

KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

MEETING DATE: Thursday, September 22, 2016
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, Room 207a
TIME: 4:00 pm

AGENDA

1. Call to Order: 4:00
 2. Members Excused
 3. Approval of the Agenda
 4. Approval of Minutes: BRA Minutes of August 25, 2016
 5. Citizens Comments (*4 minutes each / Please state name and address*)
 6. Consent Agenda – Invoices
 - a. **\$1,932.50** – Envirologic related to WO#25 - Metal Mechanics
 - b. **\$70.00** – Envirologic related to WO#17 General Environmental
 7. Financial Reports
 - a. **Discussion:** Fund 247
 8. Discussion and/or Action Calendar
 - a. **Discussion/Action:** Metal Mechanics
 - i. Amendment #1 to WO#25 –\$1,000 addition to Work Order to complete additional Brownfield activities
 - ii. County Board of Commission and Public Hearing – October 4, 2016, 7:00 p.m.
 - b. **Discussion/Action:** MDEQ Loan/Grant 555 Eliza St.
 - i. \$1,150.65 – Envirologic Invoice - MDEQ Loan
 - ii. MDEQ 4th Quarter/End of State FY – Loan
 - iii. MDEQ 4th Quarter/End of State FY - Grant
 - c. **Discussion/Action:** EPA Grant
 - i. Consultant Contract
 - d. **Discussion/Action:** Blackbird Billiards Development Agreement
 9. Staff Report
 - a. Project Updates
 10. Committees - times dates and places
 - a. Land Bank Report – Next Meeting October 13, 2016 – 8:30 a.m.
 - b. Project/Finance Committee –
 - c. Executive Committee –
 - d. PR/Media Committee –
 11. Other
 12. Board Member Comments
 13. Adjournment
-

Next Meeting: 4th Thursday – October 27, 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

Meetings of the Kalamazoo County Brownfield Redevelopment Authority are open to all without regard to race, sex, color, age, national origin, religion, height, weight, marital status, political affiliation, sexual orientation, gender identity, or disability. The Kalamazoo County Brownfield Redevelopment Authority will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon four (4) business days' notice to the Kalamazoo County BRA. Individuals with disabilities requiring auxiliary aids or services should contact the Kalamazoo County BRA by writing or calling:

Rachael Grover
Resource Coordinator, Planning and Community Development
Kalamazoo County Government
201 West Kalamazoo Avenue
Kalamazoo, MI 49007
TELEPHONE: (269)384-8305



KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

MEETING DATE: Thursday, August 25, 2016
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, Room 207a
TIME: 4:00 pm

MINUTES

Present: Andy Wenzel, Julie Rogers, Douglas Milburn, Thell Woods, James Spurr, Joe Agostinelli, Habib Mandwee

Members Excused: Tim Hudson, Christopher Carew, Ken Peregou, Travis Grimwood

Kalamazoo Township: Not present

Staff: Lotta Jarnefelt, Rachael Grover

Consultant: David Stegink

Recording Secretary: Zeña Vos and Rachael Grover

Community: 6

1. Chair Agostinelli called the meeting to Order at 4:13 p.m.
2. Members Excused: Tim Hudson, Christopher Carew, Ken Peregou, Travis Grimwood
3. Approval of the Agenda: Agostinelli recommended moving item 8 Discussion/Action before item 7. **Woods moved and Wenzel seconded the approval of the agenda as amended. Motion Carried.**
4. Approval of Minutes: **Woods moved and Mandwee seconded the approval of July 28, 2016 minutes. Motion Carried.**
5. Citizens Comments: None
6. Consent Agenda – Invoices
 - a. **\$3,419.45** – Envirologic related to WO#25 - Metal Mechanics
 - b. **\$ 265.00** – Envirologic related to WO#17 General Environmental
 - c. **\$850.00** – Invoice from MEDA – Grover - IEDC Basic Econ. Development Course**Spurr moved and Mandwee seconded the approval of Consent Agenda. Motion Carried.**
7. **Discussion/Action Calendar:**
 - a. **Discussion/Action:** Metal Mechanics
 - i. Brownfield Plan
Grover stated Part I & Part II Application was approved by the Authority in February. Provided brief summary of the Metal Mechanics Project.

Metal Mechanics owner Tom Dally's update: Project is moving forward - they broke ground in the middle of July and have the steel erected and hoping to move in by end of year.

The delay in capture to 2018 was because it was believed that the site will not have occupancy yet at that time. It was suggested that capture should start in 2017 at an estimated value.

Woods moved and Wenzel seconded the approval of the Brownfield Plan subject to changing the TIF tables to start capture in 2017. Motion Carried.

- ii. Timeline – Packet page 14
-

Grover stated, based on the recommendation today, Schoolcraft Village Supervisor would like to get the plan tomorrow so it can be on the Schoolcraft Village Council meeting on Sept 6, 2016 at 7 p.m.

The Brownfield Plan is not on the County Commission Committee of the Whole agenda yet but Grover has communicated with County Admin office to hold a spot on the agenda for the BOC COW on Sept 20, 2016 at 4pm.

The letters to the taxing jurisdictions regarding the public hearing will be mailed on Sept 23rd, and the public hearing and approval of the plan is scheduled for the BOC meeting on Oct 4, 2016 at 7pm.

iii. Development Agreement

Grover stated that the Development Agreement is not ready but she has communicated with Metal Mechanics and will be sending the draft soon.

b. **Discussion/Action:** MEDC Annual Reports

Grover stated the 2015 Annual Reports for each brownfield plan that collects TIF needs to be submitted to the MEDC by August 31, 2016. The Eliza Street and Corner @ Drake were added for year 2015. Additionally, some of the reports have not started collecting TIF yet but were entered into the MEDC portal a few years ago when this format was started so those sites have a statement as to why they are not collecting TIF as an update to MEDC.

