

---

**KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**

---

**MEETING DATE:** Thursday, March 27, 2014  
**PLACE OF MEETING:** County Administration Building  
201 West Kalamazoo Avenue, 207a  
**TIME:** 4:00 pm

---

**AGENDA**

---

1. Call to Order ~ 4:00 pm
2. Members Excused
3. Approval of the Agenda
4. Approval of Minutes: BRA Minutes of February 27, 2014
5. Citizens Comments (4 minutes each / Please state name and address)
6. Consent Calendar
  - a. None
7. Discussion and/or Action Calendar
  - a. **Discussion/Action** – Corner @ Drake
    - i. Application Update
    - ii. Work Order #10 for Brownfield Plan - \$4,000
    - iii. Timeline
  - b. **Discussion/Action** – General Mills
    - i. Amendment to Work Order #2 - Additional \$1,500
    - ii. Invoice 29761 - \$551.84
  - c. **Discussion/Action** – Vicksburg Paper Mill
    - i. Update on Project
    - ii. MOU
  - d. **Discussion/Action** – 321 Duncan, Schoolcraft
  - e. **Discussion/Action** - BRA Policy
  - f. **Discussion/Action** - Allocation of 2013 Administrative Expenses
8. Staff Reports
  - a. None
9. Committees - times dates and places
  - a. Land Bank Report–
  - b. Project/Finance Committee– verbal report, meeting schedule Thursday, April 10<sup>th</sup>, 4:00 pm
  - c. Executive Committee – verbal report, meeting schedule Friday, April 11<sup>th</sup>, 8:30 am
  - d. PR/Media Committee –
10. Other
11. Board Member Comments
12. Adjournment

**Next Meeting: 4<sup>th</sup> Thursday – April 24, 2014 at 4pm (room 207a, County Admin Bldg)**

PLEASE CALL 384-8112 OR EMAIL LAADAM@KALCOUNTY.COM  
IF YOU ARE UNABLE TO ATTEND THE MEETING

---

---

**KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**

---

**MEETING DATE:** Thursday, February 27, 2014  
**PLACE OF MEETING:** County Administration Building  
201 West Kalamazoo Avenue, 207a  
**TIME:** 4:00 pm

---

**AGENDA**

---

**Present:** Clare Annen, Julie Rogers, Anne Summerfield, Habib Mandwee, Christopher Carew, Andy Wenzel, Travis Grimwood, Ken Peregon

**Members Excused:** Joe Agostinelli, Thell Woods, Tim Hudson

**Kalamazoo Township:** None

**Staff:** Lotta Jarnefelt

**Consultant:** Jeff Hawkins

**Recording Secretary:** Zeña Vos

**Community:** 2

1. Vice Chair Annen called the meeting to Order at 4:03 pm.
2. Members Excused: Agostinelli, Thell Woods, Tim Hudson
3. Approval of the Agenda: **Carew moved and Peregon seconded the approval of agenda. Motion Carried.**
4. Approval of Minutes: **Carew moved and Mandwee seconded the approval of January 23, 2014 minutes. Motion Carried.**
5. Citizens Comments: None
6. Consent Calendar
  - a. None
7. Discussion and/or Action Calendar
  - a. **Discussion/Action** – End of Year Finances
    - i. Review of 2013 Expenses and Revenues  
Jarnefelt provided an updated packet, correcting a \$30.00 discrepancy and gave a brief explanation. Rogers appreciated the detailed information in the 2013 Expenses and Revenues.

Rogers also suggested that staff present a summary of the BRA activities to the County Board/Administration. Hawkins will provide a one page dashboard of the recent BRA activities for Administration and County Board.

306 N Grand Project – Wenzel suggested putting up sign that would say Brownfield & Land Bank incentives. Jarnefelt will contact the Land Bank.

Portage Road Site – Jarnefelt mentioned that they should be expecting to start collecting TIF on the site. The latest news from Alex Gwiazdowski is that his attorney is still reviewing the Development Agreement.

Vicksburg Paper Mill –

Jarnefelt mentioned that Adams attended the Land Bank interviews with prospective Real Estate Agents for the Mill. At least one buyer is interested in the site.

---

Hawkins relayed an update from David Harn from the MDEQ; David was unable to attend the meeting. Harn stated that the DEQ sent a compliance communication regarding releases at the former Fox River Paper Company to Neenah Paper Incorporated. MDEQ is identifying Neenah Paper as the liable party with respect to addressing the release that was identified at the property. They have not received a reply yet.

Jarnefelt asked the Board to review the Administrative cost and reimbursement for 2013 and approve it at the next meeting.

**b. Discussion/Action – Corner @ Drake**

**i. Application**

Curt Aardema and Joe Gesmundo from American Village Builders (AVB) provided a packet for the Corner @ Drake Project and presented information regarding the project.

Gesmundo stated that he bought the commercial property and three adjacent residential lots 20+ years ago, for future development. He left the property untouched until this year. They are developing the site and have found asbestos on the residential properties. He stated that developing the site is costing them a lot more than anticipated.

Discussion ensued regarding a potential liable party since the owner did not conduct proper assessments at the time of purchase. It is possible that the developer is the liable party.

**Summerfield moved and Peregón seconded the approval of the application.**

Rogers stated the current policy does not fund the liable parties. More discussion ensued.

Aardema mentioned that they have draft of Phase I, which shows no recognized environmental conditions.

**Rogers made amendment to original motion to postpone until next month for more information, supported by Mandwee. Motion Carried.**

**Summerfield made a motion to withdraw her motion, supported by Peregón.**

**c. Discussion/Action – Apollo Plastics**

Annen noted a previously motion made to take the \$27,000+ that was spent on the Apollo project and recoup it through Administrative expenses. The motion was suspended pending a legal opinion.

Hawkins spoke with Jim Mills from the Department of Treasury; Hawkins quoted Mills saying the he “doesn’t have a problem with the concept.” Mills indicated that the statute says that the Authority is free to accomplish the purposes for which it was formed. He stated that the BRA has the latitude to make that decision but needs to work it out internally. If the project revenue is coming from another project, it needs to be justified and needs to look at the Development Agreements of other projects to determine if it’s an acceptable expense.

After discussion, Annen asked if there was support for the motion. There was none. Annen withdrew the motion.

**d. Discussion/Action – 9008 Development Agreement**

**i. Update – already mentioned in 7 a. Staff is waiting for the Developer to sign the Development agreement; the developer cannot receive payment for eligible**

---

expenses until agreement is in place.

