

KALAMAZOO COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES

MEETING DATE: Thursday, February 24, 2011
PLACE OF MEETING: County Administration Building

Present were: Clare Annen, Larry Baumgart, Ruth Blake, Leroy Crabtree,
Brandt Iden, Ken Peregón, Julie Rogers, Matthew VanDyk, Thell
Woods
Kalamazoo Township: George Cochran
Staff Support: David Artley, Jeff Hawkins (consultant), Lotta Jarnefelt
Absent: Joe Agostinelli, Anne Summerfield, Representatives from
Augusta and Comstock
Recording Secretary: Lori Pyatt

1. CALL TO ORDER

Chairperson Rogers called the meeting to order at 4:00pm.

2. MEMBERS EXCUSED

A motion was made to excuse Mr. Agostinelli and Ms. Summerfield.

Motion: Annen Support: Crabtree

Motion carried by unanimous voice vote.

3. APPROVAL OF AGENDA

A motion was made to approve the agenda.

Motion: Annen Support: Crabtree

Motion carried by unanimous voice vote.

4. APPROVAL OF MINUTES

A motion was made to approve the January 27th minutes.

Motion: Woods Support: Annen

Motion carried by unanimous voice vote.

5. CITIZENS COMMENTS

Connie Ferguson invited the members to attend the Legislative Breakfast hosted at the Nature Center & sponsored by the Kalamazoo Environmental Council at 7:30am on Monday, March 7th. Members could RSVP online, and breakfast would be \$10 payable at the door.

(Mr. Baumgart arrived at 4:05)

6. CONSENT CALENDAR

a. Clerical Support Services through Lori S. Pyatt of Kalamazoo – Minutes of the Meetings on January 27, 2011. Total amount - **\$105.00** from BRA Account# 247-000-808.11.

A motion was made to approve the consent calendar.

Motion: Woods Support: Annen

Motion carried by unanimous voice vote.

7. COUNTY'S BRA FINANCIAL BALANCE SHEET (on packet pages 10-11)

- Expenditure Detail Report:
 - (page 10) Terra/ET \$41K encumbrances would show on line item 808.00 "Contractual Services" after all the pieces were completed.
 - (page 11): Travel expenses for the National Brownfield Conference would come out of line item 860.00 "Travel".
- Other reports would show revenue, but were not distributed because there were no changes. Ms. Jarnefelt explained that the handwritten numbers reflected what had been submitted, yet still needed to flow through the accounting system.

8. DISCUSSION AND/OR ACTION CALENDAR

(Mr. Iden arrived at 4:10pm.)

a. National Brownfield Conference (April 3-5, 2010):

The maximum BRA conference costs (at \$1,450 each members Iden and Baumgart) was *not to exceed* \$2,900.00 (the dollars came from Beckan Industries' TIF).

Each had been given an expense sheet and per diem policies on travel, food, and the need for receipts; they would be responsible for making their own arrangements for hotel and air travel. BRA would cover four nights at the government rate.

A motion was made to approve the expenses for two members to attend the National Brownfield Conference, not to exceed \$2,900 and to be paid out of Account number 247.020.860.00 "Travel".

*Motion: Annen Support: Woods
Motion carried by unanimous voice vote.*

Ms. Rogers asked the two to begin signing up for excursions and to consider doing a presentation to the Authority after the conference.

b. Consider approving the Developers Agreement with Midlink:

Mr. Artley addressed section 5.3 e) regarding signage and Sections 9.2 & 9.4 regarding insurances—sections which had undergone much debate between the parties. The County and the Brownfield will be listed on Midlink's Insurance. The latest Developers Agreement had been sent to Midlink the previous Monday.

Discussion turned to the following:

- What precedence the Brownfield would be setting regarding signage.
- Timing of documentation and breach of contract: Mr. Artley assured the Board that the 381 Workplan was submitted in December to 'get the clock running' and to have the State begin listing what details were

still needed. If DNRE did not receive the information it needed from Midlink by the time collection was to begin on the taxes, then the window would close permanently on the school tax. Midlink had received the request for additional information only six working days prior. (Townships would begin printing tax bills late June.)

- Mr. Hawkins stated that, based on his time in Lansing, he did not think school and non-school TIF would be changed by the State. He also indicated that it was customary for 381 Workplans to go through several rounds of requests by the State and subsequent updates and submissions. The DEQ could even phase the approval, accepting completed parts over time.
- The way the law was written, BRA could incur expenses, post-Brownfield plan, pre-381 Workplan, and be reimbursed on school TIF for BEA and some due-care activities. However, the work on Midlink was done before the law was changed as such, plus the work done was pre-Brownfield plan.
- Worst-case-scenario: the Authority would get non-school TIF back.
- The Authority discussed the necessity for a policy requiring the use of signage on Brownfield properties. Mr. Artley agreed to research other Authorities' handling of the issue.