The State will generate the invoice from this report for those sites that owe 3 mils to the State Brownfield Fund.

Spurr moved and Mandwee seconded the approval to authorize the staff to submit the Annual Report. Motion Carried.

c. **Discussion/Action:** TIF Statements for Summer 2016 Tax Capture

Not further discussion required. Discussed in item 8

d. **Discussion/Action:** EPA Grant

i. RFP Pre-Proposal meeting – Next Steps – Executive Committee

Agostinelli updated that the Consultant Pre-proposal meeting took place. Representative from Phillips Environmental, Envirologic, SME, DLZ & PM Environmental were in attendance.

There was a concern raised by one firm about the local Headquarters preference provision and how the committee is going to score the proposals.

After more research it was noted that Federal Regulations would prohibit the local headquarters preference that is built into the RFP. It provides a preference that limits the available consultant pool too severely. There is an exemption in 40 CFR for engineering and architecture as long as there is a sufficient pool of companies. There is sufficient number of consultants with a local office but not sufficient number that have a headquarters located in Kalamazoo County.

Agostinelli suggested removing the 10 point preference for headquarters in Kalamazoo County as Addendum No. 1 to the RFP.

Spurr move and Rogers seconded the approval of Addendum No. 1 to the RFP. Motion Carried.

Submittal of RFP deadline will remain September 2, 2016.

Revised non-discrimination sex preference cannot be changed in the Purchasing Policy yet per Thom Canny. But it is included in the RFP language.

The Authority has set a goal of offering a contract to a consultant at the BRA meeting in September.

Grover will send the Executive Committee/RFP Proposal Review Committee note of meeting on September 9, 2016 for selecting the consultant and to provide a recommendation to the KCBRA Board. Grover will send all Committee members copies of the proposals.

The RFP has been downloaded by 10 firms.

e. **Discussion:** KCBRA Board member Terms Expiring October 31, 2016

2 Board members have terms expiring at the end of October: Thell Woods and Ken Peregon. The County Administration office will receive the applications and the County Board Appointment committee will schedule interviews with all applicants.

The spots are also open to anyone who wants to apply.

Rogers expressed in order to have appointments approved prior to the end of the October 31st term date and to avoid quorum issues, the County Board would need to approve the appointments at the October 4, 2016 meeting.

The opening will be posted on Monday. Usually it is posted for 30 days.

f. **Discussion/Action:** 232 LLC Development Agreement Addendum

Agostinelli abstained from the discussion of the Addendum.

Grover spoke with the attorney for 232 LLC and informed him about the KCBRA Board's frustration of the length of time this project has taken to get to completion and to remind 232 LLC that they are currently in default of the contract.

232 LLC's attorney provided a suggested language change to the addendum as attached in the packet. They were expecting to receive occupancy August 24, 2016 and they will be submitting the report for their Michigan Business Tax Credit August 26th. The project is almost done and they can schedule a tour. They want the KCBRA board members to know that they have made significant progress.

232 LLC's proposed language was reviewed. Wenzel suggests staying with the KCBRA language without the proposed changes will not harm the project.

Spurr moved and Woods seconded the approval of 2nd Addendum without the proposed change. Motion Carried. Agostinelli abstained.

8. Financial Reports

a. **Discussion:** Fund 247

Grover stated starting to receive Summer TIF for Midlink.

Expenses are up to date and the transfer of Brown Family Holdings TIF to the LSRRF has been processed.

Agostinelli reminded everyone that in the next 2 months it's critical to have a quorum at the meetings because it will be a busy time.

Grover will be sending TIF Statements to the local Treasurers.

9. Staff Report

a. Vicksburg Mill

No update at this time.

b. Envirollogic Project Updates

Stegink noted on Eliza Street they have the specifications put together for the vapor extraction system. Getting ready to schedule meetings with MDEQ.

Agostinelli updated regarding Pro Services. They are pushing the start of construction to spring. Agostinelli will discuss with Pro Services to complete Brownfield Plan soon. Stegink will also be in communication with Pro Services. KCBRA needs Part II Application and Application fee from Pro Services in order to move forward with Brownfield Plan review and approval process.

c. Midlink Tour on August 31, 2016

Grover noted there are 13 people from the KCBRA Board, KCBRA staff, County Commissioners, and County Administration that will be in attendance. She will send email out details of the visit. AT&T is presenting information about the fiber ready site initiative during a big press event at 10 a.m. The Midlink tour starts at 11:00 a.m.

d. Checker Motors site update – Grover received contact from John Byl noting there will be changes to the Brownfield Plan and requesting that the KCBRA postpone consideration of the Plan until September or October.

10. Committees – times, dates and places

- a. Land Bank Report – From August 11, 2016, 9:00 a.m. – Land Bank is interested in discussing the potential for the KCBRA providing funds for a Phase II assessment at a property on Portage Road near Washington Square. It would not be a TIF generating project.
- b. Project/Finance Committee – Tentative – September 8, 2016, 4:00 p.m. – No need for meeting as of now.
- c. Executive Committee – September 9, 2016, 8:30 a.m. – Will meet to review responses to RFP for EPA grant consultants.
- d. PR/Media Committee – no report

11. Other –

Hawkins and Grover are meeting with the Northside Association of Community Development regarding a possible project.

