

KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

MEETING DATE: Thursday, May 25, 2017
PLACE OF MEETING: County Administration Building
201 West Kalamazoo Avenue, Room 207a
TIME: 4:00 pm

Minutes

Present: Joe Agostinelli, Connie Ferguson, Travis Grimwood, Julie Rogers, Douglas Milburn, Chris Carew, Ken Peregon, Habib Mandwee, Jim Spurr, Jodi Milks

Members Excused: Andy Wenzel

Kalamazoo Township: Sherine Miller

Staff: Lotta Jarnefelt, Rachael Grover

Consultant: Jeff Hawkins

Recording Secretary: Zeña Vos and Rachael Grover

Community: 4

1. Call to Order: Chair Peregon called the meeting to Order at 4:01 p.m.
New Chair Peregon expressed his gratitude to Agostinelli for chairing the KCBRA for many years.
2. Members Excused: Andy Wenzel
3. Approval of the Agenda: Revised Agenda adding 7.c.(ii): Midlink Personal Property Tax (PPT), Brown Family Holdings PPT 7.c.(i). **Ferguson moved and Carew seconded the approval of the Agenda as revised. Motion Carried.**
4. Approval of Minutes: **Agostinelli moved and Milks seconded the approval of the April 27, 2017 minutes. Motion Carried.**
5. Citizens Comments: None
6. Consent Agenda – Invoices
 - a. **\$1,722.50** – Envirologic General Environmental Review (Invoice # 03484)
 - b. **\$ 712.50** – Varnum – related to Select Products – MDEQ lien**Spurr moved and Mandwee seconded the approval of the Consent Agenda. Motion Carried.**
7. Discussion and/or Action Calendar
 - a. **Discussion/Action:** Corner @ Drake (Gesmundo, LLC) 2nd TIF Reimbursement - **\$132,157.06**
KCBRA Admin. Reimbursement **\$11,311.54** (2015 remaining Admin \$1,387.00 + \$9,924.54)
Agostinelli moved and Rogers seconded the approval of the 2nd TIF reimbursement to Gesmundo LLC in the amount of \$132,157.06. Motion Carried.
 - b. **Discussion/Action:** Cole Krum site project update and next steps
Grover shared that the Vicksburg Village Manager, Jim Mallery, is supportive of the KCBRA moving ahead with the Brownfield Plan. Envirologic completed Phase II, the funding has been spent that was approved by the KCBRA Board. Next steps involve the BEA and development of the Brownfield Plan at a cost of \$11,000 - in original Work Order but the Board has approved only up to Phase II for now. BEA and Brownfield Plan need additional approval.

Grover included a memo in packet summarizing a request from 343 W. Prairie asking the KCBRA Board to consider reimbursement of KCBRA eligible costs after the developer is reimbursed eligible costs.

Kelly Oswalt of Building 343, LLC noted there is an interested tenant in the redevelopment that would like to be in by February 2018.

Chair noted that the typical policy is to reimburse the Authority first.

Oswalt stated that this is a prominent property, with visible entry into the Village, and that the building has been vacant for 5 years. They would like to bring it back to life but they need as much help as possible including on the financial side to make the project successfully happen.

Grover and Hawkins will meet with developer to determine estimated eligible costs and estimated annual TIF capture. Developer is working on pro forma and total investment for the project. With more information, Board can have a better picture of impact to the project with this request.

This item is tabled.

c. **Discussion/Action:** Personal Property Loss request to Michigan Treasury

i. Brown Family Holdings Plan PPT Loss request - **\$1,436.40**

Personal tax exemption loss from 2013 to 2017. June 15, 2017 is the deadline.

Agostinelli moved and Ferguson seconded the approval to submit the Brown Family Holdings PPT Loss request in the amount of \$1,436.40. Motion Carried.

ii. Midlink Personal Property Tax

Grover explained briefly how complicated the situation is. Need to make the case that Midlink qualifies. Discussion ensued.

Ferguson suggested that Grover and Hawkins look into it and discuss results with the Chair.

Agostinelli moved and Ferguson seconded the approval for staff to consult appropriate sources and if/when the staff is comfortable submitting a reimbursement request for the year, to do so prior to the deadline with the Chair's approval. Motion Carried.

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

i. Envirologic Monthly Memo

Quarterly report for EPA grant submitted to EPA.

Hawkins communicated with David Harn from MDEQ related to NACD issue and MDEQ funding and support. Eligibility determination for use of grant funds submitted.

ii. Jhamin, LLC – estimated additional funds request total \$34,500

Hawkins stated that Envirologic completed additional indoor air sampling, and removed the contaminated soil at the location with the cost paid by the owner.

At this time, further sub-slab gas evaluation, system design, system installation and performance monitoring will be required at that site.

Jhamin requesting additional assistance for the cost associated with designing system. Additional Data collection, sub-slab soil gas evaluation, and system design estimated cost around \$34,500. Does not include installation of system. Option of DEQ loan/grant was suggested.

e. **Discussion/Action:** EPA Grant Invoices

- i. **\$ 507.50** (253.75 Haz.; \$253.75 Pet.) – Programmatic/Outreach– EPA Grant WO#3
- ii. **\$ 620.00** (\$612.81 Haz.; \$7.19 Pet.) – Jhamin, LLC, City of Portage – WO #4
- iii. **\$9,592.76** (\$4,796,38 Haz.; \$4,796.38 Pet.) – Select Products, Oshtemo Twp. – EPA Grant WO#8

Hawkins stated that Envirologic combined the environmental and geotechnical investigation at the same time and the geotechnical aspect of the soil is not conducive to constructing the building on top of it. Hawkins is discussing the issue with MDEQ.