The following motion was made:

"I move that the BRA approve the final version of the BRA Development and Reimbursement Agreement with 5200 East Cork Street Investors, LLC, as dated 2/20/2011, and herein authorizes its chair to sign said agreement."

Motion: Crabtree

Support: Peregon

Motion carried by unanimous voice vote.

- c. 381 Workplan: This was discussed previously.
- d. Other: There were no comments made.

9. STAFF REPORTS

- a. Terra Contracting: Terra continued contact with Georgia-Pacific regarding a sales agreement. Terra hoped to complete the purchase agreement in the first quarter, 2011.
- b. NSP2 (Neighborhood Stabilization Program) Funds: Initial research indicated these would primarily be available for the development of property within a residential neighborhood, but Mr. Artley would do further research after his office moved.

- c. BRA summary in the Annual Report of the Planning and Community Development Department to the County Board: This would be covered at a future meeting.
- d. Nominating Committee for Annual Meeting: Members were asked to contact staff if they wanted to be on this committee as long as they did not want to serve as an officer.
- e. BRA Training in Lansing (April 13): Members were asked to hand in the form to staff if they were interested. It would cost \$195.00, but scholarships were available. Envirologic Technology would probably attend, and carpooling could be arranged. Staff would probably qualify for the reduced rate.
- f. Other: The Website was up to date with the minutes previously approved.

10. PRESENTATION BY JEFF HAWKINS

Mr. Hawkins, President of Envirologic Technologies, presented his slideshow entitled "Review of Michigan's Cleanup Law Changes And Other Brownfield Related Updates":

- Past and present clean-up laws in Michigan:
 - Baseline Environmental Assessment (BEA) was relaxed to reflect Federal requirements. (Lenders should continue to ask for more detailed information to ascertain what the future uses of the property could be.)
 - Due Care Obligations were amended to:
 - include Federal "Continuing Obligations"
 - extended to state and local governments who own or operate contaminated property for public purposes or public use.
 - Other Changes:
 - Cleanup Categories were reduced to two.
 - The process for verification of cleanup/closure was now self-implemented or through a submitted Response Activity Plan.
 - MDNRE had 150 to 180 days to review a No Further Action Report.
 - A Response Activity Review Panel was established.
 - The burden of proving someone is a liable party now shifted to the MDNRE.
- Effects of legislative changes to part 201 (effective December 15, 2010) on KCBRA activities:
 - Phase I ESA, Phase II ESA, BEA and Due Care Activities remained eligible activities in a Brownfield Plan;
 - Stronger emphasis on Federal AAI Due Diligence requirements
 - EPA Assessment Grant activities were required to meet AAI requirements; this was not new by Part 201 amendments, but under recent scrutiny
 - There was a possible need to update Operational Guidelines; effects were still under evaluation
- Brownfield related updates:
 - Act 381 Amendments:

- Expanded the definition of “eligible activities” in the use of local TIR.
- Some Land Bank abilities had been extended to Brownfields.
- Plan length went from 35 years from date of adoption to 30 years from the first date of capture.
- “eligible property” and “infrastructure improvements” were changed to include transit-oriented development and a transit-oriented facility (only in a QLUG).
- The Governor would separate the MDEQ and MDNR on 3/13/11.
- The Governor’s 2012 budget replaced the MBT with the Corporate Income Tax, eliminating credits for Brownfields; the credits would probably be available elsewhere but shared between industries.

11. COMMITTEE REPORTS

- A. Land Bank – Mr. Woods reported that a new member was added, and that a strategic plan was shared. He then summarized the three projects, stating there was an expedited plan, as well as a long-range plan, on the Creamery property. A rental program was being proposed. The committee asked to meet with a few BRA members for a brainstorming session.
- B. Executive Committee – Mr. Artley gave a brief report. A review of committee roles was proposed, and copies of the bylaws were made available. Next meeting would be March 11th at 7:30am at County Administration; some members would attend via: conference call.
- C. Project/Finance Committee – Next meeting March 10th at 4:00pm at County Administration.
- D. PR/Media Committee – Prioritization charts, LUG letters, the website “what’s new” page and future bus tour would be reviewed. Realtors would be invited to hear a BRA presentation. Press releases would be published when there was further movement on Midlink and Terra. There were radio opportunities as well.

12. OTHER

There was nothing reported.

13. BOARD MEMBERS COMMENTS

Ms. Rogers asked the members to email herself and Mr. Artley if they were interested in any further information or involvement.

14. ADJOURNEMNT

The meeting was adourned at 5:40pm.

Next meeting: Thursday, March 24, 2011, at 4pm.

Respectfully submitted: LP