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**KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**

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**MEETING DATE:** Thursday, February 28, 2013  
**PLACE OF MEETING:** County Administration Building  
201 West Kalamazoo Avenue, 207a  
**TIME:** 4:00 pm

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**AGENDA**

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1. Call to Order ~ 4:00 pm
2. Members Excused ~ **4:01pm** -
3. Approval of the Agenda ~ **4:02 pm – action**
4. Approval of Minutes: BRA Minutes of January 24, 2013 ~ **4:03 – action**
5. Citizens Comments (4 minutes each / Please state name and address)
6. Consent Calendar
  - a. NBA Conference Expenses - \$150.00
7. Discussion and/or Action Calendar ~ **4:10**
  - a. **Discussion/Action** – 306 N Grand
    - i. Approve Agreement with Land Bank, Village and DDA
    - ii. Discuss/Approve Work Order for Phase I and DEQ file review
  - b. **Discussion/Action** – Annual Report
    - i. Review and approve 2012 Michigan Department of Treasury Annual Report
  - c. **Discussion** – BRA Board Membership
    - i. Swearing In of Rogers
    - ii. Interview Committee recommendation to County Board
    - iii. Review Committee Assignments
  - d. **Discussion** – Educational Outreach
    - i. Meeting with Township Supervisors – March 20, 10:00am, Oshtemo Township Hall
    - ii. Educational breakfast with local organizations and leaders – Tom Doherty
8. Staff Reports ~ **4:40**
  - a. NBA Conference in Lansing
9. Committees - times dates and places ~ **4:50**
  - a. Land Bank Report–
  - b. Project/Finance Committee – verbal report/meeting schedule Thursday, Mar 14<sup>th</sup>, 4:00 pm
  - c. Executive Committee – verbal report/meeting schedule Friday, Mar 8<sup>th</sup>, 8:00 am
  - d. PR/Media Committee –
10. Other –
11. Board Member Comments
12. Adjournment ~ **5:00 pm - action**

**Next Meeting: 4<sup>th</sup> Thursday – March 28, 2013 at 4 pm (room 207a, County Admin Bldg)**

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

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KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY  
Board of Directors Meeting  
**MINUTES**

**MEETING DATE:** Thursday, January 24 at 4:00 p.m.  
**PLACE OF MEETING:** Room 207A, County Administration Building

Present: Joe Agostinelli, Clare Annen, Travis Grimwood, Julie Rogers, Anne Summerfield, Matthew Van Dyk, Andy Wenzel, Thell Woods

Members Excused: Kenneth Peregon (arrived at 4:10)

**Kalamazoo Township:** None  
Staff: Lee Adams, Lotta Jarnefelt  
Consultant: Jeff Hawkins  
Recording Secretary: Zeña Vos  
Community: 1

1. Chair Agostinelli called the meeting to Order at 4:00 pm.
2. Members Excused: Kenneth Peregon
3. Approval of the Agenda: Agostinelli added to the agenda the update on a new project for discussion only under "Other". **Van Dyk moved and Wenzel seconded approval of the Agenda as amended. Motion Carried.**
4. Approval of Minutes: **Annen moved and Van Dyk seconded the approval of December 20, 2012 minutes. Motion Carried.**
5. Citizens Comments: None
6. Consent Calendar
  - a. 4<sup>th</sup> Quarter Administrative Expenses  
**Van Dyk moved and Wenzel seconded the approval of 4<sup>th</sup> quarter invoice (invoice #: BRA-4QT) in the amount of \$613.59. Motion Carried.**
7. Discussion and/or Action Calendar
  - a. **Action** – Approve Midlink Interest Calculation  
Adams spoke with Jared Belka regarding finalizing the interest calculation. Belka prefers that the BRA use the actual numbers rather than example calculation, but was fine with an example calculation.

The example table was provided.

Hawkins has correction under 4<sup>th</sup> bullet; "local non school tax *income* revenue", change **income** to **increment**. Also under last main bullet, example 2012 calculation, 2<sup>nd</sup> bullet with the second sub-bullet, "since all local tax *income* revenue", change to **increment**.

*(Peregon arrived at 4:10pm)*

A long discussion regarding Taxable Value and the Renaissance Zone on the Midlink site ensued. Hawkins will provide a summary at the next meeting.

**Van Dyk moved and Woods seconded the approval of the Midlink Interest Calculation as amended. Motion Carried (enclosed).**

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b. **Discussion/Action** – 306 N Grand

i. Approve MOU

The minor changes suggested in the last meeting are incorporated in this version of the agreement. The changes were in the initial paragraph and section 7; they referenced the DDA and the Village's responsibility.

Rogers indicated that the language in 7a is not clear.

