



Agenda

Regular Meeting of the City Commission

City of Kalamazoo

Monday, October 2, 2017

7:00 PM

City Commission Chambers - 241 W. South Street

A. CALL TO ORDER/ROLL CALL

B. OPENING CEREMONY

1. Invocation: Pastor Jimmy McKee, New Day Community Church
2. Pledge of Allegiance
3. Introduction of Guests
 - a. Oath of Office Ceremony for Public Safety Officers
4. Proclamations

C. ADOPTION OF FORMAL AGENDA

D. COMMUNICATIONS

1. Calendar of Upcoming Meetings

E. PUBLIC HEARINGS

1. Public hearing to receive comments on a RESOLUTION approving an application from Newell Rubbermaid, Inc. for a PA 198 Industrial Facilities Tax Exemption Certificate for 12 years for real property valued at \$6.68 million in existing Industrial Development District No. 128 located at 3300 Research Way, with an abatement of approximately \$20,040 in city property taxes beginning the year after construction is complete. **(Action: Motion to adopt the resolution)**
2. Public hearing to receive comments on a RESOLUTION approving the application from Zoetis, LLC for a PA 198 Industrial Facilities Tax Exemption Certificate for 12 years for real property valued at \$20,189,000 in existing Industrial Development District No. 39 and Plant Rehabilitation District No. 32 located at 2605 East Kilgore Road. **(Action: Motion to adopt the resolution)**

F. CONSENT AGENDA

(Action: Motion to approve Items "1-6" and authorize the City Manager to sign all documents on behalf of the City)

1. Approval of the purchase of two fire apparatus from Spartan ERV in the amount of \$1,013,503.
2. Adoption of a RESOLUTION approving a revision to the City of Kalamazoo's Brownfield Plan, implemented and recommended for approval by the City of

Kalamazoo Brownfield Redevelopment Authority.

3. Adoption of a RESOLUTION to dissolve the City of Kalamazoo Local Development Finance Authority and to distribute the remaining assets.
4. Approval of a Michigan Economic Development Corporation SmartZone “Non-TIF” Agreement.
5. Approval of a buy/sell agreement with Kalvan Realty/James A. Cash regarding the purchase of 628 Lake Street and authorization for the City Manager or his designee to sign all related documents to complete the closing of this purchase.
6. Approve of the minutes from the City Commission meetings on August 28, September 18, and September 25, 2017.

G. REGULAR AGENDA

1. Endorsement of the City of Kalamazoo Marketing Strategy and Public Participation Plan as the final two pieces of the City's Redevelopment Ready Communities application. **(Action: Motion to endorse the strategy and plan)**

H. REPORTS AND LEGISLATION

1. City Manager's Report

I. UNFINISHED BUSINESS

J. POLICY ITEMS

K. NEW BUSINESS

L. CITIZEN COMMENTS

M. MISCELLANEOUS COMMENTS AND CONCERNS BY COMMISSIONERS

N. CLOSED SESSION

1. Closed session to discuss pending litigation. **(Action: Motion to go into closed session)**

O. ADJOURNMENT

ADDITIONAL INFORMATION

Get news, information, and alerts from the City of Kalamazoo. Sign up at www.kalamazoocity.org/connect, follow @KalamazooCity on Twitter, and search for The City of Kalamazoo on Facebook.

Questions regarding agenda items may be answered prior to the meeting by contacting the City Manager's Office at 269.337.8047.

Persons with disabilities who need accommodations to effectively participate in City Commission meetings should contact the City Clerk's Office at 337-8792 a week in advance to request mobility, visual, hearing or other assistance.

Agendas for the regular meetings of the Kalamazoo City Commission are available on the Internet at: www.kalamazoocity.org

The Kalamazoo City Commission business meetings are held on the first and third Mondays at 7:00 p.m. and are shown live on the Public Media Network (channel 190 for Charter customers, channel 99 for U-Verse customers). Business meetings are also web streamed live on the City's YouTube channel at <https://goo.gl/Q6DW37>. Public Media Network rebroadcasts these meetings on Tuesdays at 8:00 a.m., Wednesdays, at 1:00 a.m., and Thursdays at 3:00 p.m. Recorded meetings are also available on-demand on the YouTube channel.



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: Scott A. Borling, City Clerk

PREPARED BY: Shelby Moss, Deputy City Clerk

DATE: 9/20/2017

SUBJECT: Calendar of Upcoming Meetings

INFORMATIONAL ITEMS

Attached is the calendar of upcoming meetings of the City Commission's advisory boards, commissions, and committees.

ATTACHMENTS:

Type	Description
Meeting Schedule	Calendar of Meetings



Calendar of Upcoming Meetings

City of Kalamazoo

City Commission (next 30 days)

Regular Business Meetings – 7:00 p.m. in the City Commission Chambers

October 16th and November 13th

Regular Neighborhood Meetings – 6:00 p.m. in the Community Room at City Hall

October 16th

Advisory Boards, Commissions and Committees (next two weeks)

The **Parks and Recreation Advisory Board** will meet on Tuesday, October 3, 2017 at 5:30 p.m., in the Parks and Recreation Community Room at Mayors' Riverfront Park, located at 251 Mills Street.

The **Planning Commission** will meet on Thursday, October 5, 2017 at 7:00 p.m., in the City Commission Chambers at City Hall.

The **Kalamazoo Historic Preservation Commission** will meet on Wednesday, October 10, 2017 at 7:00 p.m., in the Community Room at City Hall.

The **Traffic Board** will meet on Thursday, October 12, 2017 at 2:00 p.m., in the Public Services Conference Room, located at 415 Stockbridge Avenue.

The **Community Development Act Advisory Committee** will meet on Thursday, October 12, 2017 at 6:30 p.m., in the Community Room at City Hall.

The **Zoning Board of Appeals** will meet on Thursday, October 12, 2017 at 7:00 p.m., in the Commission Chambers at City Hall.

The **Downtown Development Authority** will meet on Monday, October 16, 2017 at 3:00 p.m., in the Community Room at City Hall.



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

REVIEWED BY: Jerome R. Kisscorni, Assistant City Manager & Economic Development Director

PREPARED BY: Ryan Simpson, Economic Development Coordinator

DATE: 9/13/2017

SUBJECT: Resolution to Approve a P.A. 198 Industrial Facilities Exemption Certificate for Newell Brands located at 3300 Research Way.

RECOMMENDATION

It is recommended that the City Commission adopt a resolution to approve an application from Newell Rubbermaid, Inc. for a PA 198 Industrial Facilities Tax (IFT) exemption certificate for 12 years for real property valued at \$6.68 million in existing Industrial Development District (IDD) No. 128 located at 3300 Research Way, with an abatement of approximately \$20,040 in city property taxes beginning the year after construction is complete.

BACKGROUND

As a result of the acquisition of Jarden, Newell Brands requires an expansion of the company's existing design capabilities in order to accommodate the many additional product lines it is absorbing, and to put in place adequate design capacity. This will assure the Newell-quality attention to integration R&D and product design is implemented across the entire multi-product platform. The company currently has R&D operations in Hoboken, Chicago, and the Kalamazoo Design Center, all of which are well-situated to house the new design functions. Newell Brands has undertaken a process to determine what level of growth should occur at each of these centers.

The number of additional jobs that may be created at this location and the other design centers by the company's national design platform (e.g., Chicago, Hoboken) will be determined by the allocation of design responsibility for additional product lines that may be assigned to each location. The Company estimates that, in the event it elects to expand the Kalamazoo facility, this decision would entail the retention of approximately 13 existing jobs that are currently in excess of the planned capacity for the current facility, plus the addition of 60 new jobs.

The project under consideration would expand the Kalamazoo Design Center building by an additional 22,225 square feet to the west of the current facility, along with associated parking. The total investment in the project is expected to be \$6.68 million in real property improvements and \$1.32 million in personal property. The Kalamazoo Design Center previously was certified for an Industrial Facilities Tax Exemption in 2013 when the facility was initially built.

The site is under current Industrial Development District #128. City staff has reviewed the information provided by Newell Brands and recommends the new IFT Certificate for a total of 12 years. The request complies with the State Statute. Staff recognizes the City Tax Abatement policy allows for only six years and is recommending the full 12.

