

KALAMAZOO COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
MINUTES

MEETING DATE: Thursday, July 28, 2011

PLACE OF MEETING: Room 207A, County Administration Building

Present: Joe Agostinelli, Clare Annen, Larry Baumgart, Ruth Blake, Brandt Iden, Ken Peregou, Julie Rogers, Anne Summerfield, Matthew VanDyk, Thell Woods

Excused: None

Staff: David Artley, Jeff Hawkins (consultant), Lotta Jarnefelt

Guests: Mary Brown,

Recording Secretary: Janet Jones

1. In the absence of the Chair and Vice-Chair, Annen called the meeting to order at 4:03 pm.
2. Members Excused: None
3. Approval of Agenda: Summerville moved and Rogers seconded approval of the agenda with the addition of item 5.5 – Leroy Crabtree resignation. Motion Carried.
4. Approval of Minutes: Woods moved and VanDyk seconded approval of the Minutes of the June 23, 2011, BRA meeting. Artley explained changes that were made to the minutes after they were originally sent. Those changes were included in final minutes in the Meeting Packet. {Chairman Agostinelli joined the meeting at 4:09 and called for a vote.} Motion Carried.
5. Citizen Comments: None
- 5.5 Resignation of Leroy Crabtree from the Brownfield Redevelopment Authority. Member Crabtree served as Vice-Chairman of BRA and Chairman of the PR/Media Committee. His stated reason for resigning is a time conflict with his duties on the Greater Kalamazoo United Way Campaign Committee. Annen moved and Rogers seconded that the resignation be accepted with regrets and that a formal "thank-you" be sent. Motion Carried

The file of applications will be reviewed to determine a possible candidate for the open seat. Members are urged to identify other viable candidates for the BRA

6. Consent Calendar:
 - a. Approve payment of \$52.50 to Janet M. Jones for Clerical Support Services to the Brownfield Redevelopment Authority meeting on June 23, 2011. (3.5 hours X \$15/hr) From Account #BRA 247-000-808.11.
 - b. Approve payment of Envirollogic Technologies Invoice #27235 for *Lunch and Learn* (5.16.11 & 5.23.11) in the amount of \$135.94 for color postcard invitation from Account #247-000-818.00 (under approved Work Order #1). Note: \$5,000

was budgeted for marketing)

- c. Approve payment of \$1664.52 to Enviologic Technologies for ET work done under Work Order #2 at Clausing Site for CMS project. (Work Order number was revised to #2 and was approved on June 23, 2011).
- d. Approve Work Order #3 dated June 21, 2011 for BRA activities to be performed by Enviologic Technologies at the 232, LLC project not to exceed \$1,500.00. From Account #247-000-808.00 [see attachment #2 pp.8-9 in meeting packet].
- e. Approve payment of Invoice #27190 for \$767.50 to Enviologic Technologies for Environmental Review of BRA Plan and meetings related to 232, LLC project under Work Order #3. To be paid from Account #247-000-808.00 [actually from the application fee

Van Dyk moved adoption of the consent calendar except for item (c) which would be removed from the consent agenda for discussion. Rogers seconded the motion.

MOTION CARRIED

- c. Clausing Site: The Board for this corporation resides in Europe and did not approve removal of the company leaving their current location in Kalamazoo. CMS is consequently unable to assume ownership of the site.
 - \$13,168.83 in work has been done by BRA. An e-mail from Hawkins stating the amount due has been forwarded to CMS for their information with the clear statement by Artley that CMS is expected to pay that amount back to the BRA.Discussion occurred to clarify the issues and determine possible actions.
 - Summerville and Rogers both recommended that a formal (certified) invoice be sent to CMS for the work done. Artley requested that this action be postponed until and unless CMS does not pay the in a timely way.
 - Hawkins added that Phase2 of the investigation has been completed with samples sent to the laboratory for analysis. As soon as the Clausing decision not to move was received, the lab was informed and a stop put on the work (about half of the lab work was not yet complete). The amount owed to BRA by CMS is consequently lower than it would have been had the full investigation been completed
 - Clausing has notified the realtor that the \$50K paid by CMS in earnest money has been released to be returned to CMS.
 - Artley has asked Clausing whether any of the research and data obtained during the Environmental Review thus far would be used by Clausing in the future and was told categorically that "no" Clausing has no need of the information

Rogers moved payment of \$1664.52 to Enviologic Technologies for ET work done under Work Order #2 at Clausing Site. Iden seconded.

