
KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

MEETING DATE: Thursday, May 26, 2016
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, Room 207a
TIME: 4:00 pm

MINUTES

Present: Andy Wenzel, Joe Agostinelli, Julie Rogers, Douglas Milburn, Christopher Carew, Travis Grimwood, Thell Woods, Tim Hudson

Members Excused: James Spurr, Habib Mandwee, Ken Peregon

Kalamazoo Township: None

Staff: Lotta Jarnefelt, Rachael Grover

Consultant: Jeff Hawkins

Recording Secretary: Zeña Vos and Rachael Grover

Community: 3

1. Chair Agostinelli called the meeting to Order at 4:04 p.m.
 2. Members Excused: James Spurr, Habib Mandwee, Ken Peregon
 3. Approval of the Agenda: Addition to the agenda under Other: Public Policy Update. **Hudson moved and Rogers seconded the approval of the agenda as amended. Motion Carried.**
 4. Approval of Minutes: **Grimwood moved and Woods seconded the approval of May 5, 2016 special meeting minutes. Motion Carried.**
 5. Citizens Comments:
Mike Gurnee introduced himself; a new MDEQ employee hired in mid April 2016. He will be the BRA Coordinator stationed in Kalamazoo District Office.
 6. Consent Agenda – Invoices
 - a. **\$560.00** – Envirollogic related to WO#17 - General Environmental Review
 - b. **\$3,007.50** – Envirollogic related to WO#24 – Kalamazoo West Professional Center
Woods moved and Wenzel seconded the approval of consent agenda WO#17 amount of \$560.00 and WO# 24 amount for \$3,007.50. Motion Carried.
 7. Financial Reports
 - a. **Discussion:** Fund 247
Grover stated she received the rest of the TIF of 2015 for Midlink and General Mills.
CostCo dropped the Tax Appeal. Received TIF total of \$106,000 for 2015 for Corner @ Drake Brownfield Plan.
The 2017 Budget needs to be approved at next meeting; it is due to County Finance on June 27, 2016.
 - b. **Discussion/Action:** 2015 Administrative Expense Allocation
Rogers moved and Wenzel seconded the approval of 2015 Administrative Expense Allocation with amendment to correct the typo. Motion Carried.
 8. Discussion and/or Action Calendar
 - a. **Discussion/Action:** Varnum Invoice – Midlink Development Amendment - **\$71.25**
Agostinelli stated Broader Midlink Dev site have school tax eligible expenses and Local only expenses anticipating with summer tax collection, they will top out and pay off all the
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school tax expenses on the broader Midlink site. The question is what to do with the school taxes that are being captured? Should they stop capturing or start capturing in the revolving fund school taxes only or capture school taxes on the broader Midlink site and use that to pay off the General Mills which is all under the same plan and can share the tax increment.

Initial conversation with Varnum, do they need to amend the agreement?

Grimwood moved and Woods seconded the approval of payment in the amount of \$71.25. Motion Carried.

- b. **Discussion:** EPA Grant - \$200,000 Hazardous Substance; \$200,000 Petroleum Federal Fiscal Year starts October 1, 2016.

The Board discussed need to do an RFP for consultants for the grant work.

Do not have date Grant Work Plan is due to EPA. If it is prior to June Board meeting, Grover will send the Work Plan to the Chair for review.

- c. **Discussion/Action:** 555 Eliza Street

- i. Envirologic Invoice related to WO#21 MDEQ Loan work: **\$5,831.25**
Stegink gave update: accumulated waste has been inventoried, categorized, packaged and is waiting for shipment offsite. They are keeping MDEQ up dated. In design phase for vapor extraction system and will meet with MDEQ before the bid spec and installation phase.

Hudson moved and Carew seconded the approval of payment WO# 21 in the amount of \$5,831.25. Motion Carried.

- ii. Administrative Expenses for Quarterly Reporting – Grant expense
Not ready, tabled for next meeting.

- d. **Discussion/Action:** Juvenile Home Millage– Brown Family and 9008 Portage Road

- i. Brown Family Holdings - \$702.35
ii. 9008 Portage Road - \$11.83

Grover stated they have collected Juvenile Home millage on Brown Family Holdings and two collections on Portage Road site which should not occur because it is a debt millage. Grover talked with Kalamazoo Township and let them know not to send this millage. Grover will contact Portage prior to 2016 tax capture.

KCBRA needs to pay back the Juvenile Home in the amount of \$702.35 from Brown Family Holdings and \$11.83 from 9008 Portage Road site.