- e. **Discussion/Action** – Vicksburg Paper Mill
    - i. Update – already mentioned in 7 a. A question was posed: should Brownfield Plan be recorded in the Register of Deeds office so that the fact that a parcel is in a brownfield plan comes up in a title search. Public hearing serves the purpose of making it public knowledge, but there is no tie to the parcel. Jarnefelt will look into this.
    - ii. The MOU should be presented to Vicksburg Village Council and Vicksburg Village BRA for their signature. Staff will make a request to present the MOU at a regular meeting of each authority.
  - f. **Discussion/Action** – Nomination Committee.
    - i. Grimwood and Rogers will contact Board members and request nominations for Chair, Vice Chair and Secretary for the KCBRA and EDC for the annual meetings in April.
  - g. **Discussion/Action** – Envirollogic Technologies Work Order #9 - \$2,500
    - i. Work Order #9 for General Brownfield Consulting. Corner @ Drake project and others will require consulting services by Envirollogic Technologies. **Rogers moved and Grimwood seconded the approval of a Work Order for General Brownfield Consulting for \$2,500. Motion Carried**
  - h. **Discussion** – LSRRF
    - i. Discussion was tabled until the next meeting.
    - ii. Hawkins will provide information about LSRRF and create a “dashboard” to help keep up with the status of County’s Brownfield Plans.
    - iii. Annen provided staff with questions about the LSRRF that will be answered in the LSRRF discussion.
8. Staff Reports
- a. None.
9. Committees - times dates and places
- a. Land Bank Report– No report
  - b. Project/Finance Committee– verbal report, meeting schedule Thursday, Mar 13<sup>th</sup>, 4:00 pm
  - c. Executive Committee – verbal report, meeting schedule Friday, Mar 14<sup>th</sup>, 8:30 am
  - d. PR/Media Committee – No report
10. Other – Ron Reid, Supervisor of Kalamazoo Township, was in the audience, and reported that DEQ has some funds that they will be using for clean-up on the Nolichucky (Georgia Pacific) site in Kalamazoo Township.
11. Board Member Comments
- Rogers asked to attend the Executive Committee meeting instead of the Project & Finance Committee meeting in March
12. Adjournment - **Rogers moved and Grimwood seconded to adjourn the meeting at 6:15 pm. Motion carried.**

**Next Meeting: 4<sup>th</sup> Thursday – March 27, 2014 at 4pm (room 207a, County Admin Bldg)**

PLEASE CALL 384-8112 OR EMAIL LAADAM@KALCOUNTY.COM  
IF YOU ARE UNABLE TO ATTEND THE MEETING

---

## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

### PROPOSED PROJECT APPLICATION

The Kalamazoo County Brownfield Redevelopment Authority has funding currently to assess potentially contaminated or contaminated sites (Brownfields) in Kalamazoo County. Funding may be used for certain eligible activities including: Phase I and II Environmental Site Assessments, Baseline Environmental Assessments, Due Care Plans and Clean-up Planning, e.g. Creation of a site specific Brownfield Redevelopment Plan. All approved funded activities must be conducted by the County's authorized environmental consultant Envirolgic Technologies, Inc.

There is a required application fee as follows: All applications must be accompanied by a non-refundable \$1,500 fee. Please note that should a Brownfield Plan become necessary, an additional \$1,000 fee for its development will be required.

All applications must include a conditional reimbursement agreement should the overall project development not occur. It is Exhibit A as part of this application (pp. 7/8)

Please provide general information about your project in a cover letter to the Kalamazoo County Brownfield Redevelopment Authority (KCBRA), in care of Lotta Jarnefelt at KCBRA, Room 101, 201 W. Kalamazoo Avenue, Kalamazoo, MI. 49007

You should contact us at phone (269) 384-8112) or the following email – [lmjarn@kalcounty.com](mailto:lmjarn@kalcounty.com). Pre-application contact is highly recommended, will be beneficial to our common interests, and will avoid unnecessary delays in processing your application

This application has been developed for interested parties requesting potential Brownfield funding on a redevelopment project within Kalamazoo County. Project funding will be considered by the Authority on a case-by-case basis considering the merits of the proposed project. Criteria for project consideration will include evaluating potential for re-investment, job creation, availability and condition of infrastructure, environmental issues at the site and other benefits to the community.

Based on a review of your completed application, we will contact you within ten (10) business days to discuss the next steps in the process or if we need additional information. Completed applications include: a cover letter, all application form filled out, and Exhibit A and the appropriate authorized signature to all the documents.

You must be present at the BRA meeting when your request is heard; you will be advised of that date and location when it is scheduled. Please note that the BRA meets monthly on the 4<sup>th</sup> Thursday of the month, we request the minimum 10 day lead time.

Please provide information in the areas listed below, if available. (Please attach additional pages if needed)

1. Date of Application: 2/5/14

**Business Information:**

2. Name of Applicant: Gesmundo, LLC

3. Business Address: 4200 W. Centre Ave.

Portage, MI 49024

4. Business Telephone Number: (269) 323-2022

5. Contact Person(s): Curt Aardema Title: Authorized Agent

6. Contact Person(s) Telephone Number: (269) 329-3656

7. Contact Person(s) Fax Number: (269) 323-2484

8. Contact Person(s) Email Address: caardema@avbinc.com

9. Entity Type:  Proprietorship  Partnership  Corporation  
 Other (specify): \_\_\_\_\_

10. Describe nature and history of business: This business is focused on the investment and development of real estate within the Kalamazoo area.

11. List similar projects developed over the last five years (if any): The business ownership has been involved in the Trade Centre development along I-94 in Portage, the First Community Federal Credit Union redevelopment in Parchment and the development and construction of several retail centers along Gull Road in Comstock Township.

**Proposed Project Site Information:**

12. Address(es): Approximately 41 parcels bounded by Stadium Drive, Drake Road, West Michigan Avenue and US-131; excluding the northeast corner.

13. Tax I.D.(s) (If known): Currently configured as 41 parcels.

14. Present Owner(s): Gesmundo, LLC

15. Date Present Owner(s) Acquired Property (If known): 1992 to 2013

16. Does applicant have land control:

- No
- Yes

If yes, please describe (owner, lessee, option or purchase agreement, etc.):

Gesmundo, LLC owns all parcels proposed for redevelopment

17. Any currently known environmental issues? Asbestos is currently being abated in existing residential structures. The existing buildings and infrastructure are also obsolete. A Phase 1 environmental report was performed and determined that there are no REC's at the site.