COMMUNITY RESOURCES CONSULTED

This recommendation did not require advisory board consultation. A public hearing would be scheduled for October 2, 2017 on the request to consider Newell Rubbermaid's application for a PA 198 tax exemption on real property.

FISCAL IMPACT

Details of the fiscal impact of this request, based on real property investment, are included in the attached supplemental information. In addition, a copy of the negotiated city/company abatement agreement is also included in the attached supplemental information.

ALTERNATIVES

- The City Commission could choose not to approve the resolution for a PA 198 real property tax exemption for Newell Brands. In that event, it is likely that future investment at this location would not be a corporate consideration.
- The City Commission could choose to approve the resolution with specific conditions.
- The City Commission could choose to approve the resolution, as recommended.

ATTACHMENTS:

Type	Description
□ Resolution	Resolution
□ Agreement	Local Agreement
□ Map	Map of IDD No. 128
□ Background Material	Fiscal Impact Analysis

**Newell Brands
Industrial Development District No. 128
2605 East Kilgore Road**

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. _____

A RESOLUTION APPROVING THE APPLICATION OF NEWELL BRANDS FOR AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE FOR ITS FACILITY IN KALAMAZOO INDUSTRIAL DEVELOPMENT DISTRICT NO. 128 AND APPROVING LOCAL AGREEMENT PURSUANT TO PUBLIC ACT 334 OF 1993

Minutes of a regular meeting of the City Commission of the City held on October 2, 2017, at or after 7:00 p.m., local time, at the City Hall.

PRESENT, Commissioners:

ABSENT, Commissioners:

WHEREAS, pursuant to 1974 PA 198, MCLA Sec. 207.551, et seq., after a duly noticed public hearing held on June 3, 2013 this City Commission by resolution established Kalamazoo Industrial Development District No. 128;

WHEREAS, by resolution adopted on September 18, 2017, this City Commission accepted the application of NEWELL BRANDS for an Industrial Facilities Exemption Certificate for its facility in Kalamazoo Industrial Development District No. 128 and directed the City Clerk to notify the City Assessor and the legislative body of each taxing unit which levies ad valorem taxes on the property located within Industrial Development District No. 128 that the application for an Industrial Facilities Tax Exemption Certificate would be considered at a meeting of the City Commission on October 2, 2017, and that an opportunity to be heard would be provided to the Assessor and to a representative of each of the bodies so notified; and

WHEREAS, during a regular meeting of the City Commission held on October 2, 2017, the Applicant, the Assessor, and a representative of the affected taxing units were afforded an opportunity to be heard and _____ appeared;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That this City Commission finds:
 - (a) That the investment in real property did not occur before the establishment of the district.
 - (b) That the construction of a new facility had not begun earlier than six (6) months before September 18, 2017, the date of filing the application for an Industrial Facilities Tax Exemption Certificate.

- (c) That the application relates to the construction of a new facility, which, when completed, will constitute a new facility within the meaning of the Act and will be situated in Kalamazoo Industrial Development District No. 128 established in Kalamazoo on June 3, 2013, by resolution of this City Commission.
- (d) That the completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Kalamazoo.
- (e) That completion of the facility will not have the primary effect of transferring employment from elsewhere in Michigan to the City of Kalamazoo.
- (f)
 - i. That the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Kalamazoo, after granting the certificates, will not exceed 5% of an amount equal to the sum of the SEV of the City, plus the SEV of personal and real property thus exempted; and
 - ii. That the granting of the Industrial Facilities Exemption Certificate, considered together with the aggregate amount of any Industrial Facilities Exemption Certificates previously granted and currently in force, shall not have the effect of substantially impeding the operation of the City of Kalamazoo or impairing the financial soundness of a taxing unit which levies ad valorem property taxes on real estate and property to be located in Kalamazoo Industrial Development District No. 128, because the equivalent effect of exemptions issued under I98 PA I974 is to understate the SEV of the City by \$44,091,422 or approximately 2.9%.

2. That the application of NEWELL BRANDS for an Industrial Facilities Tax Exemption Certificate with regard to the construction of a new facility in Kalamazoo Industrial Development District No. 128 is hereby approved with the following conditions:

- (a) That the holder of the Industrial Facilities Tax Exemption Certificate shall, no later than June 30 of each year, report to the City Clerk the status of the tax exemption certificate, including the current value of the property to which the exemption applies, the value on which the industrial facilities tax is based, the number of jobs retained or created by the exemption, and a description of the current use of the facility.
- (b) Failure to provide the requested information by June 30, failure to complete the project within two (2) years, failure to proceed in good faith with the project consistent with the purpose of I974 PA I98, failure to create or retain the jobs as represented in the application, or

failure to use the project in the manner as described in the application shall be grounds for the revocation of the certificate.

3. The certificate for the construction of new facilities, unless earlier revoked, shall be in effect for a period of twelve (12) years, commencing on October 2, 2017, and expiring on December 30, 2029.

4. Pursuant to the provisions of Public Act 334 of 1993, the attached local agreement is hereby approved.

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on October 2, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by said Act.

Scott A. Borling, City Clerk

INDUSTRIAL FACILITIES

EXEMPTION CERTIFICATE [IFEC] AGREEMENT (P.A. 198)

AGREEMENT made _____, 201__, between the CITY OF KALAMAZOO, Kalamazoo County, Michigan ("City"); and Newell Brands, located at 3300 Research Way, City of Kalamazoo, Kalamazoo County, Michigan ("Applicant").

Recitals:

A. The City has received a written application from Applicant under Public Act 198 of 1974, MCL 207.551 et. seq. (the "Act"), for the issuance of an Act 198 Industrial Facilities (Tax) Exemption Certificate ("Certificate") for 3300 Research Way, Kalamazoo, MI 49008 (the "Project") that was established as:

Industrial Development District and/or Plant Rehabilitation District Number 128 (the "District") by the City of Kalamazoo on 06/03/2013, which site is located at 3300 Research Way, Kalamazoo, Michigan.

B. The Applicant has represented to the City that granting of the Certificate will enable it to complete the facility, which will create employment, retain employment, or prevent a loss of employment within the City.

C. The City has established a tax incentive policy that provides opportunities for business development, redevelopment and expansion, and more effectively uses those incentives to benefit the local economy through stimulating economic growth, creation/retention of jobs, increasing tax revenue, and providing a more favorable living and business climate.

D. The City has determined that Applicant meets the requirements within its tax incentive policy.

E. Public Act 334 of 1993, MCL 207.572, requires a written agreement between the City and the Applicant before the Michigan Department of Treasury may approve a Certificate ("Agreement").

F. Before entering into this Agreement, Applicant has had the opportunity to review the City's tax incentive policy for Act 198 Tax Abatements and Ex-Offender Purchasing Policy



regarding the hiring of new employees created because of this Certificate, and to seek legal counsel regarding these policies, the relevant provisions of the Act and its rights and obligations as set forth below.

NOW, THEREFORE, in consideration of the approval of the Industrial Facilities Exemption Certificate, the parties agree as follows:

1. The above recitals are acknowledged as true and correct and are incorporated by reference into this section.
2. The Applicant, as a result of the construction, restoration, replacement, or other capital investments (collectively "Improvements") to an existing or new facility or in new technology, as more fully stated in its application, shall create not less than 60 new full time equivalent jobs and relocate and retain not less than 0 full time equivalent existing jobs, as detailed below, from its existing location as a consequence of, and for the duration of, its Project. For any new employees hired in connection with the Project Applicant will follow the City's Ex-Offender Purchasing Policy, attached as Exhibit A. The Applicant further agrees to pay the City's wage standard for those new jobs within the District, defined as an hourly rate which, on an annual basis, is equal to or exceeds:

- a. 125% of the federal poverty income guidelines from the U.S. Department of Health and Human Services for a family of three, plus health care insurance coverage; or
- b. 150% of the federal poverty income guidelines from the U.S. Department of Health and Human Services for a family of three if health benefits are not provided to the employees.

The specific categories of employment to be used by the applicant in reporting are shown below. In addition, the average wage information, per category of job is also identified below and shown as it will be reported during the annual abatement report.