12. Board Member Comments

13. Adjournment at 5:17 pm

Next Meeting: 4th Thursday – September 22, 2016 at 4pm (room 207a, County Admin Bldg)

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

Kalamazoo County Brownfield Redevelopment Authority
 Rachael Grover
 Department of Planning and Community Development
 201 West Kalamazoo Avenue, Room 101
 Kalamazoo, MI 49007

Invoice number 02674
 Date 09/09/2016
 Project **160079 Metal Mechanics**

INVOICE: Through Aug 31, 2016

BROWNFIELD PLAN AND DATA REVIEW WORK ORDER #25

Professional Fees

	Hours	Rate	Billed Amount
Administrative Assistant Robyn E. Logelin Professional Services	1.50	50.00	75.00
Senior Project Manager David A. Stegink Professional Services	9.50	115.00	1,092.50
Project Scientist Therese M. Searles Professional Services	9.00	85.00	765.00
Phase subtotal			1,932.50
		Invoice total	1,932.50

We accept Check, ETF, Visa, MC Discover & Amex as payment options



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Kalamazoo County Brownfield Redevelopment Authority
 Lotta Jarnefelt
 Department of Planning and Community Development
 201 West Kalamazoo Avenue, Room 101
 Kalamazoo, MI 49007

Invoice number 02676
 Date 09/09/2016
 Project **150063 General Environmental Review
 W.O. 17**

INVOICE: Through Aug 31, 2016

GENERAL ENVIRONMENTAL REVIEW WO #17 COUNTY #247-000-808-00

Professional Fees

	Hours	Rate	Billed Amount
Principal			
Jeffrey C. Hawkins			
Professional Services	0.50	140.00	70.00
		Invoice total	70.00