18. Is applicant a liable party for environmental issues at site?  No  Yes

19. Is access to site permitted?  No  Yes

20. Project type:  New  Relocation  Expansion  Rehabilitation

21. Project Size: Parcel size (acres): Approximately 39 acres

Existing building area (square feet): All existing residential structures slated for demolition.

New building area (square feet): First building will be approximately 150,000 SF, Additional buildings will follow.

22. Project timeline (Proposed or Actual):

Start date: January 2014 Completion Date: November 2014 (Phase 1)

23. Additional materials (Please check those items that are available and attach to your application, if possible)

- Business Plan  Financial Commitments  Architectural/Site Plans
- Market Analysis  Environmental Information/Reports

**Tax Base Information:**

24. Total Investment Anticipated: \$ 70,000,000.00

If available, please attach a detailed projection of project costs and proposed funding sources. Categories of costs may include real estate, demolition, environmental, new construction, renovation, new equipment, and other as appropriate.

25. Eligible activities for which potential funding may be sought:

- Phase I ESA  Phase II ESA  BEA  Due Care  Clean-up Planning

27. Estimated State Equalized Value after Project Completion: \$ 25,000,000.00

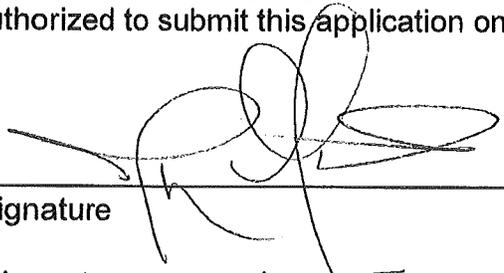
Employment Information:

28. Full Time Equivalent (FTE) Employees:

FTE Jobs Retained: 0 FTE Jobs Created: 665

Signature on this page is required along with the contact information requested.

I certify that the foregoing is true and accurate to the best of my knowledge and that I am hereby authorized to submit this application on behalf of the proposed project and requesting party:

  
\_\_\_\_\_  
Signature 2/6/14 \_\_\_\_\_  
Date

AUTHORIZED AGENT  
\_\_\_\_\_  
Title

Direct dial office or cell number (269) 329-3636

Fax number (269) 323-2484

Email address joeg@avbinc.com

***If you have questions regarding the application, please contact:***

Kalamazoo County Government  
Lotta Jarnefelt, Director  
Department of Planning and Community Development  
201 W. Kalamazoo Avenue, Room 101  
Kalamazoo, Michigan 49007

Office Phone: (269) 384-8112  
Email: [lmjarn@kalcounty.com](mailto:lmjarn@kalcounty.com)  
Office Fax: (269) 383-8920

## Exhibit A to Grant Application – Subject to Modification by Authority – 05-08-2011

**REIMBURSEMENT AGREEMENT**

This Reimbursement Agreement is made as of FEBRUARY 6, 201<sup>4</sup>2, by and between "BESMUNDO, LLC" ("Applicant") and The Kalamazoo County Brownfield Redevelopment Authority (the "Authority").

The Applicant has applied to the Authority for funding for Brownfield Assessment and Planning (the "Funds"). The Applicant desires to use the Funds to pay for the costs of "*list of proposed eligible activities i.e. Phase I and II environmental site assessment, baseline environmental assessment, due care plan, creation of a Brownfield plan and similar and related costs*" (the "Costs") to be incurred in connection with the Applicant's proposed acquisition and development of the property and facility at KALAMAZOO, Michigan, currently owned by BESMUNDO, LLC (the "Site"). If the Authority grants the application of the Applicant for Funds, the Authority may incur Costs, or obligate itself to incur Costs, on behalf of the Applicant. To induce the Authority to act favorably on the Applicant's application and assure the Authority that the Applicant will reimburse the Authority for any Costs incurred by it if Applicant does not consummate acquisition and development of the Site within one year, the Applicant and Authority are hereby entering into this Reimbursement Agreement.

Accordingly, the Applicant and the Authority, in consideration of the foregoing premises and for other good and valuable consideration, hereby agree as follows, intending to be legally bound:

1. Agreement to Reimburse Authority. If the Authority incurs Costs on behalf of the Applicant with respect to the Site, and if the Applicant fails to consummate the purchase of the Site and commence development of the site within 12 months for any reason, the Applicant will reimburse the Authority for all such Costs incurred by the Authority.

2. Reimbursement Procedure. The Authority may request reimbursement of Costs at any time after the Authority determines in its reasonable judgment that it is entitled reimbursement pursuant to Section 1 above. Such request shall be in writing and shall be accompanied by receipts or other documentation reasonably sufficient to establish the veracity and amount of the Costs being requested for reimbursement. The Applicant shall reimburse the Authority within 30 days after receiving such a written request for reimbursement.

3. Funding Guarantee. The Authority does require posting of security to secure reimbursement to the Authority for Costs. The security could include, at a minimum, a personal guarantee of funds or property or assets as appropriate to assure the Authority that the Applicant will either follow through with the planned activity or reimburse the Authority its Costs.

4. Effective Time; Termination. This Agreement shall govern and become operative if and when the Applicant's application for Funds is approved and the Authority incurs Costs; the Agreement shall then continue in full force and effect until the earlier of (i) commencement of development by Applicant or (ii) reimbursement of all Costs by Applicant. If Applicant's application is not approved or the Authority does not incur any Costs with respect thereto, this Agreement shall be null, void and of no further effect.

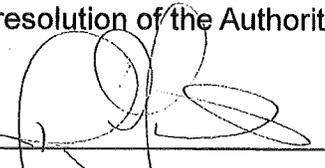
5. Miscellaneous. This Agreement: shall be governed by the internal laws of the State of Michigan; may be signed in one or more counterparts, each of which shall be enforceable as an original; may only be amended by further written agreement of the Authority and the Applicant; is intended to be legally binding on the parties and their successors and assigns; and constitutes the entire understanding of the parties with respect to its subject matter.

In witness of their agreement to be legally bound by the terms of this Reimbursement Agreement, the Authority and the Applicant have set forth their signatures below by their duly authorized representatives.

