
KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

MEETING DATE: Thursday, June 23, 2016
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, Room 207a
TIME: 4:00 pm

MINUTES

Present: Andy Wenzel, Joe Agostinelli, Julie Rogers, Douglas Milburn, Christopher Carew, Tim Hudson, Habib Mandwee, Ken Peregón

Members Excused: James Spurr, Travis Grimwood, Thell Woods

Kalamazoo Township: None

Staff: Lotta Jarnefelt, Rachael Grover

Consultant: Jeff Hawkins

Recording Secretary: Zeña Vos and Rachael Grover

Community: 3

1. Chair Agostinelli called the meeting to Order at 4:03 p.m.
 2. Members Excused: Travis Grimwood, Thell Woods, James Spurr
 3. Approval of the Agenda: **Wenzel moved and Mandwee seconded the approval of the agenda. Motion Carried.**
 4. Approval of Minutes: Correction: Peregón was not in attendance. Additionally, on 8d, the \$11.83 is from the Portage Road Project. Under number 11-Other add "Vicksburg Mill" before Developer in first sentence. **Carew moved and Hudson seconded the approval of May 26, 2016 minutes as amended. Motion Carried.**
 5. Citizens Comments: Jeff Hawkins of Envirologic Technology as citizen. On behalf of Envirologic, headquartered in Kalamazoo, a contract consultant of KCBRA, Mr. Hawkins expresses his appreciation for the opportunity to serve the KCBRA, the County and the community. He is hopeful as the Authority moves forward in selecting a company for the grant that they get an opportunity to be part of it, either being selected or through the RFP process. He believes Envirologic demonstrates the experience, knowledge, and capabilities to continue to support the KCBRA.
 6. Consent Agenda – Invoices
 - a. **\$140.00** – Envirologic related to WO#17 - General Environmental Review
 - b. **\$262.50** – Envirologic related to WO#24 – Kalamazoo West Prof., Brownfield Plan
 - c. **\$ 86.25** – Envirologic related to WO#25 - Metal Mechanics

Mandwee moved and Rogers seconded the approval of consent agenda. Motion carried.
 7. Financial Reports
 - a. **Discussion:** Fund 247
Grover presented information from spreadsheet.
 - b. **Discussion/Action:** Budget 2017
2017 Proposed budget will be submitted to Finance.

2017 Proposed 247-000 account is for general expenditure. Staff time plus contract legal counsel is anticipated to be at least \$56,000. Rogers supports this amount at a minimum. Grover stated the budget can be adjusted later in the year.
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National EPA Brownfield Conference is in December of 2017 in Pittsburgh. The grant will cover 4 members to attend the conference.

Wenzel moved and Hudson seconded the approval of the budget to be submitted as presented. Motion Carried.

8. Discussion and/or Action Calendar

a. **Discussion/Action:** Part II Application Pro Services, City of Portage

The Authority has not received and approved the Part II Application. Pro Services has contracted with Envirollogic to complete the Brownfield Plan and Envirollogic has submitted a Draft of the Brownfield Plan to Pro Services for review. Tabled until Part II Application and Application fee are received.

b. **Discussion/Action:** 555 Eliza Street, Village of Schoolcraft

i. Envirollogic Invoice related to WO#21 MDEQ Loan work: **\$3,800.00**

Hawkins stated they are finalizing the design of the sub-slab vapor extraction system.

Hudson moved and Peregon seconded the approval of WO#21 in the amount of \$3,800.00. Motion Carried.

ii. Administrative Expenses for Quarterly Reporting – Grant expense
Tabled for July meeting.

c. **Discussion/Action:** Brown LSRRF Transfer - **\$6,479.70**

Peregon moved and Mandwee seconded the approval of fund transfer from the Brown Family Holding Plan Account to the Local Site Remediation Revolving Fund Account. Motion Carried.

d. **Discussion/Action:** TIF Reimbursements

i. Midlink – check to 5200 East Cork Street Investors – total **\$65,612.86** (includes \$64,632.46 from local TIR and \$980.40 from State School TIR)

ii. General Mills - **\$9,037.73** (from Local TIR)

Rogers moved and Wenzel seconded the approval of TIF reimbursement to Midlink and General Mills. Motion Carried.

iii. Gesmundo, LLC - **\$78,596.50** (from Local TIR – No School TIR collected)

Grover stated \$27,502 due to the KCBRA includes the 2014 administrative expenses that were approved last year and additional money spent on the project for eligible costs of the KCBRA.

