

KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY  
SPECIAL MEETING AGENDA

**SPECIAL MEETING DATE:** Thursday, October 14, 2010 @ 4 pm  
**PLACE OF MEETING:** County Administration Building

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The agenda of the special meeting is to review and discuss a staff recommended option to close out the negotiations on the BRA Plan Amendment #3.

**a.) The BRA original positions as approved at the September 23, 2010**

a.1.) "We shall pay interest in the Midlink Revised BRA Plan at a rate of 2% per annum, from the date that the eligible expense was incurred to December 31, 2010, and it shall be compounded annually during that time. Additionally, eligible expenses on which interest shall be paid shall be capped at \$2,262,654.00. No interest shall be accrued after January 1, 2011"

a.2.) "Amendment#3 will include a 'time certain or amount certain, whichever comes first' clause in the Midlink Revised BRA Plan and subsequent Development Agreement as follows: 20 years (15 years for Midlink to be reimbursed for eligible activities and 5 full years for the collection of the LSSRF) for the time certain."

a.3.) "Amendment#3 will include a 'time certain or amount certain, whichever comes first' clause in the Midlink Revised BRA Plan and subsequent Development Agreement as follows: the amount certain of eligible activities reimbursement to Midlink will be up to, but no greater than, \$6,067,254.00"

{For additional details refer to the minutes of 9/23/2010.}

b.) A staff recommended position to get to closure of the bargaining on the changes:

b.1.) The time/amount certain, whichever comes first and the interest.

b.2.) Time: 23 years - 18 years Max for reimbursement of eligible activities, and administrative costs including ET costs and 5 years for LSRRF.

b.3.) Amount certain: Eligible Activities - \$6,067,254

b.4.) Amount certain: Interest - \$2,000,000

b.5.) Simple interest rate: 3% compounded annually at the end of each year (December 31, 2011 is first such date).

b.6.) Interest starting date: January 1, 2011. No interest will be paid on any activity that was completed prior to January 1, 2011.

b.7.) Summary - The total of the interest cap and the eligible activity cap (respectively \$2,000,000 and \$6,067,254 ) OR 18 years commencing with 2011 and ending with 2028, which ever comes first, will determine when payments to developer for eligible activities + interest is complete.....

c. Mldlink's starting position:

c.1.) 5% interest – equivalent amount of \$4,000,000+

c.2.) No cap on amount of eligible activities/ only reference \$6,067,254 in draft table #3.

c.3.) Could be up to 25+ years and BRA collects all of its 5 years of LSRRF.

c.4.) No time limit on payment for eligible activities.

**Motion to be offered by \_\_\_\_\_ and supported by \_\_\_\_\_ to conditionally adopt option b. as outlined herein with the “time and amount certain, which ever came first” concept as stated.**