Kalamazoo County Brownfield Redevelopment Authority

By: \_\_\_\_\_

Its: \_\_\_\_\_  
pursuant to resolution of the Authority dated \_\_\_\_\_

Developer  \_\_\_\_\_

By: JOSEPH GESMUNDO  
Authorized Agent

Address of Developer:

NAME: GESMUNDO, LLC  
Street/Number 4200 W. CENTRE AVE.  
City, State, Zip PORTAGE, MI 49024  
Phone (269) 323-2022  
Fax (269) 323-2484  
Email caardema@albinc.com

**Scope of Services**

**Contract for Professional Services  
Kalamazoo County Brownfield Redevelopment Authority  
Applicable to Contract Addendum #4 2014  
Work Order No. 10 Dated March 27, 2014**

**Between**

**KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY (CLIENT)  
201 WEST KALAMAZOO AVENUE  
KALAMAZOO, MICHIGAN 49007-3777**

**And**

**ENVIROLOGIC TECHNOLOGIES, INC. (ENVIROLOGIC)  
2960 INTERSTATE PARKWAY  
KALAMAZOO, MICHIGAN 49048**

**Subject Matter:** The Corner @ Drake Development – Brownfield Plan  
**Funding Source:** “General” Authority Funds

CLIENT requests that ENVIROLOGIC perform the work described below in accordance with the terms of the above-referenced Contract and as described in this “Scope of Services.”

ENVIROLOGIC will begin work on this Work Order and complete the services as described in the attached "Scope of Services."

ENVIROLOGIC and CLIENT have designated the following representatives for this “Scope of Services:”

Jeffrey C. Hawkins/David A. Stegink (800) 272-7802  
Name (ENVIROLOGIC) Phone

Joe Agostinelli, Chairman (269) 553-9588  
Name (CLIENT) Phone

If CLIENT accepts this Scope of Services, please sign this Work Order on behalf of CLIENT and return to the ENVIROLOGIC Representative above:

ACCEPTED AND AGREED TO:

KALAMAZOO COUNTY BROWNFIELD  
REDEVELOPMENT AUTHORITY (CLIENT)

ENVIROLOGIC TECHNOLOGIES, INC.

By Joe Agostinelli  
Title Chair  
Signature \_\_\_\_\_  
Date \_\_\_\_\_

By Jeffrey C. Hawkins  
Title President  
Signature \_\_\_\_\_  
Date \_\_\_\_\_



**I. Scope of Services**

The applicant Gesmundo, LLC intends on redeveloping an obsolete residential neighborhood located at the northwest corner of Drake Road and Stadium Drive in Oshtemo Township. The developer has been acquiring property at this location since 1992 ultimately accumulating approximately 39 acres. Many of the houses in this neighborhood were moved to this location over 50 years ago and have passed their useful life. These houses contained asbestos and were served by individual wells and septic systems. The existing infrastructure including roads, right-of-ways and utilities are failing and are unable to serve future growth opportunities.

This project is designed to transform a gateway urban location from an obsolete and blighted residential neighborhood into a premier commercial redevelopment. Its location adjacent to U.S. 131 and nearby commercial developments makes this land better suited for commercial development versus residential development. The functionally obsolete structures were surveyed for asbestos which resulted in abatement activities and ultimately demolition of the houses, garages, and basements.

The new investment planned for the site which includes an initial approximately 150,000 square foot Costco store and additional mixed-use commercial structures in the surrounding development pads will be approximately \$70,000,000 resulting in over 600 new jobs. Due to the functionally obsolete status of the structures that were located at the site, certain costs are potentially eligible for reimbursement through a brownfield plan. These costs include asbestos surveys, environmental due diligence, asbestos abatement and demolition. The developer has requested assistance from the KCBRA to draft the brownfield plan for the project. Additionally the KCBRA will work with various stakeholders including Oshtemo Township and the Kalamazoo County Board of Commissioners to ultimately present the plan for a public hearing and consideration for approval by the BOC.

**II. Compensation**

Compensation for services provided under this Work Order will be completed on a time and materials basis invoiced at the rates provided in the Contract for Professional Services between ENVIROLOGIC and CLIENT not-to-exceed the budget detailed below without prior authorization from the KCBRA.

**Brownfield Plan**

Staff time, meetings and Plan Preparation .....	\$ 4,000
Subtotal .....	\$ 4,000

**TOTAL ESTIMATED PROJECT BUDGET WORK ORDER #10 \$ 4,000**

**III. Schedule**

Work performed under this Work Order will be initiated upon authorization to proceed as directed by the KCBRA. The Brownfield Plan is anticipated to be completed within 2 weeks of authorization to proceed.

H:\Projects\Projects\_K\KzooCounty\Brownfield Redevelopment Authority\Work Orders and Contracts\Work Order No.10 - The Corner @ Drake - Brownfield Plan.doc



March 20, 2014/LJ

PROPOSED SCENARIO Revision 3. Subject to change:

Proposed timeline for Corner@Drake Brownfield Plan in Oshtemo Township. Timeline depends on when Brownfield Plan is ready for review and accepted by KCBRA. **Red text refers to Corridor Improvement Authority (CIA) creation and approval of the CIA Corner@Drake Development/Tif plan.** **Blue text is an alternative timeline.**

1. **March 13 & 14:** Kalamazoo County Brownfield Redevelopment Authority (KCBRA) Committees discussed the project.
  - question about a “liable party” has been removed as Phase I came back clean
  - Committees confirmed support for creating a Brownfield Plan
2. **March 14:** KCBRA Staff has informed AVB that application is expected to be passed on March 27 regular KCBRA meeting. AVB has informed KCBRA staff that they will use KCBRA consultant to write the Brownfield Plan and will request KCBRA funds to cover the cost. Staff will prepare Development agreement to be approved at the same time as the Brownfield Plan.
3. **March 18:** Special Oshtemo Twp board meeting was held to adopt CIA by ordinance. At the same meeting, a CIA Board was appointed.
4. **March 19 (approx):** The CIA Board will schedule a meeting soon after March 18. A Development/TIF plan for Corner@Drake will be prepared.
5. **March 27:** KCBRA reviews and approves the revised application to create a Brownfield Plan. The application now includes the request for funds to cover KCBRA consultant’s (ET) expense for writing the Plan. A work order is approved for ET to prepare the Brownfield Plan.
6. **March 31:** Staff will write letter to Township Supervisor and Planner saying that BRA Plan application has been approved, KCBRA consultant is in the process of writing a Brownfield Plan, what effect can be expected for the township, what the proposed timeline is, requesting for time at a work session on May 13 (or June 10) to brief Twp Board about the BRA Plan.
7. **April 10 (May 8):** Draft of Brownfield Plan (and Dev Agrmt) submitted to KCBRA for review
8. **April 10 and 11 (May 8 & 9):** Draft of Brownfield Plan (and Dev Agrmt ) reviewed in KCBRA Committees – recommendation to approve.
9. **April 22:** The CIA Development/TIF plan will be presented to Oshtemo Twp Board for approval. This starts a 60 day public comment period when taxing jurisdictions can opt out from the CIA TIF.
10. **April 24 (May 22): KCBRA meeting.** KCBRA approves Corner@Drake Brownfield Plan and Development Agreement.
11. **May 13 (June 10):** KCBRA briefs Oshtemo Twp Board on the Brownfield Plan at the township board work session before the Oshtemo Twp Board meeting
12. **May 13 (June 10):** Oshtemo Township is given a presentation of the Brownfield Plan (by Greg Milliken/KCBRA/Developer?) and Plan is approved by Twp.
13. **May 20 (June 17):** KCBRA presents Plan to County Board COW, to be approved at the June 3 BOC meeting.

