



**CITY OF JONESVILLE
LOCAL DEVELOPMENT FINANCE AUTHORITY
MEETING AGENDA
AUGUST 21, 2019 - 7:45 A.M.
CITY HALL**

1. **CALL TO ORDER**
2. **PRESENTATIONS AND RECOGNITIONS**
 - A. None
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF MINUTES**
 - A. May 15, 2019
5. **PUBLIC COMMENT**
6. **NEW BUSINESS**
 - A. Consider Request – Lewis Farms Crop Lease **[Action Item]**
 - B. Consider Offer – Cell Tower Lease Agreement **[Action Item]**
7. **ONGOING BUSINESS**
 - A. Staff Updates
 - B. Economic Development Partnership Report
8. **ROUNDTABLE DISCUSSION**
 - A. LDFA Board Member Organization Updates
9. **OTHER BUSINESS**
10. **ADJOURNMENT** – Next Meeting: October 16, 2019, 7:45 a.m.

City of Jonesville
Local Development Finance Authority
Minutes of May 15, 2019

Present: Rick Schaerer, Jim Parker, Alyssa Binkowski, Julie Games, Chellie Broesamle, Steve Harding and Manager Jeff Gray

Absent: Kathleen Schmitt, Gerry Arno and Loretta Blank

Guests: Sue Smith (EDP)

Rick Schaerer called the meeting to order at 7:45 a.m.

A motion was made by Chellie Broesamle and supported by Jim Parker to approve the agenda as presented. All in favor. Absent: Kathleen Schmitt, Gerry Arno and Loretta Blank. Motion carried.

A motion was made by Alyssa Binkowski and supported by Jim Parker to approve the April 17, 2019 meeting minutes. All in favor. Absent: Kathleen Schmitt, Gerry Arno and Loretta Blank. Motion carried.

A motion was made by Chellie Broesamle and supported by Steve Harding to recommend to the Jonesville City Council to approve the proposed LDFA Budget that begins July 1st as presented. This includes reserve funding for future expansion of the Industrial Park, for development incentives proposed in the LDFA plan, and future maintenance and expansion of infrastructure, and Water Infrastructure Contribution. The LDFA decided that new signs for the park are not a near term priority. All in favor. Absent: Kathleen Schmitt, Gerry Arno and Loretta Blank. Motion carried.

Jim Parker made a motion to approve Resolution 2019-12 – Water Infrastructure Contribution in the amount of \$25,000 per year for 10 years to support waterline and water tower improvements and maintenance. This contribution is consistent with the State enabling act, the LDFA development plan, and would minimize water rate increases to promote economic growth in the LDFA district. Roll Call Vote: Ayes: Chellie Broesamle, Alyssa Binkowski, Julie Games, Steve Harding, Jim Parker and Rick Schaerer. Nays: None. Absent: Kathleen Schmitt, Gerry Arno and Loretta Blank. Motion carried.

Sue Smith, Executive Director of EDP provided an update to LDFA members.

Manager Gray and LDFA members provided updates to the LDFA.


The next meeting is scheduled for Wednesday, August 21, 2019 at 7:45 A.M.

The meeting was adjourned by Rick Schaerer at 8:33 a.m.

Submitted by,

Cynthia D. Means, Clerk



To: Jonesville LDFA Board
From: Jeffrey M. Gray, City Manager 
Date: August 16, 2019
Re: Manager Report and Recommendations – August 21, 2019 LDFA Meeting

6. A. Consider Request – Lewis Farms Crop Lease **[Action]**

The LDFA currently leases the undeveloped property in the Industrial Park to Lewis Farms for farming. Attached is a request to apply manure to increase soil nutrients. The crop lease (also attached) is silent on the topic of nutrient addition. Lewis Farms proposes to spread on the evening of Friday, August 23rd or the morning of Saturday, August 24th. A motion would be necessary for the LDFA to approve or deny the request to apply nutrients. The Lewis' have been invited to attend the meeting, but are unavailable due to travel. If LDFA members have questions that you would like answered, please refer them to staff and we can contact the Lewis' prior to the meeting. *Please refer to the attached request from Lewis Farms and the Crop Lease Agreement.*

6. B. Consider Offer – Cell Tower Lease Agreement **[Action]**

The LDFA also benefits from a land lease for the cell tower that is located in the Industrial Park. The tower owner, SBA Communications Corporation, has submitted the attached offer to purchase an easement, in lieu of its lease. The easement would be a one-time purchase for the value to occupy the property, rather than an ongoing lease arrangement. The proposal is attached along with an analysis of the lease from Finance Director Spahr. A motion would be necessary to approve or reject the proposal. Action can also be postponed to allow for additional information gathering or to enter into further negotiation. *Please refer to the attached proposal and email correspondences.*

7. A. Economic Development Partnership Report

This item is reserved for and additional updates from Executive Director Sue Smith.

