

**IRON RIVER CITY COUNCIL  
PUBLIC HEARING  
BROWNFIELD REDEVELOPMENT PLAN/TIF PLAN  
Wednesday, October 15, 2008  
1:45 P.M.  
MINUTES**

Mayor Roger Zanon called the Public Hearing to order at 1:45 p.m., in the Council Chambers at the Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call: Edward Marcell, Ray Coates, Thomas Beber, Michael Brozak and Zanon.

Also present: Attorney Mark Tousignant, Manager John Archocosky and Clerk Kathy Anderson.

Public in Attendance: Bernie Sacheck, Henry Krans, Ben Smith, Wayne F. Maki, Craig Richardson and Reporters Allyce Westphal (IC Reporter) and Wendy Shimun (WIKB).

The purpose of the Public Hearing: to receive public comment on the proposed resolution to adopt the City of Iron River Brownfield Redevelopment Authority Plan and Tax Increment Financing Plan.

Wayne Maki questioned why the Total Captured Annual Tax Revenue of 32.60700 of mills levied (pg 1. of Table 2) did not add up. Zanon and Beber explained that the School Operating, State Education Tax, School Bond, County Bond, Courthouse Bond and Medicare Bond will not be captured.

Bernie Sacheck asked when the project will begin and what the DDA's involvement is in the project. Archocosky explained the project is in its final stages for MDEQ environmental site cleanup application requirements. Cost for environmental cleanup is unclear at this time as the project will have to be re-bid. Previous bids received are outdated.

The loan from DEQ for environmental cleanup was applied for by the DDA. The DDA will loan money to Brownfield Authority. Once the apartments are built, the property will be subject to TIF tax capture and monies will be used to repay the DDA and DEQ. The City will be the fiduciary agent through Brownfield and TIF. The DEQ loan is a 15 year loan, whereas TIF will go for 26 years.

Coates asked when the property will transfer to the Developer. After site cleanup which should begin in 45-60 days, the property will transfer to the Developer (Hovey Companies). Hovey is the same developer working on the Manor project in Crystal Falls.

Sacheck asked if a marketing feasibility study had been done and what the downside is should the developer back out. A study has been done, MSHDA is prepared to make the loan based in this study, and the DDA is responsible for repayment of the loan.

Wayne Maki questioned the bidding process. The process was explained.

Beber moved to adjourn at 2:14 p.m. All in favor. Motion carried.

---

Kathy L. Anderson, City Clerk