Hudson moved and Peregon seconded the approval of TIF reimbursement to Gesmundo, LLC. Motion Carried.

e. **Discussion/Action:** Reimbursement Agreement Template – proposed changes to this agreement were not voted on during the May 26, 2016 meeting.

During the discussion at last month's meeting, the Board conceptually agreed with the Reimbursement Agreement language but moved to the discussion regarding the Development Agreement. There was not a separate vote on the Reimbursement Agreement.

Board requested additional revisions to make language more consistent with the newly added language. Staff will edit. *Tabled for next meeting.*

f. **Discussion:** Personal Property Tax Reform

i. Submitted 2015 for Brown; 2016 due July 15, 2016

Staff submitted 2015 loss in Increased Taxable Value for PPT – Michigan Treasury reimbursed the KCBRA for \$782.00. Staff will submit for 2016 by July 15th due date.

ii. Midlink – 2016 due July 15, 2016

Grover noted she doesn't have assessor info yet regarding taxable values and who filed a PPT exemption. Grover will try to get the numbers and will submit if possible.

g. **Discussion/Action:** Consultant contracts – Environmental and Legal

Agostinelli noted that KCBRA does not have an obligation to do a new RFP for General Environmental Consulting and the KCBRA can choose to renew the environmental consultant contract. They have extended in the past.

The Contract with Enviologic Technologies is through December 31, 2016.

Environmental consultant contract discussion tabled for later in the meeting during discussion of EPA Grant RFP in item 8.h.iv.

Regarding legal contract with Varnum - Agostinelli expressed support to extend the legal contract with Varnum for another year. Board members expressed value for not needing to re-familiarize legal counsel with projects and KCBRA needs.

h. **Discussion/Action:** EPA Grant Planning

i. Grant Forms – Authorizing Chair to sign EPA required forms

EPA Work plan that is due July 15, 2016. Enviologic is reviewing the draft Work Plan.

EPA Certification forms and Federal FORM-SF424 need KCBRA signature for submittal with EPA Work Plan on July 15th.

The Board considers the following EPA required forms separately:

a. EPA Form 6600-06 Certification Regarding Lobbying:

Carew moved and Hudson seconded the approval authorizing the Chair to execute the Lobbying Form on behalf of the Board. Motion Carried.

b. Form SF-424 was submitted with via grants.gov at the time of the original application submittal in December 2015, but EPA suggested changes. Changes have been added – the form is revised for Chair to sign as authorized representative for the KCBRA:

Hudson moved and Peregón seconded the approval authorizing the Chair to execute the Application for Federal Assistance SF-424 Document. Motion Carried.

c. Pre-Award Compliance Form

Grover sent form to Thom Canny and he advised that it's ok to fill out the form from Authority's perspective.

On #7, Thom Canny advised to add equal opportunity language to the KCBRA Application and notices.

Mandwee moved and Wenzel seconded authorizing the Chair to sign the Pre-Award Compliance Review Report on behalf of the Board following additional review and input from County Legal Counsel. Motion Carried.

Grover will add the equal opportunity language on the Application, meeting notices, and website.

- ii. Priority list from last grant – page 20 in packet.

Hawkins stated that for the Questionnaire regarding priority brownfield sites, to start with the MDEQ list and solicit information about sites from various participants. In the past, a task force of KCBRA members was created. This time community members may be included.

Project and Finance Committee meeting is July 14, 2016 and will discuss site prioritization.

Agostinelli and Grover met with City of Kalamazoo Economic Development regarding the EPA grant and how to work together on City projects with some of the EPA grant funds. The City would like to take the lead on the project with the Brownfield Plan but is open to reimbursing the KCBRA thru TIF for eligible costs where the site assessment grant is utilized.

- iii. Work Group/Committee – Current committees will be assigned tasks as needed with the EPA grant.
- iv. RFP

Rogers moved and Agostinelli seconded the possibility of doing an RFP for environmental work for EPA Grant.