MOTION CARRIED

7. Discussion/Action Calendar: [distributed at the meeting]

a. Discussion:

- i. Monthly Financial Reports: [attachment #3, pp 10-14 in meeting packet]

Staff is charged with making financial projections to the BRA and the BOC of expected expenses and income over a period more than one year. Jarnefelt explained the financial reports which were distributed in the meeting packets. Encumbrances and reimbursements will be adjusted as discussed, and the amended financial reports will be included in a future Meeting Packet.

- ii. Budget Projections for 2012 and beyond: [attachment #4, pp 15-18 in meeting packet] Jarnefelt explained the financial reports.
- pg. 15: This is the 2011 budget update. Adjustments need to be made to line items such as "Postage" [which has no budgeted amount]. Jarnefelt recommended moving funds from one line to another as appropriate without a change in the total amount budgeted. The final column has the amended totals to each line item.
- pg 16: Updates to the amounts recovered and collected to date as well as the eligible expenses from the taxes from Midlink, reimbursement from the Brown family, etc.
- pg 17: This is the revised 2012 budget; the original did not include the salaries and fringe benefits for staff support (Artley and Jarnefelt).
 - VanDyk asked if the County is billing BRA for staff time currently. Ans: not at this time though County administration has proposed that Artley and Jarnefelt keep exact records of how much of their work time is devoted to BRA. The amendment to the budget covering salaries/fringes is an estimate
- pg 18: 2012 estimated revenues – no figures were available for CMS at the time of projection. However, due to the changes in the Clausing deal, the zeros in this column are correct.
 - Agostinelli announced the exact figure for redevelopment of Mindlink.
 - Hawkins asked how expenses from the developer would be reflected in the proposed budget and suggested that another category would need to be developed.
 - Artley responded that the expected Midlink revenues meet existing categories. Discussions with the State of Michigan have clarified that TIF cannot be used to pay taxes. The eligible expenses of developers will be recorded in a separate category for consideration by the BRA for reimbursement.

VanDyk moved and Baumgart seconded approval of the budget projections
MOTION CARRIED.

Further Discussion:

- Annen stated that by October, 2011 (beginning of the next fiscal year) the BRA must account for Administrative Expenses. BRA will be expected to compensate the County for staff time expended on BRA activities (i.e. Artley and Jarnefelt) and an exact figure must be developed for projects such as Midlink. Annen asked when a document with the exact figures would be available. Artley responded that an accurate document would be available in August.

Artley thanked Jarnefelt for her extra hours spent on the budget so that it is understandable. Jarnefelt emphasized that the budget projections are “a work in progress” as new specifics are sought and that there will undoubtedly be more adjustments.

b. Action: Procedure to meet schedules and deadlines for proposals.

- Artley explained the proposed procedure outlined in the Meeting Packet (page 19). This procedure was developed in the Executive Committee.
- [Artley also distributed a document that proposes a procedure of how “fast-track” items received after the deadlines would be treated – either posted to the agenda or not, and if so, a decision needs to be made as to whether last-minute items can be both discussed and voted on at the same BRA meeting. This is NOT an item for action at this meeting]

VanDyk moved that the Meeting Schedules and Meeting Deadlines Procedures contained in the meeting packet (page 19) be approved and take effect immediately.

Rogers seconded.