We accept Check, ETF, Visa, MC Discover & Amex as payment options

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

Number	W.O.	Site/Phase	Budget Estimates		Actual				
Project			Total	County Funding	Invoice #	Invoice Date	Invoice Amount	Task Budget Remaining	Total Budget Remaining
		Brownfield EA and Admin. 247-000-808.00							
150063	17	General Environmental Review	\$ 3,500.00	\$ 3,500.00	00848	2/19/2015	\$ 300.00	\$ 3,200.00	\$ 3,200.00
		Amendment #1 - Approved 12-17-15	\$ 5,000.00	\$ 5,000.00	01015	4/15/2015	\$ 140.00	\$ 3,060.00	\$ 3,060.00
					01112	5/20/2015	\$ 1,206.25	\$ 1,853.75	\$ 1,853.75
					01129	6/3/2015	\$ 161.25	\$ 1,692.50	\$ 1,692.50
					01321	7/15/2015	\$ 287.50	\$ 1,405.00	\$ 1,405.00
					01438	8/19/2015	\$ 175.00	\$ 1,230.00	\$ 1,230.00
					01473	9/8/2015	\$ 210.00	\$ 1,020.00	\$ 1,020.00
					01584	10/9/2015	\$ 140.00	\$ 880.00	\$ 880.00
					01704	11/11/2015	\$ 560.00	\$ 320.00	\$ 320.00
					01746	12/4/2015	\$ 280.00	\$ 40.00	\$ 40.00
					01903	1/12/2016	\$ 280.00	\$ 4,760.00	\$ 4,760.00
					02024	2/10/2016	\$ 235.00	\$ 4,525.00	\$ 4,525.00
					02068	3/7/2016	\$ 945.00	\$ 3,580.00	\$ 3,580.00
					02141	4/5/2006	\$ 700.00	\$ 2,880.00	\$ 2,880.00
					02297	5/13/2016	\$ 560.00	\$ 2,320.00	\$ 2,320.00
					02436	6/14/2016	\$ 140.00	\$ 2,180.00	\$ 2,180.00
					02582	8/8/2016	\$ 265.00	\$ 1,915.00	\$ 1,915.00
					02676*	9/9/2016	\$ 70.00	\$ 1,845.00	\$ 1,845.00
		Project Subtotal	\$ 8,500.00	\$ 8,500.00			Project Subtotal \$ 6,655.00		\$ 1,845.00
130129	1	Kartar #6, 306 N. Grand, Schoolcraft, MI							
		Project Complete	Project Subtotal \$ 11,400.00	\$ 11,400.00			Project Subtotal \$ 11,061.78		\$ -
130307	2	Project Spartan - Midlink Business Park							
		Project Subtotal	\$ 32,400.00	\$ 32,400.00			Project Subtotal \$ 32,015.36		\$ -
130367	4	9008 Portage Road, Former Bud's Auto Service							
		A - Phase I ESA	\$ 2,300.00	\$ 2,300.00	29414	11/12/2013	\$ 6,209.06	7,290.94	
		B- BEA/Section 7a CA (Due Care Plan)	\$ 2,700.00	\$ 2,700.00	29630	1/16/2014	\$ 330.44	6,960.50	
		C- Brownfield Plan	\$ 2,500.00	\$ 2,500.00	00072	6/19/2014	\$ 351.25	6,609.25	
		Work Order 4a - Amendment for Due Care Activities	\$ 3,500.00	\$ 3,500.00	00123	7/10/2014	\$ 1,428.75	5,180.50	
	8	D - Act 381 Work Plan	\$ 2,500.00	\$ 2,500.00	00359	9/18/2014	\$ 1,497.13	3,683.37	
					00526	11/10/2014	\$ 210.00	3,473.37	
					01322	7/15/2015	\$ 263.75	3,209.62	
					01764	12/7/2015	\$ 3,185.00	24.62	
		Project Subtotal	\$ 13,500.00	\$ 13,500.00			Project Subtotal \$ 13,475.38		\$ 24.62
130368	5	2015 Lake Street, J&L Motor X-Press							
		Project Complete	Project Subtotal \$ 12,000.00	\$ 12,000.00			Project Subtotal \$ 11,035.87		\$ -
130388	7	Former Fox River Paper Mill (Hov-Aire Parcel)							
		Project Complete	Project Subtotal \$ 7,000.00	\$ 7,000.00			Project Subtotal \$ 7,000.00		\$ -
140154	10	The Corner @ Drake Development							
		Project Subtotal	\$ 6,500.00	\$ 6,500.00			Project Subtotal \$ 6,462.50		\$ -
140175	11	Chem Link Acquisition of Former Apollo Plastics							
		Project Complete	Project Subtotal \$ 13,000.00	\$ 13,000.00			Project Subtotal \$ 6,457.24		\$ -
140520	13	US EPA Brownfield Assessment Grant Application	\$ 3,000.00	\$ 3,000.00					
		Project Complete	Project Subtotal \$ 3,000.00	\$ 3,000.00			Project Subtotal \$ 3,000.00	\$ -	\$ -
140455	14	CMS, 555 E. Eliza Street, Schoolcraft, MI							
		Project Subtotal	\$ 58,700.00	\$ 58,700.00			Project Subtotal \$ 59,425.41		\$ -
140519	16	CMS, 1819/2019 N. Pitcher Street, Kalamazoo Twp.							
		Project Subtotal	\$ 10,000.00	\$ 10,000.00			Project Subtotal \$ 9,999.71	\$ 0.29	\$ -
150025	19	Checker Motors Site	\$ 4,000.00	\$ 4,000.00	00903	3/11/2015	\$ 1,178.75	2821.25	
		Project Subtotal	\$ 4,000.00	\$ 4,000.00			Project Subtotal \$ 1,265.00		\$ -
150026	20	Accu Mold, 4460 Commercial Ave. Portage, MI	\$ 7,500.00	\$ 7,500.00	00902	3/11/2015	\$ 3,033.75	4466.25	
		Project Subtotal	\$ 7,500.00	\$ 7,500.00			Project Subtotal \$ 4,948.75		\$ -
	21	Eliza Street MDEQ Grant and Loan - refer to separate spreadsheet							
150386	22	FY16 US EPA Brownfield Assessment Grant Application	\$ 3,000.00	\$ 3,000.00	01747	12/4/2015	\$ 1,655.00	\$ 1,345.00	\$ 1,345.00
					01904	1/12/2016	\$ 1,335.00	\$ 10.00	\$ 10.00
							Project Subtotal \$ 2,990.00		\$ 10.00
150391	23	Blackbird Billiards, LLC Brownfield Plan - 3912 Douglas, Ktwp*	\$ 2,500.00	\$ 2,500.00	01763	12/7/2015	\$ 2,500.00	\$ -	\$ -
							Project Subtotal \$ 2,500.00		\$ -
150390	24	Kalamazoo West Prof. Center, 2415 S. 11th St., Oshemo Twp.	\$ 4,000.00	\$ 4,000.00	02298	5/13/2016	\$ 3,007.50	\$ 992.50	\$ 992.50
		Brownfield Plan -			02392	6/8/2016	\$ 262.50	\$ 262.50	\$ 262.50
							Project Subtotal \$ 3,270.00	\$ 730.00	\$ 730.00
160079	25	Metal Mechanics	\$ 8,000.00	\$ 8,000.00	02142	4/5/2016	\$ 743.75	\$ 7,256.25	\$ 7,256.25
					02437	6/14/2016	\$ 86.25	\$ 7,170.00	\$ 7,170.00
					02541	7/18/2016	\$ 1,570.00	\$ 5,600.00	\$ 5,600.00
					02627	8/11/2016	\$ 3,419.45	\$ 2,180.55	\$ 2,180.55
					02674*	9/9/2016	\$ 1,932.50	\$ 248.05	\$ 248.05
							Project Subtotal \$ 7,751.95		\$ 248.05
		Total Project Budgets	\$ 205,000.00	\$ 205,000.00			Total \$ 189,313.95		\$ 2,857.67

Scope of Services

Contract for Professional Services
Kalamazoo County Brownfield Redevelopment Authority
Applicable to Contract Addendum #3 Dated July 23, 2015
Work Order No. 25 Dated February 23, 2016, Amendment #1 Dated 9-22-16
Revised per KCBRA on February 25, 2016

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: Metal Mechanics, 400 S. 14th Street, Schoolcraft, MI.
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</u>	<u>(269) 342-1100</u>
Name (ENVIROLOGIC)	Phone

<u>Mr. Joe Agostinelli, Chair</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 Chair

By Jeffrey C. Hawkins
Title President

Signature _____

Signature _____

Date _____

Date _____



I. Scope of Services

Metal Mechanics acquired property at 400 South 14th Street in Schoolcraft, MI approximately one year ago. Contamination was found at the property during the environmental due diligence period and the site is designated as a “facility”.

Metal Mechanics wishes to construct a 30,000 square foot building on the property. Because of the presence of known contamination in soil, certain costs will be incurred related to the management of excess contaminated soil generated from construction. Metal Mechanics is seeking adoption of a Brownfield Plan to assist them in the completion of certain activities to achieve compliance with their “due care obligations” as they complete new construction and expand operations on the property.

As part of the development of a Brownfield Plan, the data that has been generated at the site to-date will need to be reviewed with respect to the proposed redevelopment. This data review will also include updating the Documentation of Due Care Compliance for the site.