14. **May 23 (June 20):** County will post Public Hearing date of June 3 and inform all affected taxing jurisdictions
15. **June 3 (July 1):** Public hearing at the County Board meeting (7 pm) and final approval of the Brownfield Plan.

# Scope of Services

**Contract for Professional Services  
Kalamazoo County Brownfield Redevelopment Authority  
Applicable to Contract Addendum #4 2014  
Work Order No. 2, Amendment #1 Dated March 27, 2014**

**Between**

**KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY (CLIENT)  
201 WEST KALAMAZOO AVENUE  
KALAMAZOO, MICHIGAN 49007-3777**

**And**

**ENVIROLOGIC TECHNOLOGIES, INC. (ENVIROLOGIC)  
2960 INTERSTATE PARKWAY  
KALAMAZOO, MICHIGAN 49048**

**Subject Matter: Project Spartan, Vacant Land, Midlink Business Park – Phase I ESA, Phase II ESA,  
Baseline Environmental Assessment (BEA), and Section 7a Compliance Analysis (“due  
care” plan).**

**Funding Source: “General” Authority Funds**

CLIENT requests that ENVIROLOGIC perform the work described below in accordance with the terms of the above-referenced Contract and as described in this “Scope of Services.”

ENVIROLOGIC will begin work on this Work Order and complete the services as described in the attached "Scope of Services."

ENVIROLOGIC and CLIENT have designated the following representatives for this “Scope of Services:”

<u>Jeffrey C. Hawkins/David G. Bohan</u>	<u>(269) 342-1100</u>
Name (ENVIROLOGIC)	Phone

<u>Mr. Joe Agostinelli, Chairman</u>	<u>269-553-9588</u>
Name (CLIENT)	Phone

If CLIENT accepts this Scope of Services, please sign this Work Order on behalf of CLIENT and return to the ENVIROLOGIC Representative above:

ACCEPTED AND AGREED TO:

KALAMAZOO COUNTY BROWNFIELD  
REDEVELOPMENT AUTHORITY (CLIENT)

ENVIROLOGIC TECHNOLOGIES, INC.

By Joe Agostinelli  
Title Director

By Jeffrey C. Hawkins  
Title President

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

## 1. Scope of Services

An entity on behalf of Project Spartan has submitted an Application to the Kalamazoo County Brownfield Redevelopment Authority (KCBRA) seeking support for the acquisition and redevelopment of 26.14 acres of vacant land located south of Midlink Drive within the Midlink Business Park.

Pursuant to Work Order #2, Envirologic completed a Phase I ESA, Phase II ESA, Baseline Environmental Assessment (BEA), and Section 7a Compliance Analysis (“due care” plan) on behalf of the following entities associated with the redevelopment project: Scannell Properties #169, LLC; ARC MGKMZMI001, LLC; and GMO, LLC.

Subsequent to completion of the due diligence documents, Envirologic has incurred additional billed time and expenses addressing and responding to numerous questions/comments from the above entities and/or their legal counsel regarding: the due diligence process in Michigan, the specific language within the reports/supporting forms, and the BEA submittal process. Envirologic has not yet disseminated hard copies of the environmental reports pending receipt of signed BEA Submittal forms from the three entities involved in the redevelopment.

**This Work Order #2, Amendment #1 has been prepared to provide supplemental budget to cover the additional billed time and expenses incurred to date by Envirologic and anticipated to be incurred in the near future to support the project through to the submittal of reports to the MDEQ and all project stakeholders.**

### 11. Compensation

Compensation for services provided under this Work Order will be completed on a time and materials basis invoiced at the rates provided in the Contract for Professional Services between ENVIROLOGIC and CLIENT not-to-exceed the budget detailed below without prior authorization from the KCBRA.

<b>Supplemental Baseline Environmental Assessment (BEA) activities</b>	<b>\$1,500</b>
Work Order #2 Initial Budget Estimate (Phase I ESA, Phase II ESA, BEA, 7aCA)	<u>\$23,900</u>
<b><i>Total Estimated Project Budget – Phase I ESA, Phase II ESA, BEA, 7aCA</i></b>	<b><i>\$25,400</i></b>

### 111. Schedule

Work performed under this Work Order will be completed as expeditiously as possible dependent upon the receipt of required documentation from Scannell Properties #169, LLC; ARC MGKMZMI001, LLC; and GMO, LLC. It is anticipated that all activities will be completed in March 2014.





environmental consulting + services

2960 Interstate Parkway | Kalamazoo, MI 49048  
P 269.342.1100 | F 269.342.4945 | W envirollogic.com

# Invoice

INVOICE NO.
29761

DATE	CLIENT	PAGE
03/19/14	KZOOCO	2 of 2

<b>INVOICE DUE DATE: 4/18/14</b>
----------------------------------

Kalamazoo County Brownfield Redevelopment Authority  
 Mr. Lee Adams, Resource Coordinator  
 Department of Planning and Community Development  
 201 West Kalamazoo Avenue, Room 206  
 Kalamazoo, MI 49007

### Invoice Detail for Billing Group 'C'

Baseline Environmental Assessment

Order #:

#### Professional Time

02/17/14	Project Coordination	EDP	2.00	95.00	\$ 190.00
02/21/14	Project Coordination	EDP	1.00	95.00	\$ 95.00
02/24/14	Project Coordination	EDP	2.00	95.00	\$ 190.00
02/25/14	Report Preparation	REL	0.25	45.00	\$ 11.25
02/28/14	Report Preparation	REL	1.25	45.00	\$ 56.25
					\$542.50

