

KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES

MEETING DATE: Thursday, May 26, 2011

PLACE OF MEETING: Room 207A, County Administration Building

Present: Joe Agostinelli, Clare Annen, Larry Baumgart, Ruth Blake, Leroy Crabtree,
Brandt Iden, Ken Peregou, Julie Rogers, Thell Woods

Kalamazoo Township: George Cochran

Excused: Brandt Iden, Anne Summerfield, Matthew VanDyk

Staff: David Artley, Jeff Hawkins (consultant), Lotta Jarnefeldt

Guests: Mary Brown, Todd Campbell, Connie Ferguson, Rachel McCartney

Recording Secretary: Janet Jones

1. Chairperson Agostinelli called the meeting to order at 4:01 pm.
2. Members Excused: Brandt Iden, Anne Summerfield, Matthew VanDyk

Crabtree moved and Rogers seconded approval of the Agenda. Motion Carried
3. Annen moved and Woods seconded approval of the Minutes of the April 28, 2011, BRA meeting. Motion Carried.
4. Citizen Comments: None
5. Consent Calendar:
 - a. Clerical Support Services through Janet M. Jones of Kalamazoo – Minutes of the four Meetings on April 28, 2011. (6.5 hours) Total amount - \$97.50 from PCD -- BRA Account# 101-801-808.11.
[The trips to NBRA Conference in Philadelphia were paid from the same account]
Rogers moved and Crabtree seconded acceptance of the Consent Calendar. Motion Carried
7. County's BRA Financial Balance Sheets: Artley reported on the Summary Tracking sheet (included in the agenda packet). The funds in PlanDptBRAAcct will be transferred to the first row (247-000) when the funding accounts are fully populated.
8. Discussion/Action Calendar: None
It is the Authority's intent to use the Account# 101-801 funds first; then the balance of the \$125,000 from County in Account#247-000 second; and lastly use the TIF funds in Account# 247-002 (Brown Family Holding). The Brownfield Redevelopment Authority are already committed to following this direction effective bills for payment of last month including the conference in April. Future invoices will be approved as submitted per the plan outlined.
The \$5,000 authorized for marketing will not track separately but will be moved to the proper account. A banner is being printed to identify Kalamazoo County Brownfield Redevelopment Authority at BRA sites.

9. Staff Reports: Artley & Hawkins

a. Update on Terra Contracting, LLC: No new information. [this item will be eliminated from future agendas]

- Update on Midlink –The Development Agreement has been reached and will be signed soon. Chad Meints will collect and hold school tax money.
- Annen asked what would happen if the School Tax is collected without a 381 plan having been accepted. Does the State reimburse the schools? Agostinelli explained that the allocation for payment comes out of the school aid fund at the state level, not from the school district taxes directly. In the absence of a 381 plan, the school TIF will not be captured for any activity not exempted in the statute.
- In any case, the local school district is held harmless.
- Rogers added that the BRA Marketing/Public Awareness committee does a good job of explaining this to the public (and those monitoring the School Tax). She suggested that a letter be sent from the BRA Chairperson to Midlink to strongly urge them to move the documentation that has been asked for to the State.
- Agostinelli will phone Jared Belka to urge signing as soon as possible.
- Sinking funds and debt millages of the schools are not part of the funding that can be used for BRA projects.

b. Update on Beckan: Artley reported on a conversation with Shawn Brown– there is an underground storage tank area that may not have to be covered. The \$19K in the BRA Plan may not be necessary. Goodwill is still paying the costs of the SVE (vapor cleaning unit).

c. Galesburg Properties: Artley reported that there are 4 buildings as part of this grouping. The 3rd building (#25) from Five Points is having “issues.” There is possibly some commercial interest in this building. If bought, the new owner could apply to BRA to do the inspections necessary to determine a work plan. The property as a whole will be retained by the City of Galesburg rather than revolve to the Landbank. The property will go from the current owner directly to the developer.

Crabtree noted that the buildings all have a common foundation, which makes them ideal for BRA development, but as it stands now, none of the property will go to the Landbank.

d. Web page postings – The application cover page, the application itself, and the draft reimbursement agreement were consolidated into one document and sent out for comment. Artley reported that the reimbursement document and cover page will be consolidated on the Web Page so that potential applicants will only have to push one button to access all of the needed materials.

Rogers recommended that an e-mail go to local units of government inviting

them to visit the newly updated webpage. Artley agreed to do this.