JOBS INFORMATION	Initial Year of Abatement			
	Jobs Created		Jobs Retained	
	New Full-time Jobs	Average Weekly Wage	Full-time Jobs	Average Weekly Wage
Jobs Category				
Managerial				
Professional	37	\$1,674		
Technical				
Sales				
Clerical				
Craftsman (skilled)				
Operators(semi-skilled)				
Laborers (untrained)				
Service				

3. Applicant expects that the costs of the proposed Improvements as the basis for which the Certificate is issued, shall be within 10 percent (10%) of the estimated amount stated in its application for the Certificate.

4. Throughout the term of this Agreement, and as long as the Certificate remains effective, Applicant shall, in addition to the requirements under section 2, perform or satisfy each of the following obligations:

- a. The Applicant will not cease or relocate any portion of the business, facility or operations located within the District prior to the termination of the Certificate without the prior approval by the City of a transfer of the Certificate to a third party who continues adequate operations within the District or elsewhere in the City.
- b. Applicant will pay all taxes owing under this Certificate when due, and will timely file its annual personal property tax statements with the City Assessor's Office.
- c. The Applicant shall submit annual or other regular reports to the City and the City Assessor as required under City policy and procedure, setting forth the progress in attaining and maintaining the requirements of this Agreement and the provisions of the application for the Certificate. Applicant acknowledges its responsibility to report

the Project completion within 30 days and final investment and job creation/retention figures within 90 days of completion of the IFEC project to both the State Tax Commission and the City Assessor's Office.

d. By accepting the benefits of the tax abatement Applicant waives appeal of personal or real property tax assessments concerning property which is the subject of the Certificate. Appeal of such personal or real property taxes is considered a default of this Agreement, for which the City may seek its remedies under section 7.

e. The Applicant shall comply with all applicable City codes.

5. The parties agree that the City, in approving the tax abatement, has relied on the actions, representations, promises, and good faith of Applicant, including the estimates and expectations described in its application, to mean the state approved form for this purpose plus any supplemental information required by the City to process such application.

6. The term of the Certificate granted by the City shall be twelve (12) years for real property (building). This Agreement shall remain in force as to each Certificate granted for the term of such Certificate.

7. The parties agree that exclusive jurisdiction to commence proceedings for any disputes in this Agreement shall be in Kalamazoo County, Michigan. The City shall enforce any default of the provisions of this Agreement in law or equity, and without limitation include:

a. the right to request that the State Tax Commission either reduce the term of the abatement or revoke the Certificate prospectively.

b. the right to revoke the Certificate and terminate the District.

c. the right to require the Applicant to repay the City all abated taxes which previously benefited the Applicant for disbursement proportionately to all taxing units having taxing jurisdiction over the improvements, plus all accrued interest, penalties and administration fees

d. the right, at its option, to seek repayment of future taxes as allowed under section 21(2) of the Act, being MCL 207.571(2).

e. the right to collect any payments due under the above subsections c. and d. by either court proceedings or by adding to the next taxes due against the Applicant's property on the next tax roll of the City.

8. The City, however, shall not seek any remedy under section 7 until after all of the following have occurred:

a. The City shall have given written notice to the Applicant declaring a default and specifying the manner in which the Applicant is in default. Before a default is declared, the City and the Applicant shall meet with appropriate representatives to discuss the claimed default and how it may be cured.

b. The Applicant has not cured that default within thirty (30) days after receiving the notice, except that if the Applicant is diligently pursuing a cure, this thirty (30) day period shall automatically be extended for an additional thirty (30) days.

9. It is understood that the City of Kalamazoo encourages the Applicant to review job applications of city residents, particularly those City of Kalamazoo residents who have completed or have participated in local employment training programs, prior to filling new jobs in its facilities. In fulfilling this requirement Applicant will make good faith efforts to consult with Michigan Works and/or other workforce development agencies identified in the list provided to the Applicant by the City as a part of this Application.

10. The Applicant further agrees that during the term of the Certificate, the Applicant shall not discriminate against any person on the basis of race, creed, color, sex, religious orientation, age, or other criteria as prohibited by City, state or federal ordinances and legislation.

11. The Applicant further agrees that if Applicant ceases its use of the Project, and another entity asks the City for a transfer of the abatement, the Applicant will cooperate with the City regarding the transfer by advising the transferee or new owner of the terms and conditions of this Agreement and by assisting the City to obtain the signature of the authorized agent of the transferee or new owner on this Agreement or one substantively the same.

12. Notices required under this Agreement are effective if done in writing and forwarded or delivered to the other party (i) in person, or (ii) through a nationally recognized overnight courier, or by first-class or certified mail-return receipt requested, with postage fully pre-paid, and addressed to the parties at the last known address in the City of Kalamazoo.

13. If the various sections and provisions of this Agreement are declared unconstitutional or invalid by any court of competent jurisdiction, the same shall not affect the validity of the Agreement as a whole or any other section or provision except the section or provision declared to be unconstitutional or invalid.

14. The benefits and obligations under this Agreement shall accrue to and shall bind the successors, assignees, and transferees of the Applicant.

15. This Agreement contains all of the terms of the Agreement between the parties with respect to its subject matter and may be amended only in writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Signed in the presence of:

CITY OF KALAMAZOO

By _____

Its _____

Newell Brands

By  _____

Its 9/28/17 _____

K:Attydocs\JOHN\PA198Agreement
01/13/17

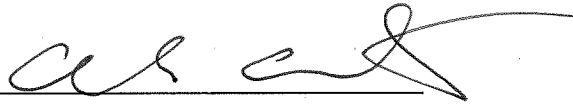
INDUSTRIAL FACILITIES EXEMPTION APPLICATION AFFIDAVIT OF PROJECT BEGIN DATES

I do swear and affirm by my signature below that the real property project beginning of construction date and/or personal property project installation begin date, associated with the application for Industrial Facilities Tax Exemption Certificate under P.A. 198 of 1974, as amended, in the amount of \$ 6,680,000 , filed with the City of Kalamazoo, for a facility located at 3300 Research Way, Kalamazoo, MI 49008, areas follows:

Real Property Project Begin Date:
10 / 01 / 2017

Applicant Name:
Newell Brands

Signature:



Printed Name:

Alan Cranston

Title:

SUP Red Bilde + TruStone

Date:

9/28/17

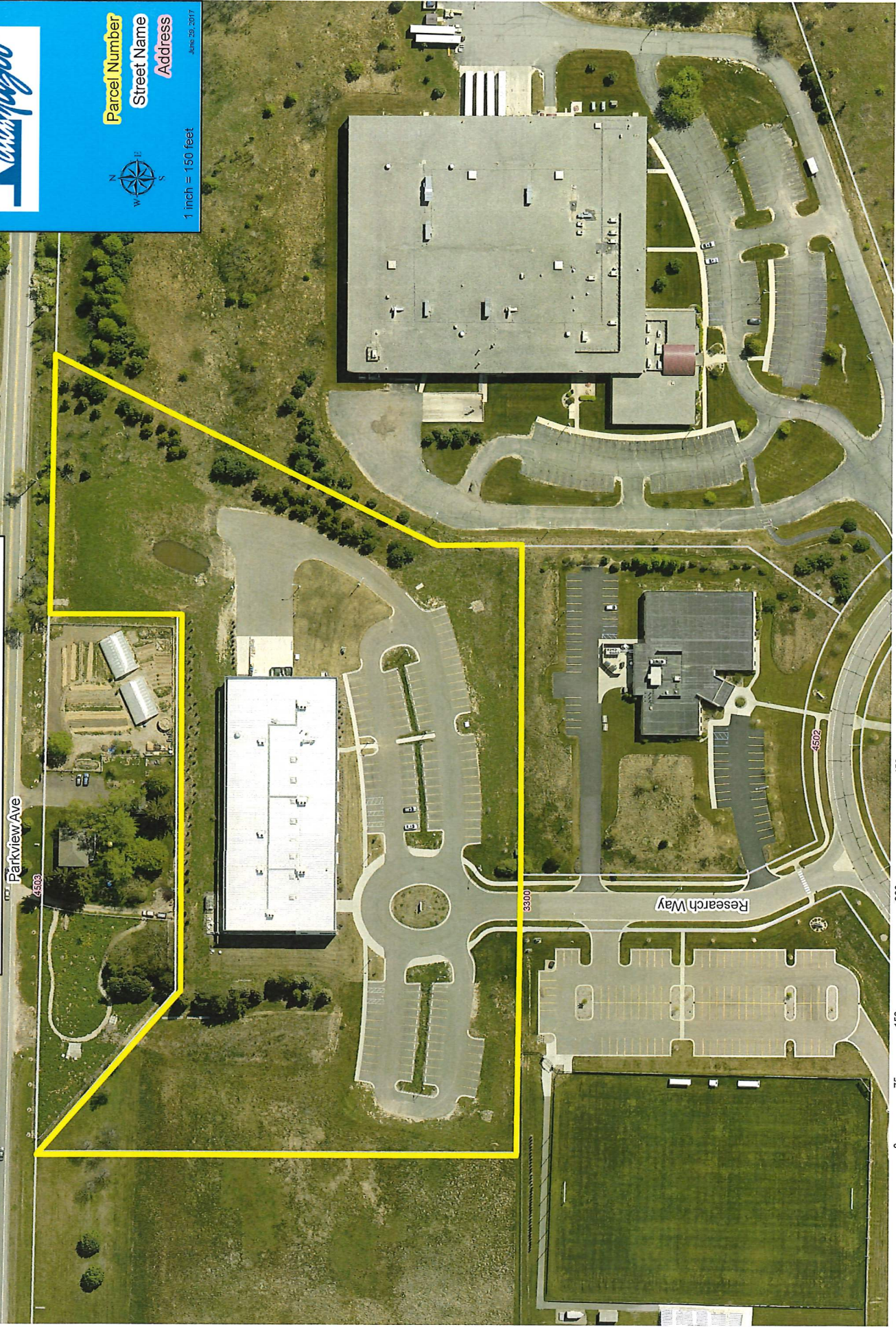
Industrial Development District (IDD) 128
Parcel Identification Numbers 06-31-132-033
Property Addresses: 3300 Research Way