Envirologic proposes to conduct a data review, update the Documentation of Due Care Compliance and begin preparation of a Brownfield Plan for the site. Based on the data review, it may be necessary to conduct some additional sampling to determine how the proposed site redevelopment will be affected by existing contaminants. Additionally, it is anticipated that an Act 381 Work Plan will be needed, however, an amended Work Order will be developed for any additional sampling and also an Act 381 Work Plan.

Envirologic will review existing environmental due diligence documents and meet with Metal Mechanics to determine potential eligible activities and estimated costs. Depending on the level of existing information, it may be necessary to evaluate elevation data on the property to help Metal Mechanics minimize the generation of excess contaminated soil, evaluate storm water retention requirements, among other details.

We will meet with the local assessor to determine the estimated taxable value from planned improvements. Envirologic will prepare the Brownfield Plan, Work Plan, required notices and draft resolutions. We will attend a meeting at the Village of Schoolcraft as necessary to aid in the Brownfield Plan adoption process.

Amendment #1: This project has been fluid with several activities needed that were different from anticipated in the original work order, i.e. soil sampling, additional meetings with the Village, etc. We were hopeful that we would be able to accomplish these additional tasks within the original budget, however, due to the expanded scope Envirologic is requesting consideration of additional budget to complete the project.

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.

Data Evaluation and Documentation of Due Care Compliance.....	\$4,000
Brownfield Plan Development.....	\$4,000
<i>Amendment #1.....</i>	<i>\$1,000</i>
<i>Total Estimated Cost</i>	<i>\$9,000</i>

III. Schedule

Work performed under this Work Order will be initiated upon authorization to proceed as directed by the KCBRA. Activities are estimated to take four weeks with additional time required for adoption of the Plan.

Kalamazoo County Brownfield Redevelopment Authority
Rachael Grover
Department of Planning and Community Development
201 West Kalamazoo Avenue, Room 101
Kalamazoo, MI 49007

Invoice number 02673
Date 09/09/2016
Project **150366 555 E. Eliza Street, Work Order #21**

INVOICE: Through Aug 31, 2016

VAPOR TRANSMISSION PILOT STUDY - MDEQ LOAN

Professional Fees

	Date	Hours	Rate	Billed Amount
Project Manager Paul D. French Professional Services	08/15/2016	2.75	95.00	261.25
	08/16/2016	1.50	95.00	142.50
	08/17/2016	1.50	95.00	142.50
	08/29/2016	1.50	95.00	142.50
	08/31/2016	1.50	95.00	142.50
	Subtotal	8.75		831.25
Senior Project Manager David A. Stegink Professional Services	07/19/2016	0.50	105.00	52.50
	Phase subtotal			883.75

REMOVAL OF HAZARDOUS MATERIALS - MDEQ LOAN

Professional Fees

	Date	Hours	Rate	Billed Amount
Senior Project Manager David A. Stegink Professional Services	07/13/2016	0.50	105.00	52.50
Project Scientist Caitlin M. Andler Professional Services	07/19/2016	1.75	80.00	140.00
	07/20/2016	0.50	80.00	40.00
	07/25/2016	0.25	80.00	20.00
	Subtotal	2.50		200.00



Remit to:
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Kalamazoo County Brownfield Redevelopment Authority
Project **150366 555 E. Eliza Street, Work Order #21**

Invoice number 02673
Date 09/09/2016

REMOVAL OF HAZARDOUS MATERIALS - MDEQ LOAN

Expense

	Units	Rate	Billed Amount
Mileage			
07/19/2016	30.00	0.48	14.40
Phase subtotal			266.90
		Invoice total	1,150.65

We accept Check, ETF, Visa, MC Discover & Amex as payment options

BROWNFIELD PLAN DEVELOPMENT AGREEMENT

THIS BROWNFIELD PLAN DEVELOPMENT AGREEMENT (the "Agreement"), is entered into on _____, 20__ between the **KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY**, a Michigan public body corporate established pursuant to Act 381 of the Public Acts of 1996, as amended, MCL 125.2651 et seq. ("Act 381"), whose address is 201 W. Kalamazoo Avenue, Room 101, Kalamazoo, Michigan 49007 (the "Authority"), and Blackbird Billiards, LLC, 1106 Jenks Boulevard, Kalamazoo, MI 49006 (the "Developer").

RECITALS

WHEREAS, the Authority, Kalamazoo Township (the "Township"), and Kalamazoo County (the "County") have determined that brownfield redevelopment constitutes the performance of an essential public purpose which protects and promotes the public health, safety and welfare.

WHEREAS, Kalamazoo County has established a Brownfield Redevelopment Authority and the Authority and the County have adopted a Brownfield Plan specifically for this site (the "Plan"), pursuant to the provisions of Act 381.

WHEREAS, the Authority and the County have designated certain properties that have conditions of environmental contamination, blight or obsolescence as appropriate sites for creating a Plan.

WHEREAS, Act 381 permits the use of the real and personal property tax revenues generated from the increase in value (the "Increment") to brownfield sites constituting Eligible Property under Act 381 resulting from their redevelopment to pay or reimburse the payment of costs of conducting Eligible Activities (these costs are referred to as "Eligible Costs") and, unless Developer is a liable party for the site contamination, permits the reimbursement to Developer of Eligible Costs it has incurred.

WHEREAS, Developer owns property in Kalamazoo County located at 3912 Douglas Avenue in Kalamazoo Township, Kalamazoo, Michigan (the "Property") and legally described on the attached Exhibit A.

WHEREAS, the Property has been included in the Plan and qualified as an "eligible property" under the terms of Act 381.