Discussion regarding the possibility of an RFP occurred. The Executive Committee will discuss EPA grant RFP on July 8, 2016 at 8:30 a.m.

Rogers withdrew the motion.

- i. **Discussion/Action:** Staff Training – Grover IEDC Economic Development Basic Course Okemos - September 12-15: **Total cost estimated \$1,450:** includes \$850 tuition, \$270 hotel estimate (3 nights hotel @ \$75 + tax per night), per diem \$59/day, mileage - \$86.

Rogers moved and Mandwee seconded the approval of Staff Training for Grover to attend the IEDC and expenses not to exceed \$1,450. Motion Carried.

9. Staff Report

- a. Vicksburg Mill Update

Another meeting is scheduled for next week. The Developer will discuss their Pro forma. They do not have official approval from MEDC but they have been working with MEDC so they have draft of numbers. There will be some significant damage to the foundation if some roof damage is not taken care of before winter. The Vicksburg BRA is meeting with attorneys on Monday to see if they have funding available from the Angel's Crossing Brownfield project to help spend on this project.

The Treasurer still owns the large parcel of that property and Envirollogic has been working with the Treasurer on some demolition.

- b. 232 LLC updates

Grover noted that the owners decided not to amend the Brownfield Plan to include the school tax capture so an Act 381 Work Plan will not be submitted. The Development Agreement expired December 31, 2015 and needs to be amended to extend the time for completion of the project.

232 LLC has a deadline to complete construction for their Michigan Brownfield Tax Credit and they need to have the occupancy permit by end of August. Their lawyer is confident they will be done by the deadline.

Grover will bring to Board Addendum #2 to the Development Agreement that includes the new tax appeal language and the extended deadline.

- c. Envirologic Project Updates – Metal Mechanics, Pro Services
Envirologic is meeting with construction company tomorrow at the Metal Mechanics property in Schoolcraft to get the eligible costs.
- d. New potential project with Land Bank and City of Kalamazoo
Grover and Agostinelli met with a developer regarding a potential project for a distilling company at a property that is owned by the Land Bank in the Edison neighborhood. The building is 20,000 sq. ft. and in bad shape, there's a part of the roof that has collapsed. It qualifies as a facility under Act 381 and should qualify for Historic Tax Credits. Envirologic did the Phase I and it is recommended to have a Phase II. The City would like to take the lead on this project.

10. Committees - times dates and places

- a. Land Bank Report – Meeting was today, June 23. Next meeting August 11, 9:00 a.m.
The Land Bank owns the Merchant Publishing Site – Rogers spoke with Land Bank about this property in the City of Kalamazoo.
- b. Project/Finance Committee – Will meet July 14th, 4:00 p.m. to discuss Grant Site prioritization
- c. Executive Committee – Will meet Friday, July 8th, 8:00 a.m. to discuss RFP for EPA grant consultant
- d. PR/Media Committee – *Connect* (Public Media Network) interview
Rogers, along with Hawkins and Agostinelli, went to Midlink and videotaped an interview with Public Media Network regarding the EPA Grant. Hawkins gave a little bit of history of Brownfield, Rogers gave the historic perspective and Agostinelli talked about the economic development angle. It should air first of July. Grover will notify the Board when it is available. The video will also be available to watch online.
Grover mentioned that PMN may also be interested in doing a story about a specific project.

11. Other

Agostinelli shared, they received the placeholder Brownfield plan for the Checker site. It is a \$30-\$40 million investment, \$20 million taxable value increment, and eligible brownfield activity estimated at \$15 million. Capture would start in 2019. Attorney working on Brownfield Plan is planning to coordinate a meeting with the City, KCBRA, and Kalamazoo Township.

Grover will send the draft BF Plan to the Board.

Hawkins shared that Envirologic Tech was selected as one of 15-16 Consultants approved for MSHDA's 2016 Pre-Qualified Environmental Consultant list.

12. Board Member Comments

Hudson noted that he was present at the May 26th KCBRA meeting.

13. Adjournment @5:52 p.m.

Next Meeting: 4th Thursday – July 28, 2016 at 4pm (room 207a, County Admin Bldg)

PLEASE CALL 384-8112 OR EMAIL RAGROV@KALCOUNTY.COM

IF YOU ARE UNABLE TO ATTEND THE MEETING
