



CITY OF IONIA
BROWNFIELD REDEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
City of Ionia City Hall – Conference Room

October 13, 2025, 4:00 PM

CALL TO ORDER
ROLL CALL

- I. APPROVAL OF AGENDA
- II. APPROVAL OF MINUTES
 - a. Minutes from July 14, 2025
- III. PUBLIC COMMENTS
- IV. TREASURER'S REPORT
 - a. Balance Sheet Report
 - b. Revenues & Expenditures Report
- V. NEW BUSINESS
 - a. Heritage Row Project (520 E. Washington St.) – Summary of potential future brownfield plan
- VI. OLD BUSINESS
 - a. Deerfield/Riverside Project –
 - i. Demolition and Site Remediation Update
 - ii. Allen Edwin Homes – Update
 - iii. Business Park Development - Update
- VII. ADJOURNMENT

CITY OF IONIA
Brownfield Redevelopment Authority
Board of Directors
July 14, 2025
Meeting Minutes

CALL TO ORDER

Vice Chairperson Vroman called the meeting of the City of Ionia Brownfield Redevelopment Authority Board of Directors for July 14, 2025, to order at 4:10 PM.

ROLL CALL

Present: Board Members Melinda Braman, Tom Dickinson, Mark Vroman, and Deerfield/Riverside Steering Committee Members Logan Bailey from the Ionia Planning Commission and William Vaarberg from the Berlin Township Board of Trustees

Absent: Dan Balice and Ted Paton

Also Present: Mayor John Milewski, City Manager Precia Garland, Jonathan Bowman, Assistant City Manager, Jim Tischler, State Land Bank Authority (via Zoom), Gordon Kelley, and Reporter Tim McAllister, The Daily News

APPROVAL OF AGENDA

Vice Chairperson Vroman introduced the agenda and asked if there were any requested changes. No changes were requested. It was moved by Dickinson, seconded by Braman to approve the agenda as presented. MOTION CARRIED.

APPROVAL OF MINUTES

Minutes from the regular meeting of April 14, 2025, were reviewed and one spelling correction noted. It was moved by Dickinson, seconded by Braman to approve the minutes from April 14, 2025. MOTION CARRIED.

PUBLIC COMMENTS – None.

TREASURER'S REPORT

It was moved by Dickinson, seconded by Vroman to accept the treasurer's report as presented. MOTION CARRIED.

NEW BUSINESS

None.

OLD BUSINESS

A. Deerfield/Riverside Project

- i. Site Remediation Update — Jim Tischler from the State Land Bank Authority (SLBA) indicated the boundaries of contaminated materials had been further delineated to be within 5' – 15' of the original remediation areas. Once the full

specifications are available, the SLBA will solicit bids to remove the remaining impacted soils. He stated this would not clear the site from its current status as a facility. Activities were expected to be complete by November 2025 although this was not a certainty.

- ii. Residential Development— Garland detailed the current status of information exchanged under the Predevelopment Agreement, now expired, that existed between the City, SLBA and Allen Edwin (AE) Homes for 360 days. AE Homes had provided a proposed site plan for the site showing 262 housing units to be completed over four phases, along with renderings and floor plans of the various proposed housing units. Concern still remains regarding the cottage courtyard layout and units as proposed – the structures in this area did not reflect cottages; they are two story 3-4 bedroom units with approximately 1,500 sq. ft. and did not satisfy the City’s stated need for accessible/age in place housing. It was also noted that after numerous promises by AE Homes to provide the financial documentation required under the Predevelopment Agreement, as of today’s meeting, none had been provided.

Mayor Milewski noted that with the Predevelopment Agreement now expired, conversations were expected to continue with AE Homes regarding its proposal but that there was no longer the requirement of exclusivity where site development was concerned, meaning that the door was now open to discussion with other developers, some of whom have inquired about the site and expressed interest in it, should things fall through with AE Homes.