Parcel Number
Street Name
Address



1 inch = 150 feet
June 20, 2017



0 75 150 300 450 600 750 900 Feet
Map is intended for assessment purposes only and is NOT at a survey level of accuracy.

TO: Kalamazoo City Commission
 FROM: Aaron Powers, Assessor
 DATE: September 11, 2017
 SUBJECT: Newell Rubbermaid
 SCHOOL: Kalamazoo Public Schools

TAX ABATEMENT IMPACT STATEMENT

			OPERATING REVENUE - CITY			REVENUE - ALL OTHER			TOTAL REVENUE			
OWNER	PROP TYPE	CERT TYPE	NEW IFT REVENUE	ABATED REVENUE	REVENUE IF NO IFT	NEW IFT REVENUE	ABATED REVENUE	REVENUE IF NO IFT	NEW IFT REVENUE	TOTAL ABATED REVENUE	TOTAL TAXABLE VALUE	TOTAL EFFECTIVE VALUE
NEWELL RUBBERMAID	R	N	\$20,040	\$20,040	\$40,080	\$99,036	\$78,997	\$178,033	\$119,076	\$99,037	3,340,000	1,670,000

	TOTAL TAXABLE	IFT ROLL	% OF TOTAL	
BEGINNING 2018 ROLL	\$1,529,592,245	\$30,651,422	2.0%	
IFT'S IN PROCESS	\$13,440,000	\$13,440,000	100.0%	Anticipated gain to city budget from initial request
TOTAL	\$1,543,032,245	\$44,091,422	2.9%	
				estimated company savings over initial period
				estimated city revenue gained over initial period
				estimated city revenue losted over initial period



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

REVIEWED BY: Jerome Kisscorni, Assistant City Manager/ED Director

PREPARED BY: Ryan Simpson, Economic Development Coordinator

DATE: 9/22/2017

SUBJECT: Resolution to Approve a PA 198 Industrial Facilities Tax Exemption Certificate Application for Zoetis, LLC.

RECOMMENDATION

It is recommended that the City Commission adopt a resolution to approve the application from Zoetis, LLC for a PA 198 Industrial Facilities Tax Exemption (IFT) certificate for 12 years for real property valued at \$20,189,000 in existing Industrial Development District (IDD) No. 39 and Plant Rehabilitation District (PRD) No. 32 located at 2605 East Kilgore Road.

BACKGROUND

The property is a 503,000 square foot pharmaceutical manufacturing facility situated on 41.72 acres on East Kilgore Road. The project planned will convert idle obsolete space into an active new product line production area. Construction of the project was set to begin on August 3, 2017 with a completion date for Real Property Improvements anticipated for March 29, 2019.

The anticipated total investment is \$46 million for both real estate improvements and machinery and equipment over the next three years and 45 jobs over the next four years. Zoetis is seeking an IFT on the Real Property with a total investment of \$20,189,000. The jobs are above average compensation with full benefits and will meet the 125 percent requirement to exceed federal poverty guidelines. There will be managerial positions as well as the need for highly skilled technical machine operators.

The site is under current Industrial Development District #39 and Plant Rehabilitation District #32. City staff has reviewed the information provided by Zoetis and recommends the new IFT Certificate for a total of 12 years. The request complies with the State Statute. Staff recognizes the City Tax Abatement policy allows for only six years and is recommending the full 12.

COMMUNITY RESOURCES CONSULTED

This recommendation did not require advisory board consultation or additional public input. A public hearing has been scheduled for October 2, 2017 on the request to consider Zoetis, LLC's application for a PA 198 tax exemption on real property.

FISCAL IMPACT

Details of the fiscal impact of this request, based on real property investment, are included in the attached supplemental information. In addition, a copy of the negotiated city/company abatement agreement is also included in the attached supplemental information.

ALTERNATIVES

- The City Commission could choose not to approve the resolution for a PA 198 real property tax exemption for Zoetis, LLC. In that event, it is likely that future investment at this location would not be a corporate consideration.
- The City Commission could choose to approve the resolution with specific conditions.
- The City Commission could choose to approve the resolution, as recommended

ATTACHMENTS:

Type	Description
▣ Map	Resolution
▣ Background Material	City/Company Agreement
▣ Map	Map of IDD No. 39 and PRD No. 32
▣ Background Material	Fiscal Impact Analysis

Zoetis, LLC
2605 East Kilgore Road

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. _____

**A RESOLUTION SETTING A TIME FOR A HEARING TO CONSIDER
A REQUEST FOR NEW INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE**

Minutes of a regular meeting of the City Commission of the City held on October 2, 2017, at or after 7:00 p.m., local time, at the City Hall.

PRESENT:

ABSENT:

WHEREAS, pursuant to 1974 PA 198, MCLA Sec. 207.551, et seq., ZOETIS, LLC is requesting that a property located in Industrial Development District #39 and Plant Rehabilitation District #32 located at 2605 East Cork Street be approved for an Industrial Facilities Tax Exemption;

WHEREAS, 1974 PA 198 provides that before acting upon an application a new Industrial Facilities Tax Exemption Certificate, the City Commission shall afford the Applicant, the Assessor, and representatives of the affected taxing units an opportunity to be heard;

NOW, THEREFORE, BE IT RESOLVED as follows:

- I. That the request of Zoetis, LLC shall remain on file in the Office of the City Clerk.
2. That the City Commission shall meet at the Kalamazoo City Hall on October 2, 2017, at or after 7:00 p.m., local time, and shall provide the City Assessor and a representative of each of the taxing units an opportunity to be heard on the question of Zoetis, LLC's request for a new Industrial Facilities Tax Exemption Certificate for a 12-year period to end on December 30, 2029.
3. That the City Clerk immediately inform, by letter, the Assessor and the legislative body of each taxing unit which levies ad valorem taxes in the City of Kalamazoo on the property located within Kalamazoo Industrial Development District No.39 and Plant Rehabilitation District #32 as follows:

- A. That the City of Kalamazoo has received a request from Zoetis, LLC for a new Industrial Facilities Tax Exemption Certificate for a project located in Kalamazoo Industrial Development District No. 39 and Plant Rehabilitation District #32 to Zoetis, LLC.
- B. That the City Commission shall meet on October 2, 2017 in the City Hall at or after 7:00 p.m., local time, to afford the City Assessor and a representative of each of said taxing units an opportunity to be heard with regard to said request.

