPONDENCE:

PUBLIC COMMENT:

UNFINISHED BUSINESS:

1. Marketing/Community Outreach Update

NEW BUSINESS:

1. 2020 Amended/ 2021 Proposed LDFA Budget
2. 2021 LDFA Meeting Schedule

NON-AGENDA ITEMS:

ADJOURNMENT:

CLOSED SESSION:

ADJOURNMENT:

If you are unable to attend this meeting, please notify Secretary Grishaber at 734.699.8913

**CHARTER TOWNSHIP OF VAN BUREN
LOCAL DEVELOPMENT FINANCE AUTHORITY
MEETING MINUTES
TUESDAY, SEPTEMBER 8, 2020**

To mitigate the spread of COVID-19, protect the public health, and provide essential protections to Van Buren Township residents; the meeting was called to order by Chairman Dotson at 2:10 p.m. via Virtual Meeting (Zoom):

ROLL CALL:

Present: Michael Dotson (Chairman), Scott Medlen, Leonard Armstrong, James Williams, Sara Cortese, John Delaney and Kevin McNamara (Township Supervisor)

Absent: Charles Covington (excused), J. Doug Peters (Vice Chairman) (excused) and David Schreiber (Wayne County Rep) (excused)

Staff: Dan Selman (Executive Assistant), Deanna Murphy (Acting Recording Secretary) and Alysha Albrecht (Moderator/Communications Specialist)

Additional Present: None

APPROVAL OF AGENDA:

Motion by Delaney, supported by Medlen to approve the Regular Meeting Agenda of September 8, 2020 as presented. Motion Carried.

APPROVAL OF MARCH 11, 2020 MEETING MINUTES:

Motion by Supervisor McNamara, supported by Delaney to approve the regular Meeting Minutes of March 11, 2020 as presented. Motion Carried.

CORRESPONDENCE:

None.

PUBLIC COMMENT:

None.

UNFINISHED BUSINESS:

1. Marketing/Community Outreach Update

Mr. Selman explained that there is no discussion regarding community outreach or marketing potential at this time due to the State's Executive Order by shutting everything down.

LDFA member Delaney confirmed that he, Chairman Dotson and LDFA member Covington have not had an opportunity to meet since the March 11th meeting due to the shutdown.

Chairman Dotson added that it may be advisable regarding future meetings, marketing and outreach activities that this Board seeks the assistance from the Township's Communications Department. He further suggested that they organize subcommittee meetings through ZOOM because he does not foresee any changes on how we conduct business in the near future.

NEW BUSINESS:

1. Informational Meeting in Accordance with Public Act 57 of 2018 (Recodified Tax Increment – 2019 Synopsis).

Mr. Selman explained per Public Act 57, the LDFA is required to hold two public informational meetings each year. This is the second meeting and includes the Recodified Tax Increment – 2019 Synopsis that was approved earlier this year. In summary:

- The primary focus of the LDFA at this time is the payment of the debt obligations as a result of those public improvements. Due to economic conditions, the LDFA will not capture significant tax revenue to cover scheduled debt service and due to the shortfall, which occurred on 10/01/19, the LDFA was loaned \$700,000 on 09/4/19 by the Township to assist with bond payment.
- The LDFA will continue to pursue legal action against the original developer pursuant to the shortfall.

2. Draft 2020 Budget

Mr. Selman presented a draft 2020 budget created by Deputy Treasurer Sean Bellingham and highlighted the addendum memo dated 9/02/2020 regarding LDFA Loan Agreement Update.

In accordance with the Loan Agreement, the Township will notify the LDFA that they are prepared make the payment on behalf of the LDFA each year until the loan obligation is fulfilled.

Mr. Selman explained that the LDFA's 2020 Budget will be brought to the next LDFA Board meeting for approval after the Township Board officially approves the overall budget that includes all special revenues which includes the LDFA.

NON-AGENDA ITEMS:

LDFA member Delaney wanted it noted that they have not forgotten about 9/11 but wanted to hold off on the event this year due to COVID-19 and he would like to start planning at the beginning of 2021 an event at Grace Lakes to include all of our first responders (Huron Valley Ambulance, Fire Department, Police Department, etc.) at the remembrance ceremony.

Chairman Dotson added that we should also include and honor hospital staff working tirelessly on our front line during this pandemic.

ADJOURNMENT:

Motion by Delaney, supported by Medlen to adjourn the meeting at 2:32 p.m. Motion Carried.

Respectfully submitted,

Deanna Murphy
Recording Secretary

Calculations as of 12/31/2020

GL NUMBER	DESCRIPTION	2019	2020	2020	2020	2021
		ACTIVITY	ORIGINAL BUDGET	ACTIVITY THRU 12/31/20	PROJECTED ACTIVITY	DIRECTOR REQUESTED BUDGET
ESTIMATED REVENUES						
Dept 000						
251-000-403-000	Property Tax Capture	688,694.08	685,000.00	687,055.87	687,000.00	685,000.00
251-000-573-000	Local Comm Stabilization Share Ap	89,620.56	75,000.00	95,334.46	95,000.00	95,000.00
251-000-664-000	Interest Income	2,886.94		465.19	500.00	
Totals for dept 000 -		781,201.58	760,000.00	782,855.52	782,500.00	780,000.00
TOTAL ESTIMATED REVENUES						
		781,201.58	760,000.00	782,855.52	782,500.00	780,000.00