Garland asked if Tischler contacted AE Homes regarding the missing financial data, following her and his conversation from the previous business day. He confirmed he had contacted AE Homes and stated the financial information was to be made available by AE Homes to the City “imminently.” Garland requested clarification regarding what could be expected by imminently. Tischler indicated it would be available within 48 hours and further reminded the board members that the SLBA owned the site at present and believed that “diligent progress” had been made by AE Homes, meaning it (the SLBA) was not interested in hearing from other developers at this time.

Mayor Milewski countered that communication from AE Homes had been inconsistent and in fact, he was still awaiting a response from AE Homes to an email in which he had notified the company the Predevelopment Agreement had expired and had requested a progress update.

Gordon Kelley asked to address the board. He stated from his perspective, not much progress had been made from AE Homes’ first presentation to the group over a year ago. He was particularly concerned that the cottage courtyard development area included 104 units and not one was proposed as a single-story unit.

Vice Chairperson Vroman summarized that while he respected and understood the SLBA’s position, it appeared AE Homes had dropped the ball

on satisfying the terms of the Predevelopment Agreement, and that fact needed to be acknowledged.

After additional discussion, motion was made by Braman, seconded by Dickinson to review the status of AE Homes' performance, with particular attention paid to whether the cottage courtyard concept was revised and a financial plan was provided in approximately 90 days, when the BRA Board would hold its next regularly scheduled meeting. MOTION CARRIED.

- iii. Business Park Development — Garland detailed recent steps taken by the City of Ionia toward development of the future high-tech business park on the west 80 acres of the Deerfield-Riverside site. The property was purchased by the City from the SLBA on June 23, the engineering firm Prein and Newhof was selected to provide design and construction engineering services, and a congressional directed spending (CDS) appropriation was submitted via Senator Peters' office and is currently under consideration. The City is pursuing an EDA grant for funding assistance. Both the CDS and the grant are expected to request approximately 80% project grant funding to construct the park's infrastructure. It is expected the construction plans will reach 100% design status by December 2025. It was noted that if CDS or grant funding is not achieved on the first attempt, subsequent applications will be submitted. The City is evaluating its options for the required project matching funds.

Tischler left the meeting at 5:05 PM.

ADJOURNMENT

Motion by Dickinson, seconded by Braman, to adjourn the meeting at 5:14 PM. MOTION CARRIED.

Next meeting scheduled for Monday, October 13, 2025, at 4:00 PM, Ionia City Hall.

Respectfully Submitted,

Precia Garland, Recording Secretary

BALANCE SHEET REPORT FOR CITY OF IONIA
Balance As of 09/30/2025

IV-a.

GL Number	Description	YTD Balance 09/30/2024	YTD Balance 09/30/2025
Fund: 247 BROWNFIELD DEVELOPMENT			
*** Assets ***			
Account Classification: Unclassified			
247-000.000-007.000	COMMON CASH ACCOUNT	62,767.37	62,039.52
	Unclassified	<u>62,767.37</u>	<u>62,039.52</u>
	Total Assets	<u>62,767.37</u>	<u>62,039.52</u>
*** Liabilities ***			
Account Classification: LIABILITIES			
247-000.000-222.000	DUE TO COUNTY TREASURER	(0.28)	(0.28)
	LIABILITIES	<u>(0.28)</u>	<u>(0.28)</u>
	Total Liabilities	<u>(0.28)</u>	<u>(0.28)</u>
*** Fund Equity ***			
Account Classification: RESERVES & BALANCES			
247-000.000-390.000	FUND BALANCE CREDIT BALANCE	61,934.21	61,847.60
	RESERVES & BALANCES	<u>61,934.21</u>	<u>61,847.60</u>
	Total Fund Equity	<u>61,934.21</u>	<u>61,847.60</u>
Total Fund 247:			
TOTAL ASSETS		<u>62,767.37</u>	<u>62,039.52</u>
BEG. FUND BALANCE		61,934.21	61,847.60
+ NET OF REVENUES & EXPENDITURES		833.44	192.20
= ENDING FUND BALANCE		62,767.65	62,039.80
+ LIABILITIES		<u>(0.28)</u>	<u>(0.28)</u>
= TOTAL LIABILITIES AND FUND BALANCE		<u>62,767.37</u>	<u>62,039.52</u>