7. B. Staff Updates

This item is reserved for updates by staff regarding LDFA projects.

8. A. LDFA Board Member Organization Updates

This item reserved for updates from members of the Board to provide updates regarding their organizations and other activities of interest to the LDFA.

Jeff Gray

From: Jennifer Lewis <pv dairy@dmcibb.net>
Sent: Thursday, August 15, 2019 10:31 AM
To: Jeff Gray
Subject: Nutrient application in Industrial Park

Hello,

We currently rent the land in the Industrial Park. We would like to amend the soil to help with crop yields. Our plan is to spread Nutrients (manure) on the evening of August 23rd or morning of August 24th which will be incorporated into the ground either immediately or within a few hours. This method reduces odors and by Monday morning there should be little to no smell.

Please call 517-673-4534 with any questions you may have regarding this process.

Thank you,

Bruce Lewis
Pleasant View Dairy
517-869-2300 office



City of
Jonesville

265 E. Chicago Street, Jonesville, MI 49250

(517) 849-2104
(517) 849-9037 Fax
www.jonesville.org
manager@jonesville.org

JONESVILLE LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)
JONESVILLE INDUSTRIAL PARK
ADDENDUM TO AGRICULTURAL CROP PROPOSAL AND AWARD

The Jonesville LDFA previously awarded a bid to LEWIS FARMS for the agricultural use of undeveloped industrial property in the Jonesville Industrial Park for the period of January 1, 2011 to December 31, 2015. The award was granted subject to the terms of the attached proposal and award.

The parties are interested in extending the agreement. This addendum amends the original proposal as follows:

- The period of the agricultural use will be extended an additional five (5) years (January 1, 2016 to December 31, 2020), or until the property is sold for industrial development.
- However, the land available for lease has been reduced due to the pending sale of Lot 5 of the Industrial Park. Approximately 27.23 acres remain available for agricultural use. The lots available for planting are:
 - Lot 1 – 6.90 acres
 - Lot 2 – 4.77 acres
 - Lot 4 – 6.03 acres
 - Lot 15 – 4.97 acres
 - Lot 16 – 4.56 acres
- The lease price per acre will remain \$80.00. The first annual payment in the amount of \$2,178.40 is due on January 1, 2016.

All other terms of the original proposal and award remain in effect.

By signing below, the parties agree that that they understand the proposed changes and will abide by the terms of this addendum and the unchanged terms of the original proposal and award.

Signature
Jonesville LDFA

Date

Signature
LEWIS FARMS

Date



VILLAGE OF JONESVILLE

265 E. CHICAGO ST.
JONESVILLE, MI 49250
www.jonesville.org

(517) 849-2104
Fax (517) 849-9037
email: manager@jonesville.org



December 17, 2010

Bruce Lewis
4840 Sandlake Road
Jonesville, MI 49250

Re: 2011 Agricultural Crop Proposal

Dear Mr. Lewis:

Please consider this letter official notification that you have been successful in bidding for the 2011 Agricultural Crop Proposal for the Jonesville Local Development Finance Authority in the amount of \$80.00 per acre for undeveloped industrial park property for a five (5) year period (January 1, 2011 – December 31, 2015).

The first annual payment in the amount of \$2,601.60 is due on January 1, 2011.

We have enclosed a copy of the Agricultural Crop Proposal for your records, which has the terms and conditions. It is mandatory that you meet with DPW Superintendent Michael Kyser regarding the planting and the designated areas to be mowed.

If you have any questions, please contact DPW Superintendent Michael Kyser at 517-849-9772.

Thank you and we look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam R. Smith", with a long horizontal flourish extending to the right.

Adam R. Smith
Village Manager

Enclosure

**JONESVILLE LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)
JONESVILLE INDUSTRIAL PARK
2011 AGRICULTURAL CROP PROPOSAL**

PROPOSALS ARE DUE INTO THE VILLAGE HALL OFFICE LOCATED AT 265 E. CHICAGO STREET, JONESVILLE, MICHIGAN 49250 BY 10:00 A.M. ON TUESDAY, DECEMBER 14, 2010. THE JONESVILLE LDFA HAS A RIGHT TO ACCEPT OR REJECT ANY AND ALL PROPOSALS RECEIVED AND WAIVE ANY FORMALITIES OR TECHNICALITIES. INCOMPLETE PROPOSALS WILL AUTOMATICALLY BE REJECTED.

