

Statement to East Lansing Info from Frank Walsh, Meridian Township Manager

October 31, 2016

Meridian Township appreciates Costco's willingness to bring very competitive wages to our region and most importantly providing a 30+ acre environmental easement adjacent to our neighborhoods. The no-build zone abutting hundreds of our residents is truly a long-term benefit for the community.

In responding to Costco's desire to locate in the Mid-Michigan market, Meridian Township and East Lansing have taken a regional approach and worked closely together to make this possible.

Our recent negotiations regarding amending the existing Urban Cooperation Agreement with East Lansing officials were positive and fruitful. In terms of any potential brownfield reimbursement we firmly believe that there is a \$1M cap included in the amended agreement. The reason we requested the \$1M cap is to allow for some tax revenue for Meridian Township prior to the termination of the tax sharing clause of the agreement. Effective December 31, 2039, Meridian Township will cease to receive any taxes from the entire 65 acre site. Prior to 2001 the entire parcel was located within the municipal boundaries of Meridian Township.

For instance, with a \$6M potential development the Township can expect to receive \$15,000 per year from Costco. If we were to approve a large scale Brownfield Plan, it is possible that our residents may never benefit financially from the development.

Meridian strongly desires the redevelopment of the former Four Winds Golf Course. We have rolled out the red carpet for Costco. However, there is a limit to what can be approved.

In conclusion, the agreement between the municipalities clearly state that any approved brownfield reimbursement is limited to a total of \$1M. The city and township reached this agreement in good faith. Meridian is certain that East Lansing will proceed in accordance with the agreement as written and as understood by the township, or request that new negotiations be undertaken for consideration of a possible amendment.