

**CHARTER TOWNSHIP OF VAN  
BUREN LOCAL DEVELOPMENT  
FINANCE AUTHORITY AGENDA**

*Regular Meeting: Tuesday, January 10, 2023 2:00 p.m.*

*Location: 46425 Tyler, Van Buren Twp. MI 48111*

*Denton Room*

**CALL TO ORDER**

**ROLL CALL**

Chairman Dotson \_\_\_\_\_

VACANT \_\_\_\_\_

Leonard Armstrong \_\_\_\_\_

Alex Dine \_\_\_\_\_

Scott Medlen \_\_\_\_\_

Supervisor McNamara \_\_\_\_\_

Doug Peters \_\_\_\_\_

Priya Nayak \_\_\_\_\_

Superintendent Kudlak \_\_\_\_\_

David Schreiber \_\_\_\_\_

Recording Secretary Kendyl Zantop \_\_\_\_\_

**APPROVAL OF AGENDA:**

**APPROVAL OF MINUTES:**

1. Special Meeting: October 26, 2022

**CORRESPONDENCE:**

**PUBLIC COMMENT:**

**UNFINISHED BUSINESS:**

1. Marketing/Community Outreach Update

**NEW BUSINESS:**

1. Review Draft 2022 LDFA Synopsis
2. Election of Officers

**NON-AGENDA ITEMS:**

**ADJOURNMENT:**

If you are unable to attend this meeting, please notify Recording Secretary Kendyl Zantop at 734.699.8913

**CHARTER TOWNSHIP OF VAN BUREN  
LOCAL DEVELOPMENT FINANCE AUTHORITY  
MEETING MINUTES**

**Wednesday, October 26th, 2022 2:00 PM Denton Room**

**CALL TO ORDER:** Special Meeting called to order at 2:13 PM by Chairman Dotson

**ROLL CALL:**

**Present:** Dotson, Armstrong, Medlen, McNamara, Peters, Kudlak, Schreiber

**Absent:**

**Staff:** Dan Selman (Deputy Supervisors), Kendyl Zantop (Recording Secretary).

**Additional Present:** Director Power, Rosemary Otzman

**APPROVAL OF AGENDA:**

**Motion:** by Peters support by Medlen to approve the Special Meeting Agenda of October 26<sup>th</sup>, 2022 as presented.

**Motion Carried.**

**APPROVAL OF MEETING MINUTES:**

**Motion** by Peters support Medlen to approve the Regular Meeting Minutes of September 13<sup>th</sup>, 2022 as presented.

**Motion Carried.**

**CORRESPONDENCE:**

None.

**PUBLIC COMMENT:**

None.

**UNFINISHED BUSINESS:**

**1. Marketing/Community Outreach Update**

Deputy Supervisor Selman gave an update from the subcommittee meeting held on October 13th. There will be a subcommittee meeting on November 1<sup>st</sup> with Grace Lake's broker JLL. Peters questioned if more tenants create a higher tax recovery rate. This is unknown at the time. Schreiber commented that new business creates a spin-off effect bringing new jobs/opportunities to the community.

It was asked if the Grace Lake Site could have warehousing, as there is high demand. The current zoning for the property is OT (office technology). This zoning does not allow warehousing. Planning/Building Director was in attendance and commented that there was process to go through if there was a desire to modify the zoning and add warehousing.

**NEW BUSINESS:**

**1. Resolution 2022-01: Approval of the sale of LDFA-owned Parcel 83-045-99-0004-702 to DTE Gas.**

Deputy Supervisor Sleman read the resolution. The L DFA approved the sale of Parcel 83-045-99-0004-702 to DTE Gas during the January 11<sup>th</sup> meeting. The title company requested a formal resolution from the L DFA for additional closing documents.

**Motion:** by Peters support by Medlen to approve Resolution 2022-01 as presented.

Yeas: Dotson, Armstrong, Medlen, McNamara, Peters, Kudlak, Schreiber

Nays:

Absent:

**Motion Carried.**

## **2. Approval of the 2023 L DFA Meeting Schedule**

Deputy Supervisor Sleman reviewed the proposed meeting schedule based on the L DFA bylaws.

**Motion:** by Peters support by Medlen to approve the 2023 L DFA Meeting Schedule as presented.

Yeas: Dotson, Armstrong, Medlen, McNamara, Peters, Kudlak, Schreiber

Nays:

Absent:

**Motion Carried.**

## **3. 2023 Annual Budget**

Deputy Supervisor Sleman reviewed the proposed 2023 L DFA budget. The budget is the same one presented at the July 12<sup>th</sup> meeting. Peters asked to clarify that the ending fund balance of 8,177,702.86 is the amount by the end of 2023 that will be loaned to cover the Visteon shortfall.