#### Field Equipment/Materials

02/25/14	Mailing Charges		1.00	9.34	\$9.34
----------	-----------------	--	------	------	--------

**\$551.84**

**Kalamazoo County Brownfield Redevelopment Authority  
County #247-000-808.00  
Brownfield EA and Admin  
Budget and Cost Summary**

Number		Site/Phase	Budget Estimates		Actual				
Project	W.O.		Total	County Funding	Invoice #	Invoice Date	Invoice Amount	Task Budget Remaining	Total Budget Remaining
		Brownfield EA and Admin. 247-000-808.00							
B	4	Review of TIF Reimbursement Requests P.O. #008582	\$ 1,500.00	\$ 1,500.00	27496 27551 27576	10/4/2011 11/14/2011 12/13/2011	\$ 335.94 810.00 317.50	\$ 36.56	
		<b>Project Subtotal</b>	\$ 1,500.00	\$ 1,500.00		<b>Project Subtotal</b>	\$ 1,463.44		\$ 36.56
120215	6	General Environmental Review P.O. #8897	\$ 1,500.00	\$ 1,500.00	27993 28069 28454 28557	6/8/2012 7/9/2012 11/15/2012 12/18/2012	\$ 210.00 521.38 150.00 150.00	\$ 468.62	
		<b>Project Subtotal</b>	\$ 1,500.00	\$ 1,500.00		<b>Project Subtotal</b>	\$ 1,031.38		\$ 468.62
	9	General Environmental Review P.O. #9853	\$ 2,500.00	\$ 2,500.00					
		<b>Project Subtotal</b>				<b>Project Subtotal</b>			
130129	1	<b>Kartar #6, 306 N. Grand, Schoolcraft, MI</b> Phase I ESA	\$ 2,400.00	\$ 2,400.00	28951	6/12/2013	\$ 2,400.00	\$ -	
		File Review	\$ 2,000.00	\$ 2,000.00	28951 29031	6/12/2013 7/18/2013	\$ 171.43 1,858.57	1,828.57 (30.00)	
		Brownfield Plan and Act 381 Work Plan	\$ 4,000.00	\$ 4,000.00	29031 29098 29427	7/18/2013 8/13/2013 11/13/2013	\$ 1,250.18 1,383.75 1,336.25	2,749.82 1,366.07 29.82	
	3	A- Demolition Observations/Assessment Additional approved budget if needed	\$ 2,000.00 \$ 1,000.00	\$ 2,000.00 \$ 1,000.00	29520 29660	12/10/2013 1/22/2014	\$ 2,011.60 650.00	(11.60) 350.00	
		<b>Project Subtotal</b>	\$ 11,400.00	\$ 11,400.00		<b>Project Subtotal</b>	\$ 11,061.78		\$ 338.22
130307	2	<b>Project Spartan - Midlink Business Park</b> A - Phase I ESA	\$ 3,000.00	\$ 3,000.00	29337	10/18/2013	\$ 3,008.75	\$ (8.75)	
		B- Phase II ESA	\$ 15,900.00	\$ 15,900.00	29337 29526	10/18/2013 12/10/2013	\$ 13,994.66 1,914.35	1,905.34 (9.01)	
		C- BEA	\$ 2,000.00	\$ 2,000.00	29526	12/10/2013	\$ 2,001.25	(1.25)	
		D- Section 7a Compliance Analysis (Due Care Plan)	\$ 3,000.00	\$ 3,000.00	29526	12/10/2013	\$ 2,990.00	10.00	
		<b>Work Order #2 - Amendment #1</b>	\$ 1,500.00	\$ 1,500.00	29761	3/19/2014	\$ 551.84	948.16	
	6	E- General Brownfield Consulting F- Act 381 Work Plan	\$ 3,000.00 \$ 4,000.00	\$ 3,000.00 \$ 4,000.00	29526 29526	12/10/2013 12/10/2013	\$ 1,960.00 4,113.75	1,040.00 (113.75)	
		<b>Project Subtotal</b>	\$ 32,400.00	\$ 32,400.00		<b>Project Subtotal</b>	\$ 30,534.60		\$ 1,865.40
130367	4	<b>9008 Portage Road, Former Bud's Auto Service</b> A - Phase I ESA	\$ 2,300.00	\$ 2,300.00					
		B- BEA/Section 7a CA (Due Care Plan)	\$ 2,700.00	\$ 2,700.00					
		C- Brownfield Plan	\$ 2,500.00	\$ 2,500.00					
	8	D - Act 381 Work Plan	\$ 2,500.00	\$ 2,500.00	29414 29630	11/12/2013 1/16/2014	\$ 6,209.06 330.44	3,790.94 3,460.50	
		<b>Project Subtotal</b>	\$ 10,000.00	\$ 10,000.00		<b>Project Subtotal</b>	\$ 6,539.50		\$ 3,460.50
130368	5	<b>2015 Lake Street, J&amp;L Motor X-Press</b> A - Phase I ESA	\$ 2,500.00	\$ 2,500.00					
		B- Phase II ESA	\$ 7,000.00	\$ 7,000.00					
		C- BEA/ Section 7a CA (Due Care Plan)	\$ 2,500.00	\$ 2,500.00					
					29415 29527	11/12/2013 12/10/2013	\$ 10,552.12 483.75	1,447.88	
		<b>Project Subtotal</b>	\$ 12,000.00	\$ 12,000.00		<b>Project Subtotal</b>	\$ 11,035.87		\$ 964.13
130388	7	<b>Former Fox River Paper Mill (Hov-Aire Parcel)</b> A - Phase I ESA	\$ 4,000.00	\$ 4,000.00	29521	12/10/2013	\$ 4,000.00	-	
		B- BEA/ Section 7a CA (Due Care Plan)	\$ 3,000.00	\$ 3,000.00	29523	12/10/2013	\$ 3,000.00	-	
		<b>Project Subtotal</b>	\$ 7,000.00	\$ 7,000.00		<b>Project Subtotal</b>	\$ 7,000.00		\$ -
		<b>Total Project Budgets</b>	\$ 75,800.00	\$ 75,800.00		<b>Total</b>	\$ 68,666.57		\$ 7,133.43



KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

**GENERAL OPERATIONAL POLICY  
FOR  
BROWNFIELD REDEVELOPMENT PROJECTS**

**FINAL (Revision Draft 2-13-14)**

---

*Kalamazoo County Brownfield Redevelopment Authority – 6/26/08*



## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

### I. General Operational Policy

#### A. Introduction

The Kalamazoo County Brownfield Redevelopment Authority (the “Authority”) was established under the auspices of the Brownfield Redevelopment Financing Act (1996 PA 381, as amended) by the Kalamazoo County Board of Commissioners by resolution in 2002. Subsequent to the creation of the Authority, the County Board appointed an eleven member Brownfield Redevelopment Authority Board which is constituted by the Board of Directors of the Economic Development Corporation with rotating terms to oversee the policy and implementation of the Authority. The Authority Board has developed a set of Operational By-laws which in conjunction with Act 381, as amended and other applicable statutes of the State of Michigan will govern its activities and actions.