WHEREAS, Developer intends to redevelop the property into the headquarters for Blackbird Billiards. The redevelopment includes the new construction of a 3,120-square-foot commercial building to house the retail, repair, and manufacturing of billiard supplies. Total investment in the project is estimated at \$200,000 (the "Project").

WHEREAS, the Project will require the Developer to incur Eligible Costs associated with certain Eligible Activities including environmental due diligence and underground storage tank

(UST) removal, cleaning, and disposal which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals. The Developer's Eligible Costs shall not exceed \$14,200.

WHEREAS, the parties are entering into this Agreement to establish the procedure for the reimbursement from Tax Increment Revenues under Act 381 as amended.

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth herein, the parties agree as follows:

1. **Recitals.** The above recitals are acknowledged as true and correct, and are incorporated by reference into this Paragraph.

2. **The Plan.** The Plan, approved by the Authority and the Commission of the County, concurred by the City, is attached as Exhibit B and incorporated as part of this Agreement. To the extent provisions of the Plan or this Agreement conflict with Act 381, Act 381 controls.

3. **Term of Agreement.** Pursuant to the Plan, the Authority shall capture that amount of Tax Increment Revenues generated from real and personal property taxes allowed by law on the Eligible Property. Capture will begin in the first year after the year of the establishment of the Plan and will continue until the earlier of:

3.1 Full reimbursement of Eligible Costs for those Eligible Activities set forth in Paragraph 5, which shall not exceed \$ 30,094; or

3.2 25 years. With five of the 25 years designated for Local Site Remediation Revolving Fund (LSRRF) only.

4. **Evidence of Ownership.** Prior to the execution of this Agreement, Developer shall provide to the Authority each of the following: (a) evidence satisfactory to the Authority that the Developer has acquired fee simple title to the Property, which evidence shall include (without limitation) a copy of a recorded deed to the Property in favor of the Developer; and (b) a copy of a commitment for owner's title insurance with respect to the Property (the "Commitment"), which Commitment shall show the Developer as record owner of the Property, shall reflect that all material conditions to the issuance of a policy thereunder have been satisfied, and shall otherwise be in form and substance satisfactory to the Authority.

5. **Eligible Activities.** The Developer shall diligently pursue completion of the Eligible Activities summarized in the Plan and set forth in this Paragraph. The Authority shall reimburse the Developer for Eligible Costs incurred on or after the date of the inclusion of this Project in the Plan and include environmental due diligence and due care, which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals.

6. **Reimbursement Source.** During the term of this Agreement and except as otherwise set forth in this Agreement, the Authority shall reimburse the Developer for its Eligible Costs, as

limited under this Agreement, from all available Tax Increment Revenues collected from the real and personal property taxes on the Property,

7. Reimbursement Process.

7.1 Cost Reimbursement Request. The Developer will provide sufficient documentation of the Eligible Costs incurred including the dates of each Eligible Activity, a complete description of the work, proof of payment, detailed invoices for the costs involved for each Eligible Activity and a written statement certifying to the Authority that all such costs are "Eligible Costs". Failure to provide the above noted information when due, or within the time permitted by the Authority under Paragraph 7.2, may result in foregone reimbursement, to the Developer by the Authority, for Eligible Costs that have not been requested within the timeframe described above.

7.2 Authority Staff Review. The Authority Staff shall review each reimbursement request within 30 days after receiving it. If Authority Staff determines that the documentation submitted by the Developer is not complete, then Developer shall cooperate in the Authority's review by providing, within 30 days of the Authority's request, any additional documentation of the Eligible Costs as deemed reasonable and necessary by the Authority in order to complete its review. Within 45 days following the receipt of such supplemental information, the Authority shall make the determination of whether the costs are eligible for reimbursement. If the Developer wishes to challenge that determination, it shall provide written notice to the Authority within 15 days of the determination, and the issue shall be brought to the Authority within 45 days thereafter for a final determination. The Developer shall not have any further appeal rights to challenge the final determination of the Authority and shall not be entitled to any claim or cause of action against Kalamazoo County or the Authority as a result of any determinations made in good faith regarding whether or not any cost submitted by the Developer constitutes an "Eligible Cost," and hereby grants the County and the Authority and their respective officers, agents and employees, a complete release and waiver of any claims or causes of action as a result of the foregoing.

7.3 Reimbursement. After both the summer and winter taxes are captured and collected on the Property, the Authority shall reimburse its Eligible and Administrative Costs and pay approved Eligible Costs to the Developer from Tax Increment Revenues that are generated from the Property in accordance with the Plan and Paragraph 7 to the extent that taxes have been captured and are available in that fiscal year. The Authority shall receive one hundred (100) percent of Tax Increment Revenues until fully reimbursed, unless otherwise designated by the Authority. In the event that there are insufficient Tax Increment Revenues available in any given year to reimburse all of the Authority's and Developer's Eligible Costs, as described in Paragraph 5, then the Authority shall reimburse the Authority or Developer only from available Tax Increment Revenues. Once the Authority is fully reimbursed for its Eligible Costs, the Developer shall receive the available Tax Increment Revenue, less Administrative Costs, during the term of this Agreement, until all of the amounts for which submissions have been made have been fully paid to the Developer, or the repayment obligation expires, whichever occurs first. The Authority shall make additional payments, on an annual basis, toward the Developer's remaining unpaid Eligible Costs during the term of this Agreement. The Developer shall not be entitled to receive any interest on amounts for which reimbursement is requested under this Agreement. The Developer shall not

be entitled to reimbursement under this Agreement unless the Developer has timely and completely paid its real and personal property taxes (or industrial facilities taxes) including all penalties, interest and other amounts due in relation thereto when due. For purposes of this Agreement, to be timely paid, taxes must be paid before the date on which they can no longer be paid without penalties or interest. The repayment obligation under this Agreement shall expire upon the earlier of the full payment by the Authority to the Developer of all amounts due the Developer from the Tax Increment Revenues or 25 years from the date of approval of the Plan.