PLEASE TAKE NOTICE, that the City Commission has been requested to approve a new Industrial Facilities Tax Exemption Certificate in Industrial Development District No. 39 and Plant Rehabilitation District No. 32 for certain property located in the City and County of Kalamazoo, and more accurately described as follows:

That part of the W 1/2 of the SW 1/4 of Section 36 lying West of the west line of the Penn-Central Railroad right-of-way & South of highway US-12, (now known as I-94), excluding the South 50ft for Kilgore Road. Also excluding commencing at a point 66 Rods North of the southwest corner of Section 36; thence East 66ft; thence North to the southerly line of highway US 12 (now known as I-94); thence Southwesterly along the southerly line of said highway to the west line of Section 36; thence Southerly along the west line of Section 36 to the point of beginning.

More particularly described as: Beginning at the southwest corner of Section 36-2-11; thence North 1094.02ft along the west line of Section 36 to a point 232.07ft South of the northwest corner of the SW 1/4 of the SW 1/4 of Section 36; thence South 89deg 32min 20sec East 66ft along the north line of the South 66 Rods of the SW 1/4 of Section 36; thence North 89.73ft parallel to the west line of Section 36 to the southerly line of I-94; thence North 64deg 57min 30sec East 1373.63ft along the southerly line of I-94 to the west line of the Penn-Central Railroad right-of-way; thence South 00deg 20min West 601.17ft along the west line of the Penn-Central Railroad right-of-way to a point 80ft northerly of the north line of the South 66 Rods of the SW 1/4 of Section 36; thence South 14deg 22min 10sec West 82.42ft to the north line of the South 66 Rods of the SW 1/4 of Section 36, said point being 20ft Westerly of the west line of the Penn-Central Railroad right-of-way; thence South 89deg 32min 20sec East 20ft to the west line of the Penn-Central Railroad right-of-way; thence South 00deg 20min West 1094.145ft along the west line of the Penn-Central Railroad right-of-way to the south line of Section 36; thence North 89deg 32min West 1300.10ft along the south line of Section 36 to the point of beginning, excluding the South 50ft for Kilgore Road.

SCOTT A. BORLING, CITY CLERK

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on October 2, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by said Act.

Scott A. Borling, City Clerk

INDUSTRIAL FACILITIES

EXEMPTION CERTIFICATE [IFEC] AGREEMENT (P.A. 198)

AGREEMENT made _____, 201__, between the CITY OF KALAMAZOO, Kalamazoo County, Michigan ("City"); and ZOETIS, LLC., located at 2605 E. KILGORE ROAD, City of Kalamazoo, Kalamazoo County, Michigan ("Applicant").

Recitals:

A. The City has received a written application from Applicant under Public Act 198 of 1974, MCL 207.551 et. seq. (the "Act"), for the issuance of an Act 198 Industrial Facilities (Tax) Exemption Certificate ("Certificate") for 2605 E. Kilgore Road (the "Project") that was established as:

Industrial Development District and/or Plant Rehabilitation District Number 39 (the "District") by the City of Kalamazoo on Dec. 15, 1980, which site is located at 2605 E. Kilgore Road, Kalamazoo, Michigan.

B. The Applicant has represented to the City that granting of the Certificate will enable it to complete the facility, which will create employment, retain employment, or prevent a loss of employment within the City.

C. The City has established a tax incentive policy that provides opportunities for business development, redevelopment and expansion, and more effectively uses those incentives to benefit the local economy through stimulating economic growth, creation/retention of jobs, increasing tax revenue, and providing a more favorable living and business climate.

D. The City has determined that Applicant meets the requirements within its tax incentive policy.

E. Public Act 334 of 1993, MCL 207.572, requires a written agreement between the City and the Applicant before the Michigan Department of Treasury may approve a Certificate ("Agreement").

F. Before entering into this Agreement, Applicant has had the opportunity to review the City's tax incentive policy for Act 198 Tax Abatements and Ex-Offender Purchasing Policy

regarding the hiring of new employees created because of this Certificate, and to seek legal counsel regarding these policies, the relevant provisions of the Act and its rights and obligations as set forth below.

NOW, THEREFORE, in consideration of the approval of the Industrial Facilities Exemption Certificate, the parties agree as follows:

1. The above recitals are acknowledged as true and correct and are incorporated by reference into this section.
2. The Applicant, as a result of the construction, restoration, replacement, or other capital investments (collectively "Improvements") to an existing or new facility or in new technology, as more fully stated in its application, shall create not less than 60 new full time equivalent jobs and relocate and retain not less than 160 full time equivalent existing jobs, as detailed below, from its existing location as a consequence of, and for the duration of, its Project. For any new employees hired in connection with the Project Applicant will follow the City's Ex-Offender Purchasing Policy, attached as Exhibit A. The Applicant further agrees to pay the City's wage standard for those new jobs within the District, defined as an hourly rate which, on an annual basis, is equal to or exceeds:

- a. 125% of the federal poverty income guidelines from the U.S. Department of Health and Human Services for a family of three, plus health care insurance coverage; or
- b. 150% of the federal poverty income guidelines from the U.S. Department of Health and Human Services for a family of three if health benefits are not provided to the employees.

The specific categories of employment to be used by the applicant in reporting are shown below. In addition, the average wage information, per category of job is also identified below and shown as it will be reported during the annual abatement report.

JOBS INFORMATION	Initial Year of Abatement			
	Jobs Created		Jobs Retained	
	New Full-time Jobs	Average Weekly Wage	Full-time Jobs	Average Weekly Wage
Jobs Category				
Managerial	1	4262	12	2744
Professional	1	1706	35	1567
Technical	1	1104	31	1627
Sales				
Clerical			6	934
Craftsman (skilled)	1	1540	15	1284
Operators(semi-skilled)			61	865
Laborers (untrained)				
Service				

3. Applicant expects that the costs of the proposed Improvements as the basis for which the Certificate is issued, shall be within 10 percent (10%) of the estimated amount stated in its application for the Certificate.
4. Throughout the term of this Agreement, and as long as the Certificate remains effective, Applicant shall, in addition to the requirements under section 2, perform or satisfy each of the following obligations:
 - a. The Applicant will not cease or relocate any portion of the business, facility or operations located within the District prior to the termination of the Certificate without the prior approval by the City of a transfer of the Certificate to a third party who continues adequate operations within the District or elsewhere in the City.
 - b. Applicant will pay all taxes owing under this Certificate when due, and will timely file its annual personal property tax statements with the City Assessor's Office.
 - c. The Applicant shall submit annual or other regular reports to the City and the City Assessor as required under City policy and procedure, setting forth the progress in attaining and maintaining the requirements of this Agreement and the provisions of the application for the Certificate. Applicant acknowledges its responsibility to report

the Project completion within 30 days and final investment and job creation/retention figures within 90 days of completion of the IFEC project to both the State Tax Commission and the City Assessor's Office.

d. By accepting the benefits of the tax abatement Applicant waives appeal of personal or real property tax assessments concerning property which is the subject of the Certificate. Appeal of such personal or real property taxes is considered a default of this Agreement, for which the City may seek its remedies under section 7.

e. The Applicant shall comply with all applicable City codes.

5. The parties agree that the City, in approving the tax abatement, has relied on the actions, representations, promises, and good faith of Applicant, including the estimates and expectations described in its application, to mean the state approved form for this purpose plus any supplemental information required by the City to process such application.

6. The term of the Certificate granted by the City shall be twelve (12) years for real property (building). This Agreement shall remain in force as to each Certificate granted for the term of such Certificate.

7. The parties agree that exclusive jurisdiction to commence proceedings for any disputes in this Agreement shall be in Kalamazoo County, Michigan. The City shall enforce any default of the provisions of this Agreement in law or equity, and without limitation include:

a. the right to request that the State Tax Commission either reduce the term of the abatement or revoke the Certificate prospectively.

b. the right to revoke the Certificate and terminate the District.

c. the right to require the Applicant to repay the City all abated taxes which previously benefited the Applicant for disbursement proportionately to all taxing units having taxing jurisdiction over the improvements, plus all accrued interest, penalties and administration fees

d. the right, at its option, to seek repayment of future taxes as allowed under section 21(2) of the Act, being MCL 207.571(2).

e. the right to collect any payments due under the above subsections c. and d. by either court proceedings or by adding to the next taxes due against the Applicant's property on the next tax roll of the City.