#### B. Purpose

The purpose of the Authority is to promote the revitalization of environmentally distressed areas (Brownfield Sites) throughout Kalamazoo County utilizing the various tools, incentives and resources offered through Act 381, as amended. It is the intent of the Authority to use these tools and incentives to support the long term benefits related to job creation, tax base enhancement, elimination of contaminated properties, etc.

#### C. Role of Local Units of Government

The Kalamazoo County Brownfield Redevelopment Authority will work closely and collaboratively with the Local Unit of Government (LUG) where the potential redevelopment is occurring in a timely manner on items related to Brownfield Redevelopment. The LUG will be sought as an active, affirmative and supportive partner in Brownfield Redevelopment work which could include the potentially eligible activities noted below. Any potential project which utilizes Tax Increment Financing (TIF) must receive approval, by resolution, from the LUG.



## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

### D. Brownfield Plan Guidelines

A Brownfield Plan (Plan) includes detailed information for each site enrolled in the Plan. For each site, a general description of the eligible activities to be paid for with tax increment financing is included. Projections have been made regarding the investments planned for each site and the anticipated future taxable value. These projections will include assumptions about costs, property assessments, and the tax increment capture created by the redevelopment. The Plan shall describe the estimated tax increment capture and the effect to each taxing jurisdiction. Please refer to MEDC guidance for sample Brownfield Plan and guidance (<http://www.michiganbusiness.org/community/development-assistance/#brownfield>).

The Plan will remain in effect for as many years as is required to fully reimburse the Authority and/or Developer for all eligible activities, plus five (5) full years to allow the Authority to capture tax increment revenues for the Local Site Remediation Revolving Fund, or 30 years, whichever is less. The beginning date of the capture of tax increment revenues cannot be later than five (5) years following the date of the resolution approving the Plan, or Plan Amendment, which again, the duration of the tax increment capture cannot exceed 30 years.

For each adopted Brownfield Plan, the KCBRA will seek reimbursement of project-specific expenses and a portion its annual operating and administrative expenses as allowed by Act 381. Reimbursement of the KCBRA expenses are realized prior to reimbursement of any other eligible expenses, unless otherwise specified in an agreed upon Development Agreement.

### E. Potentially Eligible Activities

MI Act 381 as amended provides for:

- 1) The ability to adopt Brownfield Plans which may:
  - a) Include any of the following on an eligible property as defined by Act 381:
    - i) Baseline Environmental Assessment Activities
    - ii) Due Care Activities
    - iii) Additional Response Activities



## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

- iv) Demolition, lead and asbestos abatement
  - v) Infrastructure Improvements (Core Community, as defined by Act 258 of 2003)
  - vi) Site Preparation Activities (Core Community)
- b) Utilize tax increment financing to pay for certain eligible environmental activities as listed in 1a) herein. The intent of tax increment financing is to capture the increase in taxes (potentially school and non-school taxes) due to the increased value of the redeveloped property.
- c) Submit Act 381 Michigan Department of Environmental Quality (MDEQ) or Michigan Strategic Fund (MSF) Work Plans for school tax capture.
- 2) The creation of a Local Site Remediation Revolving Fund (LSRRF)
- a) Allows Authority to capture additional tax increment revenue in excess of amount authorized for eligible activities under the Brownfield Plan.
  - b) Authority can capture tax increment for up to 5 full years after eligible activities have been repaid.
- 3) The Authority to capture tax increment to pay for administrative and operating expenses of the Authority and Baseline Environmental Assessments, Due Care Activities, and Additional Response Activities as allowed by Act 381 as amended.

### F. Understanding of Brownfield Financing

State Brownfield assistance consists of Grants or Loans to pay for certain eligible environmental and non-environmental activities. Grants or loans require preparation of an application (See Attachment A) by the developer (or the Authority if using EPA Assessment Funds) and submittal by the Brownfield Authority, with approval by the Michigan Department of Environmental Quality or MSF.

Developer financing is the typical method to fund eligible activities. The developer arranges for the upfront costs and is repaid through tax increment capture. The terms and conditions of this arrangement, which may or may not include interest, are codified in the Development Agreement and Reimbursement Agreement.

### G. Interest



## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

The KCBRA Board may allow interest as an eligible expense on a case by case basis as allowed by Act 381 and MDEQ/MSF policy using the guidelines below:

- The KCBRA Board will consider employment, total investment, developer return on investment, and length of reimbursement when considering interest expense for a project.
- If interest expense is granted, a maximum of 3% simple interest is calculated from the date of the first approved eligible expenses.
- Interest will be calculated based on the total remaining non-interest eligible expense approved at the end of each calendar year.
- The cumulative interest expense cannot exceed 20% of the total reimbursable expenses.
- Principal is paid before interest.

### H. Project Marketing

The KCBRA reserves the right to publicize a project through on-site signage, its website, printed materials, and any other media outlets.

## II. Project Proposal Process

The Authority has developed an Application for Proposed Project(s) (See KCBRA website) for interested parties to request reimbursement for eligible activities through a Brownfield Plan or to request potential Brownfield Funding via State and Federal Grants and Loans. The following information outlines the process for project consideration by the Authority, including use of the application.



## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

### A. Brownfield Project Process:

Projects that are presented to the Authority for consideration of eligible activities through a Brownfield Plan will follow the procedure below:

- 1) An initial verbal inquiry is made to the Authority Staff.
- 2) Developer submits **Part I Application** to Authority Staff.
- 3) A general discussion with Authority staff and the interested party will ensue as to the proposed project including estimated project investment, potential eligible activities and costs and other information and timing requirements. Based on the merits of the project, Authority Staff will recommend completion of a **Part II Application** and/or review by KCBRA committee(s).
- 4) The following considerations are part of the Application review process:
  - a) **The Applicant's environmental liability status is considered in the Application approval process.**
  - b) Applicant is ultimately responsible for the overall redevelopment and environmental activities and costs.
  - c) **Applicant must turn in a complete and signed Part II Application to Authority staff with the application fee, if applicable. For projects under \$100,000 investment the fee will be \$500. For projects between \$100,000 and \$500,000 investment, the fee shall be \$1,250. For projects over \$500,000 investment, the fee shall be \$2,500.**
  - d) Once a complete application is received, Authority staff will coordinate the potential project with the LUG.
  - e) Once the Part II Application is reviewed by Authority staff, a recommendation to support or not support the application for a Brownfield Plan will be made to the Authority. The proposed project will be placed on the agenda for the next regularly scheduled Authority Meeting as scheduled in the Annual Public Notice.



## KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

---

- f) The KCBRA has limited available funds to support projects. If the KCBRA funds are used on a project, the following will apply:
  - i. the KCBRA will utilize the services of its approved environmental consultant.
  - ii. The KCBRA will seek reimbursement of its eligible expenses through a Brownfield Plan. Reimbursement may be waived if project does not generate tax increment (i.e., non-profit owned, public greenspace, etc.)
    - 1. The KCBRA will waive up to \$3,000 per applicant, up to \$10,000 for all projects per calendar year.
    - 2. Preference is given to non-profits and local units of government.
  - iii. Applicant is agreeable to reimbursement of funds to Authority should the property be assessed but not developed within a period of two (2) years.
  - iv. Applicant must provide proof of access to the property in question by the owner of the property.
- g) If KCBRA funds are not used, the following will apply:
  - i. If the Authority recommends approval of the application, the applicant can proceed with the development of a Brownfield Plan
  - ii. The applicant will contract with environmental consultants and others to prepare all information necessary for the Brownfield Plan, Act 381 and/or MSF Work Plan, and MDEQ, LUG and Authority approvals.
- h) Upon receipt of a draft Brownfield Plan, Authority staff will review the Plan and will either provide a recommendation to the Authority or request additional information from the applicant.
- i) Upon receipt of an approved Brownfield Plan, the Authority staff will negotiate a Development Agreement with the Developer.
- j) Once a Development Agreement and/or a Reimbursement Agreement are approved, the developer and staff will present the Brownfield Plan to the LUG for approval.
- k) If the Authority and LUG approve the Brownfield Plan, the Authority will either set the date for the required public hearing (if authorized) or recommend approval to the County Board of Commissioners



## **KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**

---

requesting that a public hearing date be established with the appropriate notices.

- l) If it is necessary to pursue other Federal or State grant or loan funding, all applications will be coordinated and submitted by the Authority and depending on whether the Applicant completes the application to the various agencies, the applications will be subject to approval by the Authority and the application may be subject to additional application fees.
  
- m) Upon completion of a successful public hearing and acceptance of the Brownfield Plan Amendment by the Board of Commissioners, the Developer can proceed with the project as outlined in the Application and Development Agreement.

The Authority reserves the right to accept or reject all applications for assistance under this program.

### **III. Amendments to Policy**

The Kalamazoo County Brownfield Redevelopment Authority reserves the right to amend this policy for different purposes which may include but are not limited to: improvements which serve to benefit the Brownfield Redevelopment Process; changes in law and other applicable regulations on a local, state or federal level; and organizational changes affected by the County.

Changes to the policy will be approved by the Brownfield Redevelopment Authority and made available to the community at large through its website and other mechanisms available to the Authority.

### **IV. Contact**

For more information, please contact Planning and Community Development at Kalamazoo County Government at (269) 384-8112.

KCBRA meeting 2/27/2014  
Staff Proposal

<b>2013 KCBRA Site Specific and Administrative Expense</b>					
		A	B	C	D
	<i>Site</i>	<i>% of General BRA Admin Expenses</i>	<i>General BRA Admin Expenses for Site</i>	<i>Expenses specific to TIF Generating site</i>	<i>Total</i>
1	Midlink/Gen Mills	75%	\$ 23,490.91	\$ 29,982.76	\$ 53,473.67
2	Brown Family (Beckan)	5%	\$ 1,566.06	\$ -	\$ 1,566.06
3	232 LLC	0%	\$ -	\$ -	\$ -
4	Kartar #6 (Schoolcraft)	5%	\$ 1,566.06	\$ 11,061.78	\$ 12,627.84
5	9008 Portage Road	10%	\$ 3,132.12	\$ 6,539.50	\$ 9,671.62
6	Vicksburg Mill	5%	\$ 1,566.06	\$ 7,000.00	\$ 8,566.06
7	J & L (2015 Lake St)	0%	\$ -	\$ -	\$ -
	<i>Total</i>		\$ 31,321.21	\$ 54,584.04	\$ 85,905.25

This table shows how KCBRA staff proposes to assign the 2013 administrative expenses of the KCBRA to be reimbursed from the various Brownfield Plans' Tax Incremental Revenues (TIR).

The total expense for the KCBRA in 2013 was \$85,905.25. A total of \$54,584.04 of that is specific costs contributed to four brownfield sites: General Mills/Midlink, Kartar #6 in Schoolcraft, 9008 Portage and the Vicksburg Mill.

The Schoolcraft and Portage sites have a Brownfield Plan in place, and the General Mills project is part of the Midlink Brownfield Plan. Vicksburg Mill does not have a County Brownfield Plan in place at this time, but the intent is to have one in the near future.

The \$54,584.04 will be collected from the TIR from these Brownfield Plans over time as defined in the Plans. In 2014, we are expecting some TIR from the 9008 Portage Road site and the General Mills site. The Kartar #6 and Vicksburg Mill sites will start generating TIF only when they get bought and improved.

In 2013, a total of \$31,321.21 was spent on staff time, office supplies, BRA training and other general administrative expenses. A percentage of this sum was assigned to the existing and future Brownfield Plans by staff as follows:

75% (\$23,490.91) was assigned to the current Midlink Brownfield Plan

5% (\$1,566.06) was assigned to each of Brown Family Holdings, Kartar #6, and Vicksburg Mill Plans

10% (\$3,132.12) was assigned to the 9008 Portage Rd Plan

To the extent that TIR is collected in 2014, the 2013 expenses will be reimbursed to KCBRA in 2014. The \$23,490.91 will be deducted from the TIR to be received from Midlink, the \$1,566.06 from Brown Family holdings and the \$3,132.12 from the 9008 Portage Rd Brownfield Plans. Reimbursement from Kartar #6 and Vicksburg Mill will have to wait until TIR starts coming in. Staff is open to input and revisions to this proposal.