7.4 Method of Reimbursement. The Authority will reimburse the Developer for Eligible Costs as follows:

Checks shall be payable to: Blackbird Billiards, LLC

Delivered to the following address: 1106 Jenks Boulevard
Kalamazoo, MI 49006

By certified mail

Delivered through electronic transfer if available through Developer

8. Adjustments. The parties acknowledge that adjustments regarding the amount of Tax Increment Revenues paid to the Developer may occur under any of the following circumstances:

8.1 Audit or Court Ruling: In the event that a state agency of competent jurisdiction conducting an audit of payments made to the Developer under this Agreement or a court of competent jurisdiction determines that any portion of the payments made to the Developer under this Agreement is unlawful, the Developer shall pay back to the Authority that portion of the payments made to the Developer within 30 days of the determination made by a state agency or the court as the case may be. However, the Developer shall have the right, before any such repayment is made, to appeal on its or the Authority's behalf, any such determination made by a state agency or court as the case may be. If the Developer is unsuccessful in such an appeal, the Developer shall repay the portion of payments found to be unlawful to the Authority within thirty (30) days of the date when the final determination is made on the appeal. The Developer shall be responsible for payment of all of the County's and Authority's legal fees associated with any determination of whether a cost for which reimbursement is requested constitutes an "Eligible Cost" and all of the County's and Authority's legal fees associated with the review or determination of such issues by any state agency or court.

8.2 Property Tax Appeal: In the event the developer, or any other owner of real estate on the Property, files an appeal with the Michigan Tax Tribunal, related to the taxable value of parcels of property included in the Brownfield Plan, the Authority shall do the following:

- a. The Authority will remit Tax Increment Financing Reimbursement payments based upon the lowest taxable value being sought pursuant to the appeal;
- b. Any Tax Increment Revenue that is collected but not remitted as a result of a tax appeal shall be held in a separate account of the Authority until the pending appeal is adjudicated;

- c. Once any tax appeals are adjudicated, the Authority will either return the escrowed funds to the local unit in compliance with any tax appeal rulings, or will make payments pursuant to Section 7 of this agreement.

8.3 Reduction of Property Assessments: If the Authority

- i.) incurs Costs on behalf of the Developer with respect to the Project, Site or Application and
- ii.) the Developer initiates, participates in or supports any proceeding or process which results in a reduction of the tax increment capture for the Project from that projected and along the same term as contained within the Plan, the Developer indemnifies and will fully reimburse the Authority within 30 days of notification from the Authority as to the amount and the due date for all Costs as defined within the Plan, expenses or reduction in revenue from what was projected as the tax increment capture.

9. Responsibilities of Developer. In consideration of the inclusion of the Property into the Plan and the resulting financial benefits, which it expects to receive, Developer agrees to the following:

9.1 Project. At its sole expense, Developer shall use its best efforts to conduct the activities described in the Plan and to construct the Project. The new investment planned for this site includes new construction of a 3,120-square-foot commercial building for an initial planned investment of \$ 200,000. The redevelopment of the Property shall commence no later than November 2014 and shall be completed no later than August 31, 2016. Under no circumstances shall the Authority have any responsibility or liability for remediation or redevelopment of the Property, or for conducting any "eligible activities" at the Property, except for its obligations under this Agreement to provide funds to the extent available as permitted in Paragraph 7 hereof with respect to payments from Tax Increment Revenues.

9.2 Employment Opportunities. Make every reasonable effort to work with the County and community employment agencies to hire County residents for new employment opportunities created by the Project, and to encourage the local contracting of construction and site related work.

9.3 Ordinances. Develop the Property, including landscaping and all other improvements required for the Project, in compliance with all local ordinances, site plan reviews and this Agreement. The redevelopment of the Property shall be subject to all zoning approvals. This Agreement does not obligate any governing municipality to grant any such approvals.

9.4 Project Sign. Place on the site during rehabilitation/redevelopment a development sign provided by the Authority to promote the Project and the Authority's participation in it. Upon completion of the Project, the sign will be returned to the Authority.

9.5 Promotion and Marketing. Permit the Authority to cite or to use any renderings or photographs or other materials of the Project as an example of private/public partnership and brownfield site redevelopment.

9.6 Cooperation. Assist and cooperate with the Authority in providing information that the Authority may require in providing necessary reports to governmental or other agencies, including, but not limited to, information regarding the amount of Developer expenditures and capital investments, jobs created, and square footage developed or rehabilitated with respect to the Project.

9.7 Payment of Authority Legal and Professional Fees. To the extent the following costs and fees are not paid to the Authority from Tax Increment Revenues, the Developer shall reimburse the Authority for its legal and professional fees and disbursements incurred in connection with the review, approval and administration of the brownfield plan for this Project, including any further amendments thereto; the preparation and negotiation of this Agreement, as it may be amended from time to time; and all documents and matters related thereto, including future expense. Developer shall reimburse the Authority for such expenses within 30 days from the date that the Authority sends an invoice and request for payment to Developer, provided Developer shall be eligible for reimbursement for such expenses to the extent permitted by law from Tax Increment Revenues.