The Jonesville LDFA is seeking proposals for agricultural use of undeveloped industrial park property for a five (5) year period, (January 1, 2011 - December 31, 2015) or until the property is sold for industrial development. Property cannot be **sub-leased**. The Jonesville LDFA shall authorize only the following low growth crops to be grown on the property: alfalfa, soybeans, oats or wheat.

LOTS AVAILABLE FOR PLANTING ARE: (Please view the attached map.)

- Lot 1 - 6.90 acres
- Lot 2 - 4.77 acres
- Lot 4 - 6.03 acres
- Lot 5 - 5.29 acres
- Lot 15 - 4.97 acres
- Lot 16 - 4.56 acres

THIS PROPOSAL ALSO REQUIRES THAT THE FOLLOWING DESIGNATED AREAS BE MOWED:

- Lot 1 – buffer between plantings and where Jonesville’s mowing contractor maintains along Deal Parkway
- Lot 2 – buffer between plantings and where Jonesville’s mowing contractor maintains along Deal Parkway
- Lot 15 – buffer between plantings and where Jonesville’s mowing contractor maintains along Deal Parkway and Industrial Parkway
- Lot 16 – buffer between plantings and where Jonesville’s mowing contractor maintains along Industrial Parkway
- Lots 4 & 5 – buffer between plantings and where Jonesville’s mowing contractor maintains around the cul-de-sac on Interdyne Drive

I have met with Michael Kyser, Jonesville DPW Superintendent (849-9772), to discuss and understand the areas authorized for crop planting and the required mowing areas that the winning proposal shall be responsible for during the entire five (5) year agreement. I understand that at any time the property that will be leased for crops could be sold by the Jonesville Local Development Finance Authority and that I shall receive no compensation for lost crops or investment on said property. I fully understand that the Village of Jonesville and the Jonesville LDFA shall not be held responsible for poor crop performance, water supply, damage to equipment used, damage to crops due to weather or vandalism and injury to person(s) named in this agreement or those working for people named in this agreement as the crop proposal submitter. By signing below I am acknowledging that I understand and will abide by the statements above.