Adams said the Village's attorney would like to re-word 7a.

The DDA meeting is on February 7, and the Village will meet on February 18

Van Dyk's correction on a missing word on 6b, "Grant the authority to **collect**". Add the work "collect"

ii. Discuss Work Order for Phase I and DEQ file review

Staff will request the approval of a work order for the Phase I site assessment and the review of the DEQ files related to the site. Hawkins will have the work order available at the next meeting.

c. **Discussion/Action** – BRA Board Membership

i. Rogers Appointment

- The Authority congratulated Rogers on her appointment as the County Board liaison.

ii. The chair will swear in Rogers and other new members at the next meeting.

d. **Discussion** – Brownfield Legislative Changes

i. Presentation by Jeff Hawkins – Hawkins gave a PowerPoint presentation and provided handouts.

The annual BRA report is due March 15. Staff will have a copy of the 2012 report available at the next meeting. Rogers suggested that staff give a copy of the annual report to the County Board.

8. Staff Reports

a. Meeting with Dennis Durham, Parchment City Manager

- Staff and Chair Agostinelli met with Dennis Durham, Parchment City Manager. The City of Parchment is moving forward with their River Reach Development. They have some changes to the plans and are working on how to develop parts of the residential designated area as commercial.
- Agostinelli said they have someone interested in renovating and occupying the old Hercules administration building. The KCBRA may have the opportunity to work with them on that building, but the BRA has not received any request yet.

The Board agrees that they should reach out to other units of governments. Staff, Hawkins, and Agostinelli are planning to present at one of the upcoming monthly Township Supervisors meetings.

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9. Committees - times dates and places

- a. Land Bank Report–  
Woods – There was no meeting in January. The Land Bank now meets every other month.
- b. Project/Finance Committee – verbal report/meeting schedule Thursday, Feb 14<sup>th</sup>, 4:00 pm
- c. Executive Committee – verbal report/meeting schedule Friday, Feb 8<sup>th</sup>, 8:00 am
- d. PR/Media Committee –

Rogers suggested writing a press release when the collaboration with Land Bank on Schoolcraft property is formalized. Van Dyk disagreed because it's a small project, he suggested we wait until we partner of a larger site.

Annen suggested cooperating with the Land Bank on the Checker Motor site.

10. Other –

New Project

Agostinelli shared information that he received today regarding a new project. He was asked if he could include the project on agenda for this meeting. Due to very short notice, Agostinelli did not feel the board had enough information to consider the request at this time. A large company is looking to locate in the BTR Park and was seeking the assistance of the BRA. There are a number of unanswered questions:

- Is the City BRA involved?
- Is the KCBRA going to be involved if the site is not likely a Brownfield site?
- Is it worth spending the assessment dollars with the understanding that there is a good chance the County may not receive reimbursement?
- Agostinelli hoped to discuss this in the February committee meetings.

11. Board Member Comments: None

12. Adjournment ~ **5:28 pm**

**Next Meeting: 4<sup>th</sup> Thursday – February 28, 2013 at 4 pm (room 207a, County Admin Bldg)**

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**IF YOU ARE UNABLE TO ATTEND THE MEETING**

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# Midlink Interest Calculation –

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## APPROVED at 1-24-13 BRA meeting

- 3% simple interest calculated on an annual basis.
- Interest is calculated on all eligible developer expenses except accrued interest.
- Interest is calculated for the period of time elapsed between approval of invoices, payments, or the end of the year.
- Local (Non-School) Tax Increment Revenue received will first pay eligible BRA administration expenses, then the accrued interest on developer eligible expenses, and then the remaining collection is applied to the outstanding balance.
- Total interest shall not exceed \$2,000,000 as outlined in the Brownfield Plan.
- Principal \* Interest Rate \* days in that period/days in the year = Interest Accrued for that period
- Example 2011 Calculation
  - Date of payment approval (11/17) through date of actual payment (12/5)
    - $\$1,000,000.00 * 0.03 * 19/365 = \$1,561.64$
  - Date of payment (12/6) through the end of the year (12/31)
    - $\$1,000,000.00 * 0.03 * 25/365 = \$2,054.79$
  - Total 2011 Interest - \$3,616.44
- Example 2012 Calculation
  - Start of the year (1/1) through date of first payment (11/20)
    - $\$1,000,000.00 * 0.03 * (325/366) = \$26,639.34$
  - Date of payment (11/20) through the end of the year (12/31)
    - $\$1,000,000.00 * 0.03 * (41/366) = \$3,360.66$
    - Since all local tax increment revenue was used to reimburse the KCBRA, the amount of developer eligible expenses remained the same.
  - Total 2012 Interest – \$30,000.00

### From the Development Agreement:

2.3 Order of Payments: The actual and documentable administrative expenses and Eligible Activities of the Authority, as described in Section 6.5, will be paid first, with the balance of the Tax Increment Revenues paid to the Developer as reimbursement for the actual cost of the Eligible Activities and Work Plan costs, plus interest calculated at 3% simple interest on Developer's unpaid Eligible Activities from the date they have been approved for reimbursement by the Authority. All payments will be governed by the Plan Amendment and this Agreement. It is anticipated that the Authority shall retain and accrue amounts available from increased tax revenues.