8. The City, however, shall not seek any remedy under section 7 until after all of the following have occurred:

a. The City shall have given written notice to the Applicant declaring a default and specifying the manner in which the Applicant is in default. Before a default is declared, the City and the Applicant shall meet with appropriate representatives to discuss the claimed default and how it may be cured.

b. The Applicant has not cured that default within thirty (30) days after receiving the notice, except that if the Applicant is diligently pursuing a cure, this thirty (30) day period shall automatically be extended for an additional thirty (30) days.

9. It is understood that the City of Kalamazoo encourages the Applicant to review job applications of city residents, particularly those City of Kalamazoo residents who have completed or have participated in local employment training programs, prior to filling new jobs in its facilities. In fulfilling this requirement Applicant will make good faith efforts to consult with Michigan Works and/or other workforce development agencies identified in the list provided to the Applicant by the City as a part of this Application.

10. The Applicant further agrees that during the term of the Certificate, the Applicant shall not discriminate against any person on the basis of race, creed, color, sex, religious orientation, age, or other criteria as prohibited by City, state or federal ordinances and legislation.

11. The Applicant further agrees that if Applicant ceases its use of the Project, and another entity asks the City for a transfer of the abatement, the Applicant will cooperate with the City regarding the transfer by advising the transferee or new owner of the terms and conditions of this Agreement and by assisting the City to obtain the signature of the authorized agent of the transferee or new owner on this Agreement or one substantively the same.

12. Notices required under this Agreement are effective if done in writing and forwarded or delivered to the other party (i) in person, or (ii) through a nationally recognized overnight courier, or by first-class or certified mail-return receipt requested, with postage fully prepaid, and addressed to the parties at the last known address in the City of Kalamazoo.

13. If the various sections and provisions of this Agreement are declared unconstitutional or invalid by any court of competent jurisdiction, the same shall not affect the validity of the Agreement as a whole or any other section or provision except the section or provision declared to be unconstitutional or invalid.

14. The benefits and obligations under this Agreement shall accrue to and shall bind the successors, assignees, and transferees of the Applicant.

15. This Agreement contains all of the terms of the Agreement between the parties with respect to its subject matter and may be amended only in writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Signed in the presence of:

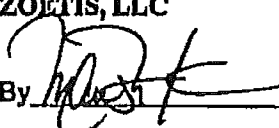
CITY OF KALAMAZOO

By _____

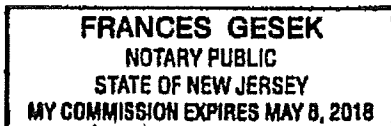
Its _____



ZOETIS, LLC

By  _____

Its VICE-PRESIDENT GLOBAL TAX



K:\Attys\JOITN\PA198Agreement
01/13/17



Legend



Parcel Lines

This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state, and federal offices and other sources regarding the area shown, and is to be used for reference purposes only.



TO: Kalamazoo City Commission
 FROM: Aaron Powers, Assessor
 DATE: September 11, 2017
 SUBJECT: Zoetis
 SCHOOL: Comstock Public Schools

TAX ABATEMENT IMPACT STATEMENT

			OPERATING REVENUE - CITY			REVENUE - ALL OTHER			TOTAL REVENUE			
OWNER	PROP TYPE	CERT TYPE	NEW IFT REVENUE	ABATED REVENUE	REVENUE IF NO IFT	NEW IFT REVENUE	ABATED REVENUE	REVENUE IF NO IFT	NEW IFT REVENUE	TOTAL ABATED REVENUE	TOTAL TAXABLE VALUE	TOTAL EFFECTIVE VALUE
ZOETIS	R	N	\$60,600	\$60,600	\$121,200	\$290,287	\$229,691	\$519,978	\$350,887	\$290,291	10,100,000	5,050,000

	TOTAL TAXABLE	IFT ROLL	% OF TOTAL	
BEGINNING 2018 ROLL	\$1,529,592,245	\$30,651,422	2.0%	
IFT'S IN PROCESS	\$10,100,000	\$10,100,000	100.0%	Anticipated gain to city budget from initial request \$ 60,600
TOTAL	\$1,539,692,245	\$40,751,422	2.6%	
				estimated company savings over initial period \$ 3,483,492
				estimated city revenue gained over initial period \$ 727,200
				estimated city revenue lost over initial period \$ 727,200



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

REVIEWED BY: Jeffrey Hadley, Public Safety Chief

PREPARED BY: Ryan Tibbets, Assistant Chief – Fire Administration/Finance

SUBJECT: Fire Apparatus Purchase - Ref # 000-00-017.41

RECOMMENDATION

It is recommended that the City Commission approve the purchase of two fire apparatus in the amount of \$1,013,503 utilizing the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program from Spartan ERV, 907-7th Ave. North, Brandon, SD 57005.

BACKGROUND

The mission of Kalamazoo Public Safety is to provide for the safety and welfare of all citizens and visitors to the City of Kalamazoo and to protect them from loss of life and property due to the ravages of fire, natural disaster or crime. Public Safety staffs and operates five front-line engines (pumpers) and two front-line aerial apparatus 24 hours a day, 365 days per year. Public Safety also maintains three reserve engines and one reserve aerial. Utilizing these resources, Public Safety provides all-hazards emergency response services for the residents and visitors of the City of Kalamazoo.

The proposed new fire apparatus is a planned request that will allow Public Safety to replace Engine 2 which operates out of Station 2 located at 1207 Bryant and Engine 6 which operates out of Station 6 located at 1414 Howard. Engines 2 and 5 are 2005 model year. The current Engine 6 will be relocated to Station 4/5 and will replace Engine 5. Engines 2 and 5 will be placed in reserve status when the new apparatus are received. Engines 44 and 77 which are currently in reserve status will be sold.

Public Safety personnel worked diligently on this project for more than a year to determine the type, size and capabilities of the new apparatus. Personnel evaluated many factors such as; community risk, current response capabilities and visited many fire departments and consulted with apparatus operators and mechanics to determine the apparatus configuration. Spartan Motors is located in Charlotte, Michigan and is the parent company of Spartan ERV.

POLICY CONSIDERATIONS

None

COMMUNITY RESOURCES CONSULTED

None

FISCAL IMPACT

Funds for the purchase of the new fire apparatus are contained in Public Safety's 2017 Capital Improvement Project (CIP) budget.

ALTERNATIVES

The City Commission could choose not to approve this proposal; however, to maintain the operational condition of the current fleet, maintenance costs will continue to escalate dramatically.

Public Safety believes this acquisition will be a cost effective solution towards meeting the department's mission statement of providing for the safety and welfare of the citizens and visitors of Kalamazoo.

ATTACHMENTS:

	Type	Description
▣	Aerial Photo	Engine 2 Pricing
▣	Project Description	Engine 2 Discounts
▣	Project Description	Squad Pricing
▣	Project Description	Squad Discounts

Bid Proposal



Gentlemen / Ladies: On September 18, 2017

The undersigned is prepared to manufacture for you, upon an order being placed by you, for final acceptance by **Spartan ER** at its main office in Brandon, South Dakota, the apparatus and equipment herein named and for the following prices:

One (1) Spartan Metro-Star SMFD Custom Chassis with a 10" Raised Roof.

One (1) Tubular Aluminum body with a 1000-gallon poly booster tank.

One (1) 1500 GPM Waterous single stage pump.

All equipment specified in the bid packet.

TOTAL DELIVERED PRICE: \$494,439.00
Includes HGAC Fee & Performance Bond.

Note: No State, Federal or local taxes are included.

Note: Discounts are listed in the bid packet.

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war or other causes beyond our control not preventing, within **330 to 390** calendar days after receipt of this order and the acceptance thereof at our offices at Brandon, South Dakota, and to be delivered to you at,

The Kalamazoo Michigan Department of Public Safety.

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the offer to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

Unless accepted within **30** days from this date, the right is reserved to withdraw this proposal.

SPARTAN ER



By 
Michael R Zahnen

DISCOUNT PAYMENTS AND OPTIONS



Kalamazoo Department of Public Safety Pumper

YOU MAY DEDUCT ONE (1) OF THE FOLLOWING OPTIONS FROM THE BID PRICE.

1) *PAY 100% OF THE TOTAL COST OF THE UNIT AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$8,805.00 – AT THE TIME OF CONTRACT SIGNING.

2) *PAY 80% OF THE TOTAL UNIT COST AT CONTRACT SIGNING YOU MAY.*

DEDUCT: \$7,044.00 – AT THE TIME OF CONTRACT SIGNING.