Signature

Date

Name

Address

Phone

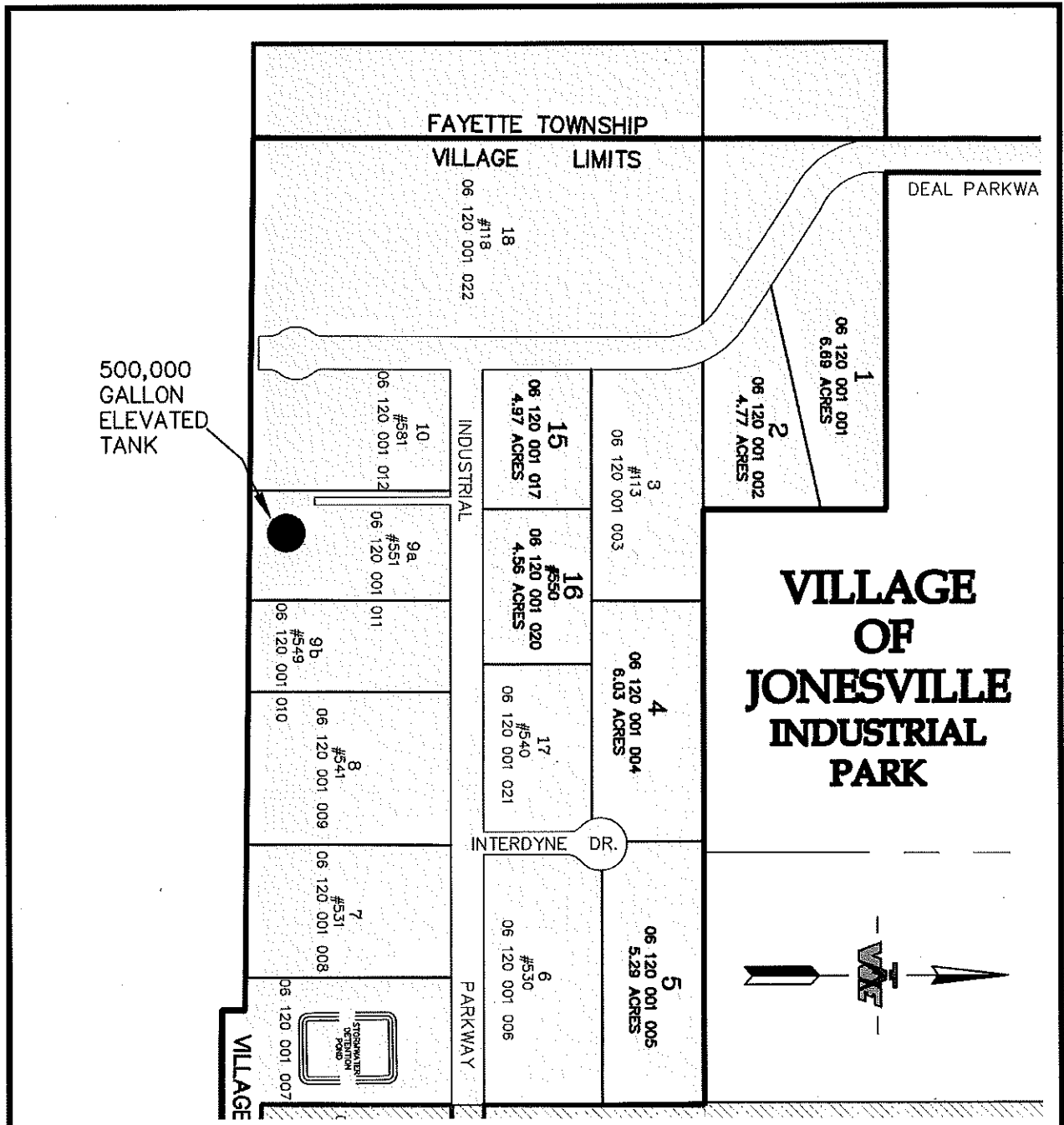
Cell #

Email

An annual property rental amount of \$_____ per acre is what I am proposing for the property owned by the Jonesville LDFA. It is estimated that there are 32.52 acres available. This rental amount would be required to be paid on January 1st of each year of the agreement for a total of five (5) years (January 1, 2011 - December 30, 2015 or until the property is sold for industrial development).

Signature

Date



WOLVERINE
Engineers & Surveyors, Inc.

312 North Street
Mason, Michigan 48854
Ph: 517-676-9200
Fx: 517-676-9396
<http://www.wolveng.com>

PROJECT: VILLAGE OF JONESVILLE	
SHEET NAME: INDUSTRIAL PARK	
JOB NO.: MAPS	DRAWN: CJM
SCALE: NONE	DATE: 11/19/10



SBA Communications Corporation
8051 Congress Avenue
Boca Raton, FL 33487-1307

T + 561.226.9522
F + 561.226.3558

July 2, 2019

sbsite.com

Sent via email: manager@jonesville.org

City of Jonesville
Attn: Jeff Gray, City Manager
265 E. Chicago Street
Jonesville, MI 49250

SBA Cell Tower Lease Restructure Option: Site ID: MI09943-A / Jonesville 4, MI

Dear Jeff,

I am pleased to propose SBA's current lease buyout offer to create a new communications easement for the SBA Cell Tower located on 531 Industrial Parkway. SBA Communications can help you create capital infusion that is ideal for special projects to improve your community. Some municipalities and government agencies are struggling to align budgets with public needs; capitalization of your cell site lease is an attractive way to increase revenue without further burden to taxpayers.

SBA Communications can create a new communications easement over the land currently being leased for our tower site so the City **receives a lump sum payment of \$245,500.00 today**. SBA structures its prepayments through the acquisition of an easement over the leased premises. This is not a land purchase and there is no transfer of deed or title. The proposed easement will cover only the leased space with respect to the communications facility.

Similar to an easement which a utility company may have on your property for the purpose of installing and maintaining telephone, power, or water lines to your home or place of business, SBA's communications easement would allow us to continue our current use. Our communications easement would continue until such time as it is no longer needed for its intended purpose, allowing us to access and operate on your land just as we do today.

- **Your rent continues to be paid uninterrupted until day of closing;**
- Upon receipt of a fully executed Option Agreement, we strive to close within 75 days;
- We continue the same property site maintenance;
- **We pay all closing costs associated with the transaction, excluding any of your advisory fees;**

All offers are subject to management approval.

If you are interested in exploring further, we can have our legal team draft the Option Agreement and sample Easement Exhibit for your review.