**AGREEMENT REGARDING KARTAR #6: 306 N GRAND ST,  
SCHOOLCRAFT VILLAGE SITE PROPERTY TRANSFER AND ASSESMENT**

THE KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY (KCBRA), a Michigan public body corporate, 201 West Kalamazoo Ave, Kalamazoo, MI 49007, THE KALAMAZOO COUNTY LAND BANK AUTHORITY (Land Bank), a Michigan public body corporate organized pursuant to the Michigan Land Bank Fast Track Act, 2003 P.A. 258, MCL § 124.751 – 124.774, as amended (the “Land Bank Act”) 229 E. Michigan Ave., Suite 340, Kalamazoo, MI 49007, THE VILLAGE OF SCHOOLCRAFT (Village), 442 North Grant St, Schoolcraft, MI 49087, and THE VILLAGE OF SCHOOLCRAFT DOWNTOWN DEVELOPMENT AUTHORITY (DDA), a Michigan public body corporate, 442 North Grant St, Schoolcraft, MI 49087 in consideration of the provisions specified below, agree to this Agreement for the acquisition, assessment, potential cleanup, preparation, demolition, promotion, and sale of Kartar #6 property located in the Village of Schoolcraft, Kalamazoo County.

**RECITALS:**

- A. The KCBRA 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.
- B. Since the KCBRA was established, it has used grant and other funding to pay for Phase I, Phase II, BEA and Due Care Plan activities in several projects that have aided in the redevelopment of property.
- C. The Treasurer of Kalamazoo County has acquired through tax foreclosure procedures in accordance with 1983 P.A. 206, as amended by 1999 P.A. 123, MCL 211.1 et seq. property # 14-18-451-100, located at 306 North Grand in the Village of Schoolcraft, Kalamazoo County, known as “Kartar #6” or the “Property”.
- D. Pursuant to PA 146 of 2000, once the Land Bank takes ownership of the Kartar #6 property, the site is eligible for inclusion in the County’s Brownfield Plan, as periodically amended and restated.
- E. The KCBRA and the Land Bank want to create a foundation for co-operative efforts, maximizing the tools available for redevelopment of Brownfield sites owned by the Land Bank. The Kartar #6 property is suitable for an initial project with minimum risk to all parties, and has great potential for positive impact due to its visible location on US-131 in the Village of Schoolcraft.
- F. The KCBRA, the Land Bank and the Village of Schoolcraft recognize that to achieve the mutual goal of returning the Property to productive use, the cooperative effort of all parties is needed. This Agreement will therefore serve the best interests of community.
- G. The DDA has an approved development plan on this site.
- H. This Interlocal Agreement is made pursuant to 1967 PA 7, as amended, MCL 124.501 et seq.

Accordingly, the KCBRA, Land Bank, and the Village of Schoolcraft agree to the following terms and conditions:

## **TERMS AND CONDITIONS:**

1. Recitals: The recitals accurately reflect the intent and purpose of this Agreement and are made a part of it.
2. Description of Property: The Property is described as VILLAGE OF SCHOOLCRAFT BULL'S ADDITION LOT 13 EXC 10 FT OFF E SIDE BLK 2. The size of the Property is 82.5 ft x 118.29 ft. It is located at the northeast corner of North Grand (US-131) and Cass Streets, in the northeast part of the downtown of the Village. It is located within the District boundaries of the Village DDA (Downtown Development Authority.) It was previously used as an automotive repair shop and gas station. The Property is currently vacant land with remnants of the parking lot and some vegetation growing on it. Documentation for Approved Partial Closure by Michigan DEQ is attached as Exhibit A.
3. Description of Project: The intent and purpose of this Agreement is threefold:
  - a) The Land Bank will take ownership of the Property from the County Treasurer and hold the Property, incurring all holding costs, until redevelopment or sale.
  - b) KCBRA, through their designated environmental consultant, will administer and oversee the environmental assessment (Phase I, Phase II, BEA, Due Care Plan and possible cleanup) of the Property, and any other activities necessary to prepare the Property for redevelopment,
  - c) The Village of Schoolcraft will allow the KCBRA to add the property to the Kalamazoo County Brownfield Plan allowing for reimbursement of Eligible Activities via all available tax increment financing pursuant to 1996 PA 381.
4. Duties and Responsibilities of the Kalamazoo County Land Bank: The duties and responsibilities of the Land Bank towards completion of the Project include the following:
  - a) Provide funds to cover the costs of acquiring and holding the subject Property, including any maintenance of the Property that is or may become necessary.
  - b) Actively market the Property.
  - c) Attract developers or private business to the site.
  - d) Negotiate terms and coordinate the sale of the Property.
  - e) Collect 50% of the statutorily available taxes for five years
5. Duties and Responsibilities of KCBRA: The duties and responsibilities of KCBRA towards completion of the Project include the following undertakings:
  - a) Engage the services of their designated environmental consultant/contractor (Contractor) to perform a Phase I environmental site assessment.
  - b) If deemed necessary in order to facilitate the return of the Property to functional use, as determined by the KCBRA at its sole discretion, engage the Contractor in further environmental testing which may include Phase II, BEA, and Due Care Plan activities.
  - c) At the discretion of the KCBRA, the KCBRA may utilize the services of the Contractor to write a Brownfield Plan Amendment before any remediation or site improvement funds