MOTION CARRIED

c. Action: Procedure for Document Review: The following procedure was discussed: ***All Brownfield Authority plans and Brownfield Authority Development & Reimbursement Agreements must be reviewed by legal counsel AND by an environmental consultant prior to a vote by the Brownfield Redevelopment Authority.***

- Summerfield asked if there might be a situation where both reviews are NOT available prior to the meeting but a vote needs to be taken due to other urgencies.
- VanDyke responded that such a special case will not occur. With two weeks to do the reviews, both reviews should be available. He further recommended that staff remind reviewers of the time requirements.
- Agostinelli added that some Brownfield plans are straightforward and may not need review by Legal Counsel. More complicated plans will require legal review.
- Hawkins agreed and recommended that the SAMPLE PLAN developed with consultation from Envirologic be reviewed by Legal Counsel and that those plans which follow the Sample Plan with fidelity do not be reviewed by counsel.
- Woods added that the proposed reviews will not provide better information and in specific cases, the BRA could support a contract “pending legal review”.
- Jarnefelt clarified that ALL contracts for the County MUST be reviewed by counsel.

Rogers moved and VanDyk seconded that the procedure be adopted and take effect immediately. MOTION CARRIED

d. Central Manufacturing Services: [attachment 6, pg 20 in the Meeting Packet]

- i. Kalamazoo County BRA: awaiting "need determination" for a BRA plan
 - 1. Approved application & Work Order on 6.23.11. Will notify of change in the number.
 - 2. Downtown Kalamazoo Incorporated, Downtown Tomorrow Incorporated, & Downtown Development Authority [the Ds] TBD: While agreement from the Downtown Organizations is not required they will consider approval of work order to write BRA plan where the downtown area of the City of Kalamazoo is involved.
 - 3. BRA Plan will be considered at the BRA meeting on 8.25.11; a vote, if necessary, with vote occur at the Meeting on 9.22.11.
 - 4. A time for the Ds to discuss and vote on the Development Agreement TBD

- ii. Kalamazoo City Commission: awaiting "need determination" for a BRA plan
 - 1. Informational: City Council and/or City BRA approval/concur with work and the eventual taking of 1819 and 2019 Pitcher Street sites into the County BRA

- iii. Kalamazoo Township Board
 - 1. July 11 – Informational discussion with K-Twp Board in workshop was positive with feedback about eventually taking both properties into the County BRA.
 - 2. DsTBD – approval of the site in the County BRA Plan

- iv. Kalamazoo County Board of Commissioners: Ds TBD – after 9.22.11
 - 1. Informational: Present BRA Plan to CBOC at a CoW for discussion
 - 2. Action: Present the plan to the public at a CBOC Public Hearing and take a final vote by the CBOC at its regular meeting.

- e. 232, LLC [Attachment #6, pp 20-22 in member packet] No votes were necessary
 - i. City of Kalamazoo staff endorsement – 6/23/11.
 - ii. At their meeting on 7/18/11, the Kalamazoo City Commission unanimously approved the resolution concurring with the intergovernmental arrangement allowing the 232, LLC to be a part of the County BRA and allow TIF capture.
 - iii. Public Hearing by County Board of Commissioners has been posted for 8/3/11 and a vote on the Plan that night will occur.

- ii. Kalamazoo County BRA:
 - 1. 6/23/11 approved BRA application and accepted BRA Plan
 - 2. 7/28/11 BRA considered approval of ET Work Order #3
 - 3. Development Agreement (will require Consultant and Legal Review) and be on the agenda for the August BRA meeting.

- iii. Kalamazoo County BOC:
 - 1. An informational session occurred at the CoW on 7/5/11
 - 2. It is expected that a Public Hearing will be held on 8/3/11 and a vote taken

on the BRA by the BOC

- f. Nomination of Member to fill vacancy left by Crabtree resignation: Members who are interested in assuming this post should e-mail to staff. Blake serves as the alternate and will attend the Executive Committee meeting