- e. Planning and Community Development Report to CBOC on 5-17-11: Artley stated that he was very impressed with the presentation that Jarnefelt gave to the County Board of Commissioners and that the report was very well received.
 - Rogers stated that several BOC members e-mailed her that they were happy to have a BRA member there as well. She referenced a presentation from MSUE that included 6 or 8 youth who spoke very briefly (30 seconds each) to identify themselves and tell something about their involvement with Extension. This presentation was very powerful. Rogers suggested that several BRA members attend a future County Commission meeting to do a similar quick introduction of who they are and what their history with BRA has been.
 - Rogers also reported that Jarnefelt's GIS presentation was very impressive as to how to navigate the site and the ways that the GIS system will be helpful to BRA deliberations.
 - Woods watched the proceedings on TV and said the GIS presentation came across well.
 - Cochran commented that the Township's Assessing and Building departments use the GIS system "all the time" to much advantage.

10. Committees:

- a. Land Bank Report– Thell Woods reported that the old TB Sanitarium will be razed to build an apartment building for seniors. The land is currently owned by WMU who are finding it difficult and expensive to keep up the property. Land Bank is using NSP \$\$ for this project and will own the building and act as the management company for the renters. This is an unusual situation for NSP and may be re-evaluated in a few years. Artley added that the Land Bank Board had not seen the detail of this plan prior to their meeting.

Agostinelli recommended that the message go back to Land Bank that there were private developers (including his own) interested in developing the property to return it to the tax rolls; the building could have been saved and re-purposed. Jarnefelt and Woods both averred that there were no serious bidding from developers once they learned how much it would cost to raze the

The Marketplace redevelopment is nearly complete (near Bank St. Market).

- b. Executive Committee – There was no meeting in May.
Next meeting: Friday, June 10, 2011, 7:30 am, County Administration Bldg
- c. Project/Finance Committee – No meeting in May.
Next meeting: Thursday, June 9, 2011, 4:00 pm in County Administration Bldg.
- d. PR/Media Committee– *Lunch and Learn* is scheduled for June 17 at the Beacon Club at noon – 100 invitations were sent out on May 23. A PR list of activities will be brought to the Executive and Finance committee meetings in June. This event is free for the first 30 who respond.

Agostinelli said his invitation was sent to the wrong address, and Rogers did not receive one at all.

Discussion centered on how many BRA members should attend – not more Board members than non-Board members.

11. National Brownfield Conference presentation by Baumgart who attended the Conference with Iden in early April 3-5, 2011. A copy of the powerpoint was included in the Agenda Packet. Baumgarten urged Board members to attend this Conference if possible – it provides a different perspective from what is usually discussed locally. Information about each of the more than 132 sessions is available on the National Brownfield website.
- Agostinelli inquired if there were any discussion of incentivizing Brownfield Redevelopment. Ans: A different state (New Jersey) has a person who is dedicated to herding the paperwork and solving problems both at the state and more local level. This greatly shortens the review process.
- By comparison, there is an ombudsman in the State of Michigan who is charged with dealing with State related issues but no one who also helps streamline the local and Federal processes.

12. Other:

- a) EPA update: Hawkins reported that this should be available in early to mid June.
- b) Woods asked the Board for advice about two sites opposite each other and owned by the same individual. One property has had environmental work done and the other, formerly a storage area for a large oil company, has not. The owner is reluctant to sell because she has been told that the EPA will be heavily investigating and the costs may be high. The incremental amount could be taxed at a much higher value as negotiation goes forward. Could these sites be dealt with together even with different buyers? If there is only incremental difference is this worth pursuing?

Discussion: The fees would happen for each property separately if there are two potential buyers, but the Board would need a written application with more detail to fully discuss this. If there is TIF, the developer could recoup the fees.

13. Member Comments:

- Rogers: Need to update the catalogue of Board members' professional organization affiliations. This helps the PR committee to do their work. Artley will send an e-mail reminder.
- Rogers: Remember that all Board members are "ambassadors of Brownfield Redevelopment – try to talk about the BRA and issues when possible.
- Baumgart: Thanks to the Board for being allowed to go to the Conference
- Agostinelli: his company working with a few projects that may develop into BRA projects. If brought to BRA he will remove himself from the discussion.
- Hawkins: has had inquiries just this week about 3 different projects that are potential for the BRA.

14. Annen moved and Rogers seconded that the meeting adjourn. Motion Carried.
Meeting adjourned at 5:15 p.m.

Next Meeting: Thursday, June 23, 2011 at 4:00 p.m.