are expended on the site, or after reaching a redevelopment agreement with a future developer.

- d) Provide funds for contractual work through the approval of a Work Order and oversee the activities of the Contractor, and ensure that sufficient documentation of the activities performed by a Contractor is provided to KCBRA, including the dates and complete description of the work (some or all of which may be considered an eligible activity under Act 381).
- e) Assist Land Bank in attracting developers or private business to the site.

6. Duties and Responsibilities of The Village of Schoolcraft and Downtown Development Authority:

The duties and responsibilities of the Village and DDA towards completion of the Project include the following:

- a) Concur with Brownfield plan if written with provisions consistent with purposes outlined in this document.
- b) Grant the KCBRA the authority to collect all statutorily available tax increment financing, including TIF funds collected by the Downtown Development Authority, if the site is entered into a Brownfield Plan, for the times set forth hereinafter.
- c) Where possible, actively market the Property.
- d) Where possible, attract developers or private business to the site.

7. Reimbursement and allocation of income generated and statutorily available taxes after redevelopment:

- a) The net sale proceeds from the sale of the property will be distributed between the Land Bank and KCBRA in such portion as to achieve relative parity among the internal rate of return for both parties with respect to this project. Details of estimated expenses and revenues of this project are attached as Exhibit B.
- b) Beginning the tax year after the property has been sold after redevelopment and for the next five tax years, the Land Bank will capture fifty (50) percent of all statutorily available taxes and the KCBRA will capture the remainder of all statutorily available taxes pursuant to the Land Bank Fast Track Act, PA 258 of 2003, as reimbursement for costs incurred for this project.
- c) Beginning the sixth tax year after sale and continuing until all KCBRA and all KCBRA approved developer eligible expenses incurred in this project, have been completely reimbursed, the KCBRA shall receive 100% of all statutorily available taxes.
- d) Beginning the tax year after all KCBRA and all KCBRA approved developer eligible expenses incurred in this project have been completely reimbursed, and continuing for the next five tax years, the KCBRA shall receive 100% of all statutorily available taxes for inclusion into the KCBRA's local site remediation revolving fund.
- e) Thereafter, all taxes shall be distributed to the appropriate taxing authorities.

8. Binding Effect: The obligations of the parties under this Agreement shall bind and inure to the benefit of each party and their respective successors. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.

9. Notices: Any notices that may be required under this Agreement shall be in writing and delivered personally, or via first-class mail, postage fully prepaid and properly addressed to:

*Land Bank:* Kelly Clarke, Executive Director  
229 E. Michigan Ave., Suite 340  
Kalamazoo, MI 49007

*KCBRA:* Kalamazoo County Brownfield Redevelopment Authority  
Planning Dept, Room 101  
201 W. Kalamazoo Ave  
Kalamazoo, MI 49007

*Village of Schoolcraft:* Cheri Lutz, Village Manager  
442 N. Grand St  
Schoolcraft, MI 49087

*Schoolcraft DDA:* Cheri Lutz, Village Manager  
442 N. Grand St  
Schoolcraft, MI 49087