Hudson moved and Rogers seconded the approval of paying back the Juvenile Home in the amount of \$702.35 from Brown Family Holdings and \$11.83 from 9008 Portage Road. Motion Carried.

- e. **Discussion/Action:** RAI Jets

- i. Act 381 Work Plan

Grover stated the Work Plan is ready to be submitted to MDEQ. Grover and Hawkins reviewed.

Wenzel moved and Woods seconded the approval to authorize staff to submit the 381 Work Plan. Motion Carried.

ii. Development Agreement

Grover put together a draft and sent to RAI Jets. Developer requested extending redevelopment completion that is stated in the Brownfield Plan to 12/31/2017. The board requested that easement language in Section 6 include reference only to proof of easement to the Kalamazoo Battle Creek International Airport, not neighboring private operators. RAI Jets would like to get started as soon as the Act 381 Work Plan is approved by MDEQ and the Development Agreement is approved so it is most likely work will be completed prior to this date.

Carew moved and Hudson seconded the approval of draft Development Agreement as presented with extension of date to 12/31/2017 for completion of redevelopment for RAI Jets. Motion Carried.

f. **Discussion/Action:** Reimbursement and Development Agreement Revisions

The Reimbursement Agreement and Development Agreement templates were presented with language developed by the work group to address reimbursement to the KCBRA for its costs incurred in the case of tax appeal or lowered property assessments

Grimwood motioned to approve the Development Agreement template with an amendment to remove from Section 8.3.ii. "the Developer initiates, participates in or supports any proceeding or process which results in" and replace it with "there is". Rogers seconded.

2 voted yes. 6 voted No. Motion does not carry.

There was further discussion.

Hudson moved and Wenzel seconded the approval of the template development agreement as presented. 2 voted no, 6 voted yes. Motion carried.

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

- i. Submitted 2015 for Brown; 2016 due July 15, 2016
- ii. Midlink – Renaissance Zone phase-out; 2016 due July 15, 2016

Tabled to next meeting

9. Staff Report

- a. 232 LLC – Draft 381 Work Plan – Brownfield Plan Amendment?
Agostinelli commented that the BRA Plan does not allow for school tax capture. If the Developer wants to pursue it, they need to talk to the City about amending the Brownfield Plan.
 - b. Kalamazoo West Professional Center
 - Brownfield Plan County Commission COW 6/7/2016 at 4:00 p.m.
 - Regular Meeting 6/21/16 at 7:00 p.m.Agostinelli plans to be at the Board of Commissioner COW meeting.
 - c. Zeigler
 - Act 381 Work Plan submitted to MDEQ.
Stegink noted that Zeigler Work Plan is submitted, waiting on a letter from MDEQ.
 - Development Agreement in review with Midlink; Zeigler already reviewed.
 - d. Educational Outreach – Tabled
 - e. Envirologic Project Updates
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Stegink: Metal Mechanics – shift in their development plan, the location where they plan to build on the property has changed. There is a brand new site plan now and they will meet next week.

6000 Tech Parkway (Pro Services) is moving forward. Brownfield Plan is completed and to the developer. It is a Brownfield Plan that will eventually come to KCBRA.

f. Budget 2017 - Budget due to County 6/27/16

Jarnefelt commented that Project and Finance committee could meet and review the budget then present it to the Board in June.

g. Training

- Board Members MEDA Spring Toolbox, Lansing June 9th; \$165.00 Non-members
<https://www.medaweb.org/component/content/article/12-events/91-toolbox>

Rogers suggests for the new members to attend.

Woods moved and Grimwood seconded the approval of expenses up to \$500 for members and staff to attend the workshop. Motion Carried.

Staff will send email to new members.

10. Committees - times dates and places

- a. Land Bank Report –
- b. Project/Finance Committee –
- c. Executive Committee –
- d. PR/Media Committee –

11. Other:

Agostinelli met with Grover, Vicksburg Mill Developer, and County Treasurer today regarding the Mill, the developer needs to make roof repairs to stabilize the building very soon.

Other Public Policy Updates: Agostinelli sent an email to the Board about amendments that were planned for Act 381 that were not carefully reviewed. He had an opportunity to request revisions to the language to make more sense.

12. Board Member Comments

13. Adjournment @ 6.07 p.m.

Next Meeting: 4th Thursday – June 23, 2016 at 4pm (room 207a, County Admin Bldg)

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

IF YOU ARE UNABLE TO ATTEND THE MEETING