REVENUE AND EXPENDITURE REPORT
Balance As Of 09/30/2025

GL Number	Description	25-26 Amended Budget	YTD THRU 09/30/2025	Activity For 09/30/2025	Available Balance 09/30/2025	% Used
Fund: 247 BROWNFIELD DEVELOPMENT						
Account Category: Revenues						
Department: 000.000						
247-000.000-665.000	INTEREST	1,500.00	192.20	0.00	1,307.80	12.81
Total Dept 000.000		1,500.00	192.20	0.00	1,307.80	12.81
Revenues						
Account Category: Expenditures						
Department: 558.000 ADMINISTRATIVE						
247-558.000-801.000	CONTRACTUAL & PROFESSIONA	10,000.00	0.00	0.00	10,000.00	0.00
Total Dept 558.000 - ADMINISTRATIVE		10,000.00	0.00	0.00	10,000.00	0.00
Expenditures						
Fund 247 - BROWNFIELD DEVELOPMENT:						
TOTAL REVENUES		1,500.00	192.20	0.00	1,307.80	12.81
TOTAL EXPENDITURES		10,000.00	0.00	0.00	10,000.00	0.00
NET OF REVENUES & EXPENDITURES:		(8,500.00)	192.20	0.00	(8,692.20)	

IV-b

**Homes of Heritage Row
520 E Washington, Ionia
Act 381 Brownfield Plan – Project Summary**

Kapenga Properties, LLC (Developer) proposes to build 14 residential housing units at 520 E Washington in the City of Ionia. The Developer will construct 14 3-bedroom condominiums on the approximately 2.1-acre parcel with 7 rentals and 7 homes for sale. Some homes will be priced for households earning up to 120% AMI, and some will be priced at market rate. The project is consistent with the City's Master Plan and its goals that support the growth of multi-family housing.

The developer anticipates asking the City of Ionia Brownfield Redevelopment Authority for approval to use Brownfield Tax Increment Financing (TIF) for the costs of infrastructure, site preparation, and a construction financing gap. The Homes of Heritage Row project in Ionia is set to begin construction in 2026.

The property was developed into a hospital in 1955 and was occupied by Ionia Gastroenterology – University of Michigan Health-Sparrow until 2016 when the building structures were removed. The property is currently vacant land.

The Homes of Heritage Row will be managed by ECO LLC, a property development and management company based in Coopersville, MI. ECO LLC has built and currently manages 30+ commercial and residential properties in the West Michigan communities of Grand Rapids, Plainfield Township, Ionia, and Allegan.

PROJECT FAST FACTS

Homes of Heritage Row

Property Information	520 East Washington Street, Ionia, MI Parcel Nos.: 34-204-090-000-670-51, totaling approximately 2.1 acres.
Summary of Development	14 site condominiums: <ul style="list-style-type: none">• Fourteen 3-bedroom housing units at 1242 to 1612 sq ft per unit Around half of the units will be priced for residents earning up to 120% of the Area Median Income (AMI) for Ionia County.
Anticipated Rent and Sale Price, Including Utilities	To be determined
Taxable Value	Current: \$23,506 Anticipated (first full year after development): \$2,100,000
Anticipated Development Cost	\$4,450,000
Anticipated Eligible Activities	Infrastructure improvements, site preparation, and housing development costs including a housing financing gap.
TIF requested/Total Project Need	To Be Determined
Duration of Brownfield Plan	To Be Determined
TIF Reimbursement by Source	Ionia County/Local Taxes: 50% State of Michigan/State Taxes: 50% School district debt is not capturable and will be paid based on the property's future taxable value.