10. Indemnification. As all parties are governmental entities, each agrees, to the extent permitted by law, to indemnify and hold each other harmless, including its elected officials, agents, employees, officers and representatives, from all fines, costs, lawsuits, claims, demands and actions of any kind or nature, including reasonable attorney fees, which occur by reason of any wrongful act, negligence or wrongful omission on its part. For purposes of this paragraph, the County of Kalamazoo is considered included.
11. Governing Law. This Agreement has been executed and delivered in Michigan. It shall be interpreted, construed and enforced pursuant to and in accordance with the laws of the State of Michigan.
12. Assignment. No assignment of this Agreement or any of the rights and obligations thereunder shall be valid without the specific written consent of all parties hereto.
13. Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, this unenforceability thereof shall not affect the remainder of this Agreement which shall remain in full force and effect and enforceable in accordance with its remaining terms.
14. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.
15. Entire Agreement. This Agreement supersedes all previous or contemporaneous negotiations and/or contracts and constitutes the entire agreement between the parties. No party shall be entitled to rights or benefits other than those specified herein. No oral statements or prior or contemporaneous written material not specifically incorporated herein shall be of any force and effect, and both parties specifically acknowledge, in entering into and executing this Agreement, they rely solely upon the representations and agreements contained in this Agreement and no others.

15. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

KALAMAZOO COUNTY LAND BANK AUTHORITY

Dated: \_\_\_\_\_

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

Its: Chairperson

KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Dated: \_\_\_\_\_

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

Its: Chairperson

VILLAGE OF SCHOOLCRAFT

Dated: \_\_\_\_\_

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

Its: President

SCHOOLCRAFT DOWNTOWN DEVELOPMENT AUTHORITY

Dated: \_\_\_\_\_

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

Its: Chairperson

Remediation and Redevelopment Division

Documentation for Approved Partial Closure



Printed under the authority of Part 201, Environmental Remediation, and/or Part 213, Leaking Underground Storage Tanks, of the of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

Site Name: Kartar #6

County: Kalamazoo

Site Address: 306 North Grand (US-131)  
Schoolcraft, Michigan

Site ID#: 39000458

The DEQ undertook response activities to remove abandoned Underground Storage Tanks (USTs) at the property in 2000. As part of these activities, releases from three leaking gasoline USTs were reported on July 11, 2000. In response to the releases, DEQ consultants performed additional response activities, including removing some contaminated soils, defining the extent of soils and groundwater contamination, evaluating potential receptors of the contamination, monitoring the contamination, and completing of an Initial Assessment Report and a Final Assessment Report. Soil samples collected in 2000, indicated the presence of soils in two locations above the soil saturation (Csat) concentrations for xylenes and 1,2,4-trimethylbenzene (TMB), however, soil borings collected in 2002, 2002, and 2004 showed steadily decreasing soil concentrations and did not confirm any above Csat.

Groundwater monitoring for four years did not identify the presence of free phase liquids in any monitoring well and showed steadily decreasing groundwater concentrations. The most recent groundwater samples collected on the property indicated concentrations for ethylbenzene up to 3 times, xylenes up to 6 times, 1,2,4-TMB up to 30 times, and 1,3,5-TMB up to 8 times residential drinking water criteria. The most recent groundwater samples collect off the property for all parameters did not detect any concentrations above residential drinking water criteria except for 1,2,4-TMB up to 2 times residential drinking water criteria. Downgradient residents are connected to the municipal water supply and no other receptors were identified.

Full Closure under Part 201 will not be sought because the additional state investment is not warranted. Based on the overall need to allocate a finite amount of resources among many sites, an Approved Partial Closure (APC) is recommended. Remediation and Redevelopment Division approval of an APC does not relieve any parties of any remaining obligations under Part 201.

Prepared by:

*K. J. Balls*

Project Manager

*11/27/06*

Date

*David O'Donnell*

District Supervisor

*11/21/06*

Date

Approved by:

*[Signature]*

Field Operations Supervisor

*11-27-06*

Date

Approved by:

*[Signature]*

RRD Assistant Division Chief

*9/20/07*

Date

**Exhibit B**

Local TIF vs TIF with 381 work plan - Example*						
	Local Tax Only			381 Work Plan		
	BRA	Land Bank		BRA	Land Bank	
2013	\$ (25,000)	\$ (5,000)	Site & Carry	\$ (25,000)	\$ (5,000)	Site & Carry
2014	\$ -	\$ (5,000)	Cary Costs	\$ -	\$ (5,000)	Cary Costs
2015	\$ -	\$ (5,000)	Cary Costs	\$ -	\$ (5,000)	Cary Costs
2016	\$ -	\$ (5,000)	Cary Costs	\$ -	\$ (5,000)	Cary Costs
2017	\$ -	\$ (5,000)	Cary Costs	\$ -	\$ (5,000)	Cary Costs
2018	\$ 14,000	\$ 21,000	Sale - \$35k	\$ 12,200	\$ 22,800	Sale - \$35k
2019	\$ 1,092	\$ 2,195	TIF & 5/50	\$ 1,932	\$ 2,195	TIF & 5/50
2020	\$ 1,109	\$ 2,228	TIF & 5/50	\$ 1,961	\$ 2,228	TIF & 5/50
2021	\$ 1,125	\$ 2,261	TIF & 5/50	\$ 1,991	\$ 2,261	TIF & 5/50
2022	\$ 1,142	\$ 2,295	TIF & 5/50	\$ 2,021	\$ 2,295	TIF & 5/50
2023	\$ 1,159	\$ 2,330	TIF & 5/50	\$ 2,051	\$ 2,330	TIF & 5/50
2024	\$ 2,336	\$ -	TIF Reimbur	\$ 4,133	\$ -	TIF Reimbur
2025	\$ 2,371	\$ -	TIF Reimbur	\$ 4,195	\$ -	TIF Reimbur
2026	\$ 2,407	\$ -	TIF Reimbur	\$ 4,258	\$ -	TIF Reimbur
2027	\$ 2,443	\$ -	TIF Reimbur	\$ 4,322	\$ -	TIF Reimbur
2028	\$ 2,480	\$ -	TIF Reimbur	\$ 4,386	\$ -	LSRRF
2029	\$ 2,517	\$ -	TIF Reimbur	\$ 4,452	\$ -	LSRRF
2030	\$ 2,555	\$ -	TIF Reimbur	\$ 4,519	\$ -	LSRRF
2031	\$ 2,593	\$ -	TIF Reimbur	\$ 4,587	\$ -	LSRRF
2032	\$ 2,632	\$ -	LSRRF	\$ 276	\$ -	LSRRF
2033	\$ 2,671	\$ -	LSRRF	\$ -	\$ -	
2034	\$ 2,711	\$ -	LSRRF	\$ -	\$ -	
2035	\$ 2,752	\$ -	LSRRF	\$ -	\$ -	
2036	\$ 2,793	\$ -	LSRRF	\$ -	\$ -	
	<b>BRA</b>	<b>Land Bank</b>		<b>BRA</b>	<b>Land Bank</b>	
Expense	\$ (25,000)	\$ (25,000)		\$ (25,000)	\$ (25,000)	
Repayment	\$ 25,330	\$ 32,309		\$ 26,863	\$ 34,109	
Total Income	\$ 52,890	\$ 32,309		\$ 57,283	\$ 34,109	
Return	\$ 27,890	\$ 7,309		\$ 32,283	\$ 9,109	
Sale Proceeds	40%	60%		35%	65%	
<b>IRR</b>	<b>6.58%</b>	<b>6.55%</b>		<b>8.13%</b>	<b>8.11%</b>	
Projected SEV	\$ 70,000.00			\$ 70,000		
Projected Taxes	\$ 2,184.83			\$ 3,865		

\* The numbers represented in this example are hypothetical, not an actual projection

\* This example is a demonstration of how the BRA and Land Bank would share revenues

# Scope of Services

**Contract for Professional Services  
Kalamazoo County Brownfield Redevelopment Authority  
Applicable to January 2013 Contract  
Work Order No. 1 Dated February 26, 2013**

**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: Kartar #6, 306 N. Grand, Schoolcraft – Phase I ESA & File Review  
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, Chair</u>	<u>269-384-8304</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 Chair

By Jeffrey C. Hawkins  
Title President

Signature \_\_\_\_\_  
Date \_\_\_\_\_

Signature \_\_\_\_\_  
Date \_\_\_\_\_

## 1. Scope of Services

An Agreement between the Kalamazoo County Brownfield Redevelopment Authority (KCBRA), the Kalamazoo County Land Bank Authority (Land Bank), The Village of Schoolcraft, and the Village of Schoolcraft Downtown Development Authority (DDA) has been prepared in support of acquisition, assessment, potential cleanup, preparation, demolition, promotion, and sale of commercial property located at 306 N. Grand, Schoolcraft, Michigan (Parcel #14-18-451-100).

The subject property consists of one parcel of land occupying approximately 0.22 acres situated at a high visibility location on US-131 in the Village of Schoolcraft. The site is currently vacant with remnant asphalt cover and a concrete slab foundation remaining in association with former operations. The subject property was historically utilized as an automotive repair shop and gas station. The subject property is identified as an “open” Leaking Underground Storage Tank (LUST) site with the MDEQ (ID#00004063) due to environmental impact attributable to former onsite operations. The Treasurer of Kalamazoo County acquired the property through tax foreclosure. In accordance with the Agreement the subject property will be acquired by the Land Bank.

Envirologic is proposing completion of a Phase I Environmental Site Assessment and MDEQ File Review in support of the redevelopment objectives set forth in the Memorandum of Understanding. The completion of these activities represents the initial steps necessary to support acquisition of the site by the Land Bank and an assessment of the environmental conditions associated with historic operations.