3) *PAY 50% OF THE TOTAL UNIT COST AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$4,403.00 - AT THE TIME OF CONTRACT SIGNING.

4) *PAY 100% OF THE TOTAL CHASSIS COST AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$4,143.00 – AT THE TIME OF CONTRACT SIGNING.

5) *PAY 50% OF THE TOTAL CHASSIS COST AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$2,072.00 – AT THE TIME OF CONTRACT SIGNING.

6) *PAY FOR THE CHASSIS UPON DELIVERY TO THE CF FACTORY YOU MAY.*

DEDUCT: \$776.00 – WHEN CHASSIS ARRIVES AT SPARTAN ERV.

NOTE: A 100% PERFORMANCE BOND SHALL BE ISSUED WITH-IN 30 DAYS OF CONTRACT SIGNING.

Bid Proposal



Gentlemen / Ladies: On September 18, 2017

The undersigned is prepared to manufacture for you, upon an order being placed by you, for final acceptance by **Spartan ER** at its main office in Brandon, South Dakota, the apparatus and equipment herein named and for the following prices:

One (1) Spartan Metro-Star ELFD Custom Chassis with a 10" Raised Roof.

One (1) Tubular Aluminum body with a 500-gallon poly booster tank.

One (1) 1500 GPM Waterous single stage pump.

All equipment specified in the bid packet.

TOTAL DELIVERED PRICE: \$537,440.00
Includes HGAC Fee & Performance Bond.

Note: No State, Federal or local taxes are included.

Note: Discounts are listed in the bid packet.

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war or other causes beyond our control not preventing, within **330 to 390** calendar days after receipt of this order and the acceptance thereof at our offices at Brandon, South Dakota, and to be delivered to you at,

The Kalamazoo Michigan Department of Public Safety.

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the offer to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

Unless accepted within **30** days from this date, the right is reserved to withdraw this proposal.

SPARTAN ER



By 
Michael R Zahnen

DISCOUNT PAYMENTS AND OPTIONS



Kalamazoo Department of Public Safety Squad

YOU MAY DEDUCT ONE (1) OF THE FOLLOWING OPTIONS FROM THE BID PRICE.

1) *PAY 100% OF THE TOTAL COST OF THE UNIT AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$9,571.00 – AT THE TIME OF CONTRACT SIGNING.

2) *PAY 80% OF THE TOTAL UNIT COST AT CONTRACT SIGNING YOU MAY.*

DEDUCT: \$7,657.00 – AT THE TIME OF CONTRACT SIGNING.

3) *PAY 50% OF THE TOTAL UNIT COST AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$4,785.00 - AT THE TIME OF CONTRACT SIGNING.

4) *PAY 100% OF THE TOTAL CHASSIS COST AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$4,368.00 – AT THE TIME OF CONTRACT SIGNING.

5) *PAY 50% OF THE TOTAL CHASSIS COST AT CONTRACT SIGNING YOU MAY:*

DEDUCT: \$2,184.00 - AT THE TIME OF CONTRACT SIGNING.

6) *PAY FOR THE CHASSIS UPON DELIVERY TO THE CF FACTORY YOU MAY.*

DEDUCT: \$818.00 – WHEN CHASSIS ARRIVES AT SPARTAN ERV.

NOTE: A 100% PERFORMANCE BOND SHALL BE ISSUED WITH-IN 30 DAYS OF CONTRACT SIGNING.



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

PREPARED BY: Jerome R. Kisscorni, Assistant City Manager/Economic Development Director

DATE: 9/21/2017

SUBJECT: Resolution Adopting and Approving the Revised Brownfield Plan Implemented by the City of Kalamazoo Brownfield Redevelopment Authority

RECOMMENDATION

It is recommended that the City Commission adopt a resolution approving a revision to the City of Kalamazoo's Brownfield Plan [Revised Brownfield Plan] implemented and recommended for approval by the City of Kalamazoo Brownfield Redevelopment Authority following a public hearing before the Brownfield Redevelopment Authority.

BACKGROUND

Periodically, the Brownfield Redevelopment Authority (BRA) requests that the City Commission adopt an amendment to the then current Brownfield Plan. The current version of the plan is Amended and Restated Brownfield Plan (Amendment No. 29). The Brownfield Redevelopment Authority is recommending the adoption of the Revised Brownfield Plan ("Revised Plan").

The particulars of the Revised Plan consist of the addition of one chapter, removal of 24 chapters, and amendment of the City Administrative and Financial Services Information Table and other common elements of the plan and are summarized in the attached Summary of Significant Changes.

The added chapter (Chapter 47) reflects privately-owned property, owned by River's Edge Partners, LLC (100, 155 and 155 (Rear) Rochester Ave.).

In order to comply with the requirements of Act 381, the addition and removal of chapters for these properties as allowed in the Revised Plan are necessary.

As required under Act 381, the BRA held a public hearing on the Revised Plan on September 21, 2017. The resolution adopted by the BRA is attached.

COMMUNITY RESOURCES CONSULTED

Other than the public hearing process, no additional community resources were consulted.

FISCAL IMPACT

Tax increment revenues will reimburse the city, BRA or the owner of the property for eligible activities each

incurred. City staff and the BRA continue to monitor the Plan and legislative amendments to maximize tax increment revenues so that eligible activities and applicable administrative fees are reimbursed to the extent possible, and the BRA collects the additional five years of such revenues as allowed under Act 381. These additional revenues will allow the BRA to leverage such funds for future redevelopments.

ALTERNATIVES

The City Commission may decline to adopt the resolution approving the Revised Plan. This action is not recommended because the proposed revision is in keeping with the overall administration of the Brownfield Redevelopment Initiative.

ATTACHMENTS:

Type	Description
▣ Resolution	City Commission Resolution
▣ Resolution	BRA Resolution
▣ Summary of Changes	Summary of Significant Changes
▣ Background Material	Excerpts of Added Chapter

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. _____

**A RESOLUTION APPROVING THE IMPLEMENTATION OF
THE CITY OF KALAMAZOO REVISED BROWNFIELD PLAN
TO REPLACE AND SUPERCEDE THE AMENDED AND RESTATED
BROWNFIELD PLAN (AMENDMENT NO. 29)
INCLUDING THE ADDITION OF A NEW CHAPTER**

Minutes of a regular meeting of the City Commission of the City held on October ____, 2017, at 7:00 p.m., local time, at the City Hall.

PRESENT:

ABSENT:

The following resolution was offered by Commissioner _____ and seconded by Commissioner _____.

RECITALS

A. On May 5, 1997 the City of Kalamazoo ("City") created the City of Kalamazoo Brownfield Redevelopment Authority ("BRA"), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381").

B. Following the establishment of BRA, in September 1997 the City implemented the City of Kalamazoo Brownfield Plan ("Plan"), as required under Act 381, for the purposes of identifying real estate parcels for revitalization, redevelopment and reuse.

C. Since the initial Plan was adopted by the City, BRA initiated and City approved 29 amendments to the Plan. The current version dated April 2017 – Amended and Restated Brownfield Plan: Twenty-Ninth Amendment ("Plan Amendment 29") – now contains 66 Chapters comprising 274 pages.

D. The BRA/City staff has reviewed Plan Amendment 29 and has determined there are certain chapters in that plan representing real estate parcels on or about which: (i) the redevelopment was completed and BRA applied all the tax increment revenues allowed under Act 381; or (ii) no redevelopment has occurred by the owner or prospective developer since added to the Plan, and BRA has received no inquiries for future redevelopment; or (iii) a developer who signed a redevelopment agreement failed to timely begin or complete the project (as defined in the agreement) under the terms of the

agreement. The list of those chapters and parcels meeting one or more of the above criteria is attached as Exhibit A.

E. BRA/City staff's review further identified chapters and real estate parcels involving: (i) changes in the redevelopment potential or anticipated project; or (ii) redevelopment occurred only on some, but not all, the parcels comprising a certain chapter; or (iii) the likely loss of eligible tax increment revenue to support a significant project due to length of time those parcels have been in the Plan without realized redevelopment. Those chapters meeting one or more of the above criteria are identified in Exhibit B.

F. In addition to those chapters and parcels noted in Exhibit A and Exhibit B, the Revised Plan will add a chapter to reflect future redevelopment generated by the extension of Harrison Road south of E. Michigan Avenue when that extension was accepted by the City on July 17, 2017.