We thank you for your consideration and look forward to your reply.

Sincerely,

Maryann Manolas

Maryann Manolas
Real Estate Acquisition Specialist

SBA COMMUNICATIONS CORPORATION
561.322.7877 + T
561.322.2883 + F
mmanolas@sbsite.com
Your Signal Starts Here

Jeff Gray

From: Lenore Spahr
Sent: Friday, July 19, 2019 2:08 PM
To: Jeff Gray
Subject: RE: SBA Cell Tower: ID: MI09943-A / Jonesville 4, MI

Jeff –

I have read the tower lease, and it looks like the lease term expires June, 2031.

With that being said, we have a copy of a "Memorandum of Land Lease" that states the "term is subject to **ten (10)** additional five (5) year extension periods". That means the lease wouldn't expire until June, 2056! The memorandum was signed and notarized by HLH Towers (the former owners) and Jonesville staff, so I imagine that it's legally binding.

We received \$13,845 in rent revenues in FY 2019, and it looks like we will receive over \$15,000 in FY 2020. The offer of \$245,500 equates to about 15 years of rent revenue. If the lease term expires in 2031, that offer might be attractive. I'm not sure it would be so attractive if the lease doesn't expire until 2056.

I have a copy of the lease in my office when you are ready to go over the information.

Thanks.

Lenore Spahr, MiCPT, CPFA
Finance Director/Treasurer
City of Jonesville
265 E. Chicago St.
Jonesville, MI 49250
(517) 849-2104
financedirector@jonesville.org

From: Jeff Gray <JGray@jonesville.org>
Sent: Tuesday, July 2, 2019 4:33 PM
To: Lenore Spahr <financedirector@jonesville.org>
Subject: FW: SBA Cell Tower: ID: MI09943-A / Jonesville 4, MI

Lenore,

SBA has offered to buy out the cell tower lease. I would presume that the buyout would be less than payment of the full term of the existing lease. Do you know how long before the current lease terminates?

Jeff

Jeffrey M. Gray · City Manager
City of Jonesville
265 E. Chicago Street · Jonesville, MI 49250
(517) 849-2104



From: Maryann Manolas <MManolas@sbsite.com>
Sent: Tuesday, July 2, 2019 3:54 PM
To: Jeff Gray <JGray@jonesville.org>
Subject: RE: SBA Cell Tower: ID: MI09943-A / Jonesville 4, MI

Jeff,

I reviewed the financials with management and SBA is prepared to buy out the lease for \$245,500.00. Please see the attached proposal and let me know if you have any questions.

Best Regards,

Maryann Manolas
Real Estate Acquisition Specialist

561.322.7877 + T
561.322.2883 + F

From: Jeff Gray [mailto:JGray@jonesville.org]
Sent: Tuesday, June 25, 2019 3:41 PM
To: Maryann Manolas <MManolas@sbsite.com>
Subject: [External] RE: SBA Cell Tower: ID: MI09943-A / Jonesville 4, MI

Maryann,

I have received your message. I do not have any particular issues that require attention at this time.

If you have any recommendations regarding the ground lease that you would think we should consider, please don't hesitate to bring them to my attention.

Thanks for your outreach,
Jeff

Jeffrey M. Gray · City Manager
City of Jonesville
265 E. Chicago Street · Jonesville, MI 49250
(517) 849-2104



From: Maryann Manolas <MManolas@sbsite.com>
Sent: Tuesday, June 25, 2019 3:09 PM
To: Jeff Gray <JGray@jonesville.org>
Subject: SBA Cell Tower: ID: MI09943-A / Jonesville 4, MI

Cell Tower Location: 531 Industrial Parkway

Hello Jeff,

Would you please respond to this email so I know you received this message?

I'm doing my quarterly check-ins for the above referenced site and wanted to see how things are going at the tower site. If anything needs our attention, please let me know. You can reach me directly at [561-322-7877](tel:561-322-7877) or via email at: mmanolas@sbsite.com.

I am very familiar with the details of your ground lease. Part of what I do is review the situation at the tower site and make recommendations to our ground owners regarding the best possible option for them to maximize the value of their ground leases.

If I can be of any assistance, please do not hesitate to call or email.

Best Regards,

Maryann Manolas
Real Estate Acquisition Specialist



SBA Communications Corporation
8051 Congress Avenue
Boca Raton, FL 33487-1307

561.322.7877 + T
561.322.2883 + F
MManolas@sbsite.com

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