### Phase I Environmental Site Assessment

Envirologic will complete a Phase I Environmental Site Assessment (ESA) in accordance with the U.S. EPA rules for All Appropriate Inquiry and the ASTM E1527-05 Standard.

### File Review

Envirologic will submit a Freedom of Information Act (FOIA) request to the MDEQ and obtain copies of all available files pertaining to the subject property. An understanding of the previously completed assessment activities and an evaluation of contaminant conditions on the site will support the identification of the appropriate next steps associated with achieving the redevelopment objectives set forth in the Memorandum of Understanding.

## 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.

Phase I Environmental Site Assessment Includes site inspection, interviews, report preparation	\$2,400
File Review Includes submittal of Freedom of Information Act (FOIA) request to the MDEQ and reproduction of all available documents.	<u>\$2,000</u>
<b><i>Total Estimated Cost</i></b>	<b><i>\$4,400</i></b>

# Financial Report on the Status of Activities of a Brownfield Redevelopment Authority

Issued under authority of P.A. 381 of 1996, as amended. Filing is mandatory.

Public Act (PA) 381 of 1996, as amended, requires that a Brownfield Redevelopment Authority shall annually submit to the governing body and the State Tax Commission a financial report on the status of the activities of the authority. This form incorporates all of the information required by P.A. 381 of 1996.

Name of Authority <b>Kalamazoo County Redevelopment Authority</b>	Date Authority Created <b>10/01/2002</b>	Date of Fiscal Year End <b>12/31/2012</b>
Address of Authority <b>201 W Kalamazoo Ave, Kalamazoo, MI 49007</b>	Telephone Number <b>(269) 384-8112</b>	
Name and Title of Person Filing This Report <b>Lee Adams, Resource Coordinator</b>	E-mail Address <b>laadam@kalcounty.com</b>	
Project Name <b>Midlink Business Park</b>	County <b>Kalamazoo</b>	

## FINANCIAL INFORMATION

1. Did the authority capture tax increment revenues during the fiscal year?	
<input checked="" type="checkbox"/> Yes. Continue to next question.	<input type="checkbox"/> No. Sign and date this form on page 3 and submit one copy to the governing body which created the authority and one copy to the State Tax Commission. You do not need to supply further information.
2. Has the authority been approved by the Michigan Department of Environmental Quality OR the Michigan Economic Growth Authority to capture school taxes?	
<input type="checkbox"/> Yes. Continue to next question.	<input checked="" type="checkbox"/> No. You may not capture local school operating taxes or the State Education Tax. Continue to next question.
3. Enter the source and amount of tax increment revenues received during the fiscal year. Note: The source of revenues will be individual taxing jurisdictions such as the local school operating tax, the state education tax, county, township, city, etc.	
Source	Amount
Local Taxes	\$35,424.70
State Taxes	\$53,819.03
<b>Amount Total</b>	<b>\$89,243.73</b>

Office Use Only	
Reviewed By	Review Date



6. Enter the amount of principal and interest paid on all outstanding indebtedness paid during the fiscal year.		
Principal	Interest	Principal Balance as of Fiscal Year End
\$0.00	\$0.00	\$0.00

7. Enter amount of tax increment revenues attributable to taxes levied for school operating purposes used for:	
	Amount
a: Eligible activities on eligible property that is not located in a qualified local governmental unit and that is a facility, functionally obsolete, or blighted and 1. Demolition of structures that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.	
2. Lead or asbestos abatement	
b: Eligible activities under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, consistent with a work plan approved by DEQ after July 24, 1996 and before January 1, 2013.	\$53,819.03

8. Have any of the eligible properties (or any interest in any of the eligible properties) been transferred during the fiscal year?

Yes. Continue to next question.
  No. Sign and date this form below and submit one copy to the governing body which created the authority and one copy to the State Tax Commission. You do not need to supply further information.

9. Enter the information below for eligible properties transferred during the fiscal year.

Assessor's Parcel Code No.	Buyer's Name	Buyer's Address	Date of Transfer	Sale Price

**CERTIFICATION**

I certify that the information supplied on this form is true and correct to the best of my knowledge.

Signature of Person Filing This Report	Date

Questions may be directed to the Local Audit and Finance Division at (517) 373-3227.