10. Responsibilities of the Authority. In consideration of the preceding commitments of Developer the Authority further agrees to the following:

10.1 Agency Contacts. Provide Developer with appropriate service/employment agency contacts for the identification of County residents to interview for potential employment;

10.2 Cooperation. Cooperate and utilize its best efforts to obtain any governmental approvals required to close the transaction contemplated by this Agreement.

11. Developer's Representations, Warranties and Covenants. The Developer hereby makes the following representations, warranties and covenants:

11.1 Eligible Property. The Property is "eligible property" as defined in Act 381 and is eligible for the capture of Tax Increment Revenues pursuant to Act 381.

11.2 Eligible Costs. The Developer will only submit for reimbursement under Paragraph 7 hereof such costs that it has reasonably determined are "Eligible Costs" within the meaning of Act 381.

11.3 Due Authorization. The representatives signing this Agreement are duly authorized by the Developer to enter into this Agreement.

12. Events of Default. Each of the following shall constitute an event of default:

12.1 Any representation or warranty made by the Developer in this Agreement proves to have been incorrect or incomplete in any material respect when made or deemed to be made.

12.2 The Developer fails to observe or perform any covenant or agreement contained in this Agreement for 30 days after written notice thereof shall have been given to the Developer by the Authority.

12.3 The Developer abandons or withdraws from the reuse and redevelopment of the Property or indicates its intention to do so.

12.4 The Developer fails to pay any funds within 30 days of the date due which are required to be paid to the Authority pursuant to this Agreement, including but not limited to its real and personal property taxes as set forth in Paragraph 7 hereof.

12.5 The Developer terminates its existence.

12.6 The Developer files an appeal with the Michigan State Tax Tribunal contesting any taxes assessed against the Property or the taxable value, assessed value or state equalized value of the Property.

12.7 Any material provision of this Agreement shall cease to be valid and binding on the Developer or shall be declared null and void; the validity or enforceability of such provision shall be contested or denied by the Developer; or the Developer denies that it is bound by this Agreement.

13. Remedies upon Default. If any event of default as defined above shall occur and be continuing for 30 days after written notice of default from the Authority, the Authority shall have the right, but not the obligation, to terminate this Agreement effective immediately and the Developer shall be responsible for all costs which the Authority has incurred in connection with the Property and this Development Agreement, and shall be responsible for all Eligible Costs, without contribution from Tax Increment Revenues collected by the Authority from taxes levied on the Property.

14. Legislative Authorization. This Agreement is governed by and subject to the restrictions set forth in the Act. In the event that there is legislation enacted in the future which alters or affects the amount of Tax Increment Revenues subject to capture, Eligible Properties, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement may be modified accordingly by agreement of the parties.

15. Freedom of Information Act. Developer stipulates that all Petitions and documentation submitted by Developer shall be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, MCL 15.231 et seq., and no claim of trade secrets or other privilege or exception to the Freedom of Information Act will be claimed by Developer as it relates to this Agreement or Petitions and supporting documentation.

16. Plan Modification. The Plan and this Agreement may be modified to the extent allowed under the Act by mutual agreement of the parties.

24. **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

25. **Definitions.**

- “Additional Response Activities” are defined by Section 2(a) of Act 381;
- “Baseline Environmental Assessment Activities” is defined by Section 2(d) of Act 381;
- “Brownfield Plan or Plans” is defined by Section 2(g) of Act 381;
- “Due Care Activities” is defined by Section 2(l) of Act 381;
- “Eligible Activities” is defined by Section 2(n) of Act 381;
- “Eligible Property or Properties” is defined by Section 2(o) Act 381;
- “Tax Increment Revenues” is defined by Section 2(ii) of Act 381, and, for purposes of this Agreement, includes school taxes and local (non-school) taxes.

Witnesses:

KALAMAZOO COUNTY BROWNFIELD
REDEVELOPMENT AUTHORITY

By _____

Title _____

Date _____

John Joseph Brewer
9/6/2016

BLACKBIRD BILLIARDS, LLC

By Timothy P. White

Title MEMBER

Date 9/6/2016

Exhibit A

Tax ID: 06-04-215-041, 0.42 acres, with the following legal description*:

1002720 3906 04 215 041 SEC 4-2-11 BEG AT INTER S LIN 1/2 NW FRL 1/4 SEC 4 WITH ELY LI DOUGLAS AVE TH N 25 DEG 04 MIN E ALG SD ELY LI 169 FT TH S 62 DEG 56 MIN E 135.74 FT TH S 25 DEG 04 MIN W 101 FT TO THE S LIN 1/2 NW FRL 1/4 SD SEC TH W ON SD S LIN 149.78 FT TO BEG.42A

Tax ID: 06-04-215-031, 0.93 acres, with the following legal description:

1002660 3906 04 215 031 SEC 4-2-11 COM AT THE INTER S LINE 1/4 NW FRL 1/4 SECTION 4 WITH THE ELY LI DOUGLAS AVE TH N 25 DEG 04 MIN E ALG SD ELY LI 264 FT TH E 115.85 FT FOR POB TH E 134.15 FT TH S 238 FT TH W 210.22 FT TO A PT 9.73 FT E OF SE COR NE 1/4 NW FRL 1/4 SD SEC TH N 25 DEG 04 MIN E PAR TO ELY LI DOUGLAS AVE 101 FT TH N 62 DEG 56 MIN W 30.74 FT TH N 25 DEG 04 MIN E 147.74 FT TO BEG EXC THE NLY 60 FT & THE ELY 10 FT THEREOF.

*Legal descriptions obtained from Kalamazoo County BS&A Software.

Exhibit B

3912 Douglas Ave. – Blackbird Billiards

Brownfield Plan