8. Staff Reports:

- a. Midlink Update in the Board Packet
- b. Galesburg Properties: no new information
- c. EPA Grants: Meeting occurred but no recommendations were determined. Staff will analyze the RFPs when they are issued from the Fed and make recommendations at a future BRA meeting.
- Debrief on the previous Kalamazoo County grant proposal that was not successful will occur 7/29/11. No large grants were awarded in Michigan and awards in amount of \$250K (similar to 2006 award to Kalamazoo County) were to places that have not yet received EPA funding
 - Hawkins – reported on the number of grants that were awarded nationwide and that the guidelines for FY '12 should be issued in mid-August
 - Woods asked if Kalamazoo County will apply for any of the various kinds of other grants that may be available. Artley clarified that of RLF awards of up to \$1M require that 60% of the funds awarded must go to loans.
 - Hawkins explained that the Coalition Grants allow for 3 partners to apply for up to \$1M total rather than the \$200K for individual awards. Site Assessment and Cleanup Grants are each for \$200K for site specific plans.
- d. Bucket List: Artley reported that discussions among local government administrators have occurred to identify opportunities for collaboration. A “bucket” list was developed (in Meeting Packet). YELLOW indicates a high priority to be done soon (1-2 years) – e.g. unified dispatch. GREEN items are medium priority, and BLUE items are less urgent. Under BLUE is Economic Development which includes BRA activities.
- e. Presentation by City BRA and Envirollogic Technologies related to Davis Creak will occur at the 9/22/11 BRA meeting. Rogers recommended that this be included in the annual update to the CBOC.
- f. Other:
- Artley and Iden met to discuss the need to share information about BRA with the BOC. Artley detailed some examples of collaborations that he and Iden believe BOC would be interested in hearing. BRA began by collaborating and there have been many successful shared activated. Iden and Artley discussed a brief outline for such a presentation which would include a clear overview of BRA and discussion of collaborative projects that the County BRA has concluded with other units of government.
 - Iden clarified that the discussion of collaborations is to discover where there are duplications of efforts and opportunities to work together in the future. Collaboration do not necessarily result in \$\$ savings but DO make for richer more successful projects.

- VanDyk added that the County BRA takes on issues that the Cities of Portage and Kalamazoo are not necessarily pursuing. County and City authorities cannot be consolidated (this is a legal issue), though one or another of them could discontinue leaving the work to the County BRA.

9. Committees:

- a. Land Bank: did not meet
- b. Executive: developed the two policies discussed under Item 7. Next meeting – Friday, August 12, 2011, 4:00 p.m. in the County Administration Bldg.
- c. Project/Finance Committee: Next meeting is Thursday, August 11, 4:00 p.m. in the County Administration Bldg.
- d. PR/Media:
 - Artley reported on the planning for the presentation to BOC, probably at second meeting in September. This will be a 4-5 page handout and not meant to be a comprehensive report. The presentation will include a succinct description of what BRA is, a cost benefit analysis, report on successful collaborative projects, projections of the budget 3-5 years in the future. Sample development agreements and policies will be included as a handout. A priority list was made 4 years ago and could be also reported. In other words: what BRA is, what BRA does, and what BRA intends to do in the future. Artley is working with Envirologic Technologies and County Commissioner Iden on the presentation. Presenters will probably be Iden, Agostinelli and Artley.
 - Agostinelli appointed Rogers as chair of PR/Media, a post left vacant by Crabtree's resignation

10. Other: none

11. Member Comments:

- Woods: if a Brownfield needs reclaimed but there will not be any TIF for that plot, will BRA consider it? Agostinelli: there are other ways to put together such a project based on jobs for example that will attract other revenues. Ultimately, BRA will consider ANY project brought to the Authority and judge it on its merits.
- ROGERS: Recommends that a formal thank you be sent to Leroy Crabtree for his service on the Brownfield Redevelopment Authority and the Economic Development Council.

12: Adjournment: Agostinelli adjourned the meeting at 5:30 p.m.

Next Meeting: Thursday, August 25, 2011 at 4:00 p.m.

PLEASE CALL 384-8304 OR EMAIL AT dpartl@kalcounty.com
IF YOU ARE UNABLE TO ATTEND THE MEETING