Calculations as of 12/31/2020

GL NUMBER	DESCRIPTION	2019 ACTIVITY	2020 ORIGINAL BUDGET	2020 ACTIVITY THRU 12/31/20	2020 PROJECTED ACTIVITY	2021 DIRECTOR REQUESTED BUDGET
APPROPRIATIONS						
Dept 000						
251-000-702-000	Director Salary	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
251-000-703-000	Secretary	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
251-000-705-000	Employee Wage - Administrative	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
251-000-719-000	Fringes	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
251-000-801-000	Auditing/Accounting	4,325.00	5,000.00	4,325.00	5,000.00	5,000.00
251-000-802-000	Attorney Fees	35,955.51	50,000.00	25,327.43	50,000.00	50,000.00
251-000-803-000	Consultant	1,100.00	1,000.00	1,100.00	1,000.00	1,000.00
251-000-956-000	Other		2,000.00		2,000.00	2,000.00
251-000-994-000	Bond Principal Payment	1,575,000.00	1,970,000.00	1,970,000.00	1,970,000.00	2,085,000.00
251-000-995-000	Interest Expense	502,077.84	411,206.00	411,206.26	411,206.00	332,106.00
251-000-996-000	Paying Agent Fees	500.00	500.00		500.00	500.00
Totals for dept 000 -		2,126,958.35	2,447,706.00	2,419,958.69	2,447,706.00	2,483,606.00
TOTAL APPROPRIATIONS						
		2,126,958.35	2,447,706.00	2,419,958.69	2,447,706.00	2,483,606.00
NET OF REVENUES/APPROPRIATIONS - FUND 251						
		(1,345,756.77)	(1,687,706.00)	(1,637,103.17)	(1,665,206.00)	(1,703,606.00)
		-172.27%	-222.07%	-209.12%	-212.81%	-218.41%
BEGINNING FUND BALANCE						
		784,263.81	(561,492.96)	(561,492.96)	(561,492.96)	(2,226,698.96)
ENDING FUND BALANCE						
		(561,492.96)	(2,249,198.96)	(2,198,596.13)	(2,226,698.96)	(3,930,304.96)




Charter Township of Van Buren

BOARD OF TRUSTEES

SUPERVISOR Kevin McNamara	CLERK Leon Wright	TREASURER Sharry A. Budd	
TRUSTEE Sherry A. Frazier	TRUSTEE Kevin Martin	TRUSTEE Reggie Miller	TRUSTEE Paul D. White

TO: LDFA Chairman Dotson

FROM: Sean Bellingham, Deputy Treasurer 

SUBJECT: Local Development Finance Authority (LDFA) Loan Agreement Update

DATE: September 2, 2020

In accordance with the loan agreement between the Township and the LDFA, \$900,000 was loaned to the LDFA in March, 2020. An additional \$800,000 was loaned to the LDFA in September, 2020. These "advances" were necessary to meet the bond obligations due on April 1 and October 1. Going forward the advances will be made on these dates each year, until the bond obligation is fulfilled.

As detailed in the loan agreement, the LDFA has agreed to pay interest on the Township's shortfall payments until they are reimbursed at an annual interest rate equal to the average interest rate that the Township is earning on the investment of its general fund monies. Attached is a spreadsheet detailing the running total of the loan, including accrued interest.

Attachment.



LDFA					
"Advance" Detail					
<u>Month / Year</u>	<u>Loan Amount</u>	<u>Comerica Interest Rate</u>	<u>Interest</u>	<u>Interest Accrual</u>	<u>Total with Interest</u>
				-	
September-19	700,000.00	1.915%	1,117.08	1,117.08	701,117.08
October-19	700,000.00	1.752%	1,022.00	2,139.08	702,139.08
November-19	700,000.00	1.513%	882.58	3,021.67	703,021.67
December-19	700,000.00	1.457%	849.92	3,871.58	703,871.58
January-20	700,000.00	1.406%	820.17	4,691.75	704,691.75
February-20	700,000.00	1.393%	812.58	5,504.33	705,504.33
March-20	1,600,000.00	1.180%	1,573.33	7,077.67	1,607,077.67
April-20	1,600,000.00	0.719%	958.67	8,036.33	1,608,036.33
May-20	1,600,000.00	0.319%	425.33	8,461.67	1,608,461.67
June-20	1,600,000.00	0.180%	240.00	8,701.67	1,608,701.67
July-20	1,600,000.00	0.180%	240.00	8,941.67	1,608,941.67
August-20	1,600,000.00	0.180%	240.00	9,181.67	1,609,181.67
September-20	2,400,000.00	0.180%	360.00	9,541.67	2,409,541.67



VAN BUREN
CHARTER TOWNSHIP

**LOCAL DEVELOPMENT FINANCE
AUTHORITY
2021 REGULAR MEETING SCHEDULE**

Local Development Finance Authority Meetings are held on the 2nd Tuesday of every other month at 2:00 p.m. Meetings will take place either virtually via Zoom (dependent on Open Meetings Act guidelines due to Covid-19) or in the Denton Room at Van Buren Township Hall, 46425 Tyler Road, Van Buren Township, MI. 48111.

January 12, 2021

March 9, 2021
(Informational Meeting per PA 57)

May 11, 2021

July 13, 2021

September 14, 2021
(Informational Meeting per PA 57)

November 9, 2021

In compliance with the Americans with Disabilities Act, reasonable accommodations will be made available with advance notice.

For more information, please call: 734.699.8909