**Motion:** by Peters support by Medlen to approve the 2023 Annual Budget as presented.

Yeas: Dotson, Armstrong, Medlen, McNamara, Peters, Kudlak, Schreiber

Nays:

Absent:

**Motion Carried.**

## **NON-AGENDA ITEMS:**

None.

## **ADJOURNMENT:**

**Motion** by Schreiber support Kudlak to adjourn the meeting at 2:32 p.m.

**Motion Carried.**

Respectfully submitted,

Kendyl Zantop  
Recording Secretary



# VAN BUREN CHARTER TOWNSHIP

January 4, 2023

Board of Directors  
Local Development Finance Authority  
Charter Township of Van Buren  
46425 Tyler Road  
Van Buren Township, MI 48111

**RE: Draft 2022 Synopsis of Activities**

Directors,

Per P.A. 57 of 2018, the Recodified Tax Increment Financing Act, the following is the synopsis required to be placed on the website as required by Section 910.l(h). Please consider the following:

Tax Increment Revenues Not Expended Within Five (5) Years of Receipt:

There are no tax increment revenues described in the most recent annual audit (2021) which have not been expended within five (5) years of their receipt. As specified in the audit the LDFA's primary focus is the payment of debt obligations and all resources are focused on payment of existing debt.

List of Authority Accomplishments, Progress on Development Plan, and TIF Plan Goals and Objectives:

The original purpose of the Local Development Finance Authority (LDFA) was to finance and construct eligible public improvements for the Visteon Village project which was completed in 2004. In order to complete the public improvements, the LDFA established a development plan and tax increment financing plan which identified the improvements, estimated the costs of the improvements and estimated the amount of tax revenue the authority would capture based on the proposed improvements. In order to finance the construction of the public improvements, the LDFA issued bonds to cover the costs of the improvements and those bonds were guaranteed by the Township's ability to tax. These public improvements have been completed.

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 sufficient tax revenue to cover scheduled debt service and due to the shortfall, which occurred on 10/1/19 the LDFA was loaned \$700,000 on 9/4/2019 by the Township to assist with bond payment.

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.

In accordance with the loan agreement between the Township and the LDFA, \$1,000,000 was loaned to the LDFA in March, 2021. An additional \$775,000 was loaned to the LDFA September 1, 2021.

In accordance with the loan agreement between the Township and the LDFA, \$1,000,000 was loaned to the LDFA in March, 2022 and \$1,000,000 loaned to the LDFA in September, 2022 in order to cover the debt payments.

These "advances" were necessary to meet the bond obligations due on April 1 and October 1 2022. 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. The interest rate being charged on the "advances" has increased significantly in 2022 as the Federal Reserve has raised its benchmark interest rates to the highest level in 15 years to battle inflation.

As of 12/31/22 the Township has loaned the LDFA \$6,175,000 and accrued \$100,058.85 in interest on that loan amount for a balance of \$6,275,058.85.

The LDFA will continue to pursue legal action against the original developer pursuant to the shortfall.

List of Authority Projects and Investments for 2022:

As specified in the most recent annual audit (2021), the primary focus of the LDFA is payment of debt obligations from tax captures. Due to this, there were no capital projects completed by the LDFA in 2022. All authority resources are focused on the payment of existing debt.

List of Authority Events and Promotional Campaigns for 2022:

As specified in prior sections, the primary focus of the LDFA is repayment of existing debt. Therefore, there were no promotional activities that occurred in 2022.

If there are any further questions related to these items please feel free to contact the Supervisor's Office at 734-699-8910.

Respectively submitted,

Dan Selman  
Deputy Supervisor  
Charter Township of Van Buren



# VAN BUREN

## CHARTER TOWNSHIP

TO: Local Development Finance Authority

FROM: Dan Selman  
Deputy Supervisor – Staff Liaison to the LDFA

RE: Election of Officers

DATE: January 4, 2023

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The Local Development Finance Authority By-Laws require that the board of directors annually, at their first regular meeting designate one of its members as chairperson, one of its members as Vice Chairperson, and one of its members 2<sup>nd</sup> Vice Chairperson. Based on this the LDFA will need to elect its officers for 2023 at the January meeting. The current 2022 officers of the LDFA are as follows:

Chairperson: Michael Dotson  
Vice-Chairperson: Doug Peters  
2<sup>nd</sup> Vice-Chairperson: Vacant

Regarding procedure, in normal circumstances a motion to nominate is made for a particular individual and office and if that motion is seconded and the individual accepts the nomination then a majority vote will elect that individual to the specified office.

The new by-law changes require that any newly elected officer assume their duties at the next regular or special meeting. Based on this, if there are any new officers, they will assume their offices at the March regular meeting or any special meeting which occurs prior to that. I look forward to the LDFA's discussion on the matter.