Fax this form to (517) 373-0633 or mail this form by March 15, 2011, to the following address:  
 Michigan Department of Treasury  
 Local Audit and Finance Division  
 P.O. Box 30728  
 Lansing, MI 48909-8228

# Financial Report on the Status of Activities of a Brownfield Redevelopment Authority

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Name of Authority <b>Kalamazoo County Redevelopment Authority</b>	Date Authority Created <b>10/01/2002</b>	Date of Fiscal Year End <b>12/31/2012</b>
Address of Authority <b>201 W Kalamazoo Ave, Kalamazoo, MI 49007</b>	Telephone Number <b>(269) 384-8112</b>	
Name and Title of Person Filing This Report <b>Lee Adams, Resource Coordinator</b>	E-mail Address <b>laadam@kalcounty.com</b>	
Project Name <b>Brown Family Holdings</b>	County <b>Kalamazoo</b>	

## FINANCIAL INFORMATION

1. Did the authority capture tax increment revenues during the fiscal year?	
<input checked="" type="checkbox"/> Yes. Continue to next question.	<input type="checkbox"/> No. Sign and date this form on page 3 and submit one copy to the governing body which created the authority and one copy to the State Tax Commission. You do not need to supply further information.
2. Has the authority been approved by the Michigan Department of Environmental Quality OR the Michigan Economic Growth Authority to capture school taxes?	
<input type="checkbox"/> Yes. Continue to next question.	<input checked="" type="checkbox"/> No. You may not capture local school operating taxes or the State Education Tax. Continue to next question.
3. Enter the source and amount of tax increment revenues received during the fiscal year. Note: The source of revenues will be individual taxing jurisdictions such as the local school operating tax, the state education tax, county, township, city, etc.	
Source	Amount
Local Taxes	\$13,848.76
<b>Amount Total</b>	<b>\$13,848.76</b>

Office Use Only	
Reviewed By	Review Date



6. Enter the amount of principal and interest paid on all outstanding indebtedness paid during the fiscal year.		
Principal	Interest	Principal Balance as of Fiscal Year End
\$0.00	\$0.00	\$0.00

7. Enter amount of tax increment revenues attributable to taxes levied for school operating purposes used for:	
	Amount
a: Eligible activities on eligible property that is not located in a qualified local governmental unit and that is a facility, functionally obsolete, or blighted and 1. Demolition of structures that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.	
2. Lead or asbestos abatement	
b: Eligible activities under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, consistent with a work plan approved by DEQ after July 24, 1996 and before January 1, 2013.	

8. Have any of the eligible properties (or any interest in any of the eligible properties) been transferred during the fiscal year?	
<input type="checkbox"/> Yes. Continue to next question.	<input checked="" type="checkbox"/> No. Sign and date this form below and submit one copy to the governing body which created the authority and one copy to the State Tax Commission. You do not need to supply further information.

9. Enter the information below for eligible properties transferred during the fiscal year.				
Assessor's Parcel Code No.	Buyer's Name	Buyer's Address	Date of Transfer	Sale Price

**CERTIFICATION**

<i>I certify that the information supplied on this form is true and correct to the best of my knowledge.</i>	
Signature of Person Filing This Report	Date

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Name of Authority Kalamazoo County Redevelopment Authority	Date Authority Created 10/01/2002	Date of Fiscal Year End 12/31/2012
Address of Authority 201 W Kalamazoo Ave, Kalamazoo, MI 49007	Telephone Number (269) 384-8112	
Name and Title of Person Filing This Report Lee Adams, Resource Coordinator	E-mail Address laadam@kalcounty.com	
Project Name 232, LLC.	County Kalamazoo	

### FINANCIAL INFORMATION

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3. Enter the source and amount of tax increment revenues received during the fiscal year. Note: The source of revenues will be individual taxing jurisdictions such as the local school operating tax, the state education tax, county, township, city, etc.	
Source	Amount
<b>Amount Total</b>	<b>\$0.00</b>

Office Use Only	
Reviewed By	Review Date



6. Enter the amount of principal and interest paid on all outstanding indebtedness paid during the fiscal year.

Principal	Interest	Principal Balance as of Fiscal Year End
\$0.00	\$0.00	\$0.00

7. Enter amount of tax increment revenues attributable to taxes levied for school operating purposes used for:

	Amount
a: Eligible activities on eligible property that is not located in a qualified local governmental unit and that is a facility, functionally obsolete, or blighted and 1. Demolition of structures that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.	
2. Lead or asbestos abatement	
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9. Enter the information below for eligible properties transferred during the fiscal year.

Assessor's Parcel Code No.	Buyer's Name	Buyer's Address	Date of Transfer	Sale Price

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## 2013 BRA Committee Roster

<i>Executive Committee</i>	<i>Projects and Finance Committee</i>	<i>Alternate</i>
Joe Agostinelli	Travis Grimwood	Julie Rogers
Clare Annen	Ken Peregon	
Matt Van Dyk	Anne Summerfield	
Andy Wenzel	Future Member	
Thell Woods	Future Member	