Agostinelli stated they asked MDEQ if they would assign their interest in \$100,000 of the MDEQ past eligible costs to Oshtemo Township – MDEQ responded no.

- iv. **\$12,370.86** (Pet. Funds)– 343 W. Prairie, Vicksburg – EPA Grant WO#10, Amend. 1

Agostinelli moved and Spurr seconded the approval of the EPA Grant Invoices item 7e i, ii, & iv. Motion Carried.

Rogers moved and Milks seconded the approval of the EPA Grant Invoice item 7e iii. Motion carried. Grimwood abstained.

f. **Discussion/Action:** MDEQ Loan/Grant 555 Eliza St.

- i. **\$2,206.06 – Invoice # 3423 - MDEQ Loan Work Order #21**
- ii. Extension request and update on sub-slab system installation

Staff submitted extension request to MDEQ to amend work plan and extend loan and grant work for another year. The loan and grant ends September 17, 2017. MDEQ responded not approving some of the work related to post installation monitoring. Envirologic is preparing a response demonstrating need for post installation monitoring.

Grover mentioned they met with Jamie Clark – Clark Logic is requesting additional bids for the sub-slab system installation.

Spurr moved and Grimwood seconded the approval of payment of Invoice #3423. Motion Carried.

g. **Discussion/Action:** Local Brownfield Revolving Fund (LBRF, formally LSRRF) – policy planning

Peregon noted the need to start planning for Local Fund policies and use of funds. What is best way to approach it? Suggestion by some members for a few hour retreat off site and off day. One session to get started and then a future session.

Discussion regarding research into how other authorities manage local funds - what are the possibilities and what does the law allow?

Hawkins stated he has worked on document regarding Act 381 and eligible uses. He will update the document.

Agostinelli will look into possibility of an intern from Southwest Michigan First studying other Local Fund policies and uses around Michigan.

Timeframe target for planning session is September 2017. Rogers suggested sending doodle pool in July and set an initial time for 2 hours.

Rogers stated this planning session will need to be public noticed since its discussing policy.

8. Financial Reports

a. **Discussion:** Fund 247 and 643

Discussion of Fund balance as included in packet.

9. Staff Report

a. Vicksburg Mill Brownfield Plan update

Grover stated that the Executive committee and Project and Finance committee met. Phillips Environmental was present to present the draft Brownfield Plan Tables. Phillips is working on adjusting the tables.

Mary Balkema and Kelly Clark were present at the Executive Committee meeting.

Rogers stated that other entities and other non-profits need to compromise too.

Phillips has not finished discussion yet, some people just got back from vacation. Some changes on the interest calculation and administrative expenses have been made, there's still a shortfall.

b. Select Products update

c. Kalamazoo West Professional Center update

Grover stated the developer is potentially selling the property and would like to assign the cost to the new owner. He has submitted invoice request which was just received today so it is not ready for approval.

Grover noted the Development agreement would need to be amended to include the new potential owner.

Agostinelli noted that there will be some legal cost to amend the Development agreement that should be paid by the developer or request that developer's attorney draft the amendment.

d. MEDA Spring Toolbox May 16, 2017 – Lansing, MI

Peregon and Grover attended the workshop. Interesting session on foreign policy.

Peregon attended Inclusive Economic Development and support for structurally unemployed. He also went to growing locally and local food enterprise.

Grover attended 2 sessions related to redevelopment: Redevelopment Ready Communities and Oakland County One-Stop Ready Redevelopment.

Jarnefelt shared that the Kalamazoo County Planning Commission has been working on the Kalamazoo County Master Plan. They will be getting the first draft for the steering committee to review soon. Jarnefelt stated they visited all of the Planning Commissions of the Townships, Cities and Villages of the County and looked at their goals and objectives in plans and created a one page summary to be included in the County Master Plan.

e. Budget planning for 2018 – June meeting

Grover will bring KCBRA 2018 Budget proposal to the June meeting for approval.

10. Committees - times dates and places

a. Land Bank Report – Meeting May 11, 2017 – 8:30 a.m.

Grover noted there is a meeting June 9th, also.

b. Project/Finance Committee – Thursday, June 8th, 2017, 4:00 p.m.

c. Executive Committee – Friday, June 9th, 2017, note – 9:15 a.m.

11. Other

12. Board Member Comments

Rogers asked that a sub-committee to look at the KCBRA by-laws be formed. Ferguson, Rogers and Carew volunteered but only after August for Carew.

Agostinelli FYI: CEO of MEDC is resigning effective end of the month. Chief Business Development Officer Jennifer Nelson will be stepping in.

Southcentral Michigan Planning Council (SMPC) is holding a regional Brownfield workshop June 6th in the afternoon. Grover will forward the information for registration. It is in Battle Creek at Kellogg Community College. Agostinelli will be presenting twice - on behalf of the Authority about the EPA Grant and on behalf of Southwest Michigan First regarding other incentives.

13. Adjournment @ 5:46p.m.

Next Meeting: 4th Thursday – June 22, 2017 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:

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