G. BRA held a public hearing on September 21, 2017, on the City of Kalamazoo Revised Brownfield Plan ("Revised Plan"). Notice of the public hearing was given as required under Act 381: (i) to all taxing authorities levying ad valorem or specific taxes against any property affected by the Revised Plan; (ii) to a developer when the project on the eligible property was not begun within 2 years of date the property was added to the Plan under Section 14(8) of Act 381; and (iii) by publication.

H. Following the public hearing on the Revised Plan BRA adopted a resolution recommending that the City Commission approve the Revised Plan.

I. The City Commission has reviewed the BRA resolution and the Revised Plan and finds that the Revised Plan constitutes a public purpose in that:

- 1) Those chapters and real estate parcels listed in Exhibit A no longer meet the goals and objectives of Act 381 and the purposes for which they are currently included in Plan Amendment 29.
- 2) Those chapters and real estate parcels listed in Exhibit B represent changes in the redevelopment potential or anticipated project; or (ii) redevelopment occurred only on some, but not all, the parcels comprising a certain chapter; or (iii) the likely loss of eligible tax increment revenue to support a significant project due to length of time those parcels have been in the Plan without realized redevelopment.
- 3) The proposed method to finance the costs of eligible activities for the additional chapter is feasible, and the amount of captured taxable value estimated to result from this chapter is reasonable. BRA has the ability to arrange the necessary financing.
- 4) The Revised Plan will assist the City and BRA in the administration of the

real estate parcels and projects proposed for the Revised Plan, and in more efficiently and effectively monitoring and applying the tax increment revenues that are captured.

- 5) The Revised Plan meets all requirements of Section 13 of the Act 381.

THEREFORE, IT IS RESOLVED:

The City of Kalamazoo Revised Brownfield Plan, as implemented by the City of Kalamazoo Brownfield Redevelopment Authority, is adopted and approved.

AYES:

NAYS:

ABSTAIN:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by at a regular meeting held on October __, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by Act 381.

Scott A. Borling
City Clerk

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY**

**A RESOLUTION APPROVING THE IMPLEMENTATION OF
THE CITY OF KALAMAZOO REVISED BROWNFIELD PLAN TO REPLACE AND
SUPERCEDE THE AMENDED AND RESTATED
BROWNFIELD PLAN (AMENDMENT NO. 29) AND TO ADD A NEW CHAPTER,
AND RECOMMENDING ADOPTION BY THE CITY COMMISSION**

Minutes of a regular meeting of the City of Kalamazoo Brownfield Redevelopment Authority held on the September 21, 2017, at 7:30 a.m., local time, at the Community Room of City Hall, 241 West South Street, Kalamazoo, Michigan.

PRESENT: Fritz Brown; Jim Escamilla; Kevan Hess; Mayor Bobby J. Hopewell; Bob Miller; Patti Owens; Doug Phillips; Tom Schleuter

ABSENT: Nathan Bolton; John MacKenzie; Nancy Troff

RECITALS

A. On May 5, 1997 the City of Kalamazoo ("City") created the City of Kalamazoo Brownfield Redevelopment Authority ("BRA"), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381").

B. Following the establishment of BRA, in September 1997 the City implemented the City of Kalamazoo Brownfield Plan ("Plan"), as required under Act 381, for the purposes of identifying real estate parcels for revitalization, redevelopment and reuse.

C. Since the initial Plan was adopted by the City, BRA initiated and City approved 29 amendments to the Plan. The current version dated April 2017 – Amended and Restated Brownfield Plan: Twenty-Ninth Amendment ("Plan Amendment 29") – now contains 66 Chapters comprising 274 pages.

D. The BRA/City staff has reviewed Plan Amendment 29 and has determined there are certain chapters in that plan representing real estate parcels on or about which: (i) the redevelopment was completed and BRA applied all the tax increment revenues allowed under Act 381; or (ii) no redevelopment has occurred by the owner or prospective developer since added to the Plan, and BRA has received no inquiries for future redevelopment; or (iii) a developer who signed a redevelopment agreement failed to timely begin or complete the project (as defined in the agreement) under the terms of the agreement. The list of those chapters and parcels meeting one or more of the above criteria is attached as Exhibit A.

E. BRA/City staff's review further identified chapters and real estate parcels involving: (i) changes in the redevelopment potential or anticipated project; or (ii) redevelopment occurred only on some, but not all, the parcels comprising a certain chapter; or (iii) the likely loss of eligible tax increment revenue to support a significant project due to length of time those parcels have been in the Plan without realized redevelopment. Those chapters meeting one or more of the above criteria are identified in Exhibit B.

F. In addition to those chapters and parcels noted in Exhibit A and Exhibit B, the Revised Plan will add a chapter to reflect future redevelopment generated by the extension of Harrison Road south of E. Michigan Avenue when that extension was accepted by the City on July 17, 2017.

G. BRA held a public hearing on September 21, 2017, on the City of Kalamazoo Revised Brownfield Plan ("Revised Plan"). Notice of the public hearing was given as required under Act 381: (i) to all taxing authorities levying ad valorem or specific taxes against any property affected by the Revised Plan; (ii) to a developer when the project on the eligible property was not begun within 2 years of date the property was added to the Plan under Section 14(8) of Act 381; and (iii) by publication.

H. Following the public hearing on the Revised Plan BRA reviewed the list of chapters contained in Exhibits A and B, including BRA/City staff report; reviewed the recommended chapter addition to the Revised Plan; considered the comments heard at the public hearing or written communications received at or prior to the public hearing; and determined that the Revised Plan constitutes a public purpose in that:

- 1) Those chapters and real estate parcels listed in Exhibit A no longer meet the goals and objectives of Act 381 and the purposes for which they are currently included in Plan Amendment 29.
- 2) Those chapters and real estate parcels listed in Exhibit B represent changes in the redevelopment potential or anticipated project; or (ii) redevelopment occurred only on some, but not all, the parcels comprising a certain chapter; or (iii) the likely loss of eligible tax increment revenue to support a significant project due to length of time those parcels have been in the Plan without realized redevelopment.
- 3) The proposed method to finance the costs of eligible activities for the additional chapter is feasible, and the amount of captured taxable value estimated to result from this chapter is reasonable. BRA has the ability to arrange the necessary financing.
- 4) The Revised Plan will assist the City and BRA in the administration of the real estate parcels and projects proposed for the Revised Plan, and in more efficiently and effectively monitoring and applying the tax increment revenues

that are captured.

- 5) The Revised Plan meets all requirements of Section 13 of the Act 381.

THEREFORE, IT IS RESOLVED:

The City of Kalamazoo Brownfield Redevelopment BRA approves the implementation of the City of Kalamazoo Revised Brownfield Plan and recommends the City Commission adopt a resolution approving the Revised Plan.

The above resolution was offered by Member Patti Owens and seconded by Member Tom Schleuter.

AYES: 7

NAYS: 0

ABSTAIN: 1

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City of Kalamazoo Brownfield Redevelopment BRA at a regular meeting held on September 21, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by Act 381.



Joy Orr
Recording Secretary

EXHIBIT A

- 1) Speareflex Block (205 and 261 E. Kalamazoo)
- 2) Alumilite (315 E. North)
- 10) Former Pioneer Paper Stock/Textile Systems, Inc. (817 Walbridge)
- 11) Consumers/Covington Road LLC (4141 Davis Creek Ct., 3600 and 3610 Covington Rd.)
- 14) South Town Commons – Kalamazoo Gazette (401 and 423 S. Burdick)
- 24) United Building (202 and 242 E Kalamazoo)
- 27) Stryker Headquarters (2825 Airview Blvd.)
- 28) 341-357 South Pitcher Street
- 30) 167 East Kalamazoo Avenue
- 32) 3400 and 3406 Stadium Drive
- 47) East Campus (601 Oakland Dr.)

EXHIBIT B

- 6) Former Lakeside Refinery (2700 E. Cork (High Grade Materials) will remain, 2805 and 2705 E. Cork will be removed from the Plan)
- 9) Wellfield #13 (MCP Real Estate, LLC (4175 Davis Creek Ct.) will remain, 4233 Davis Creek Ct., 3550 Covington and 3603 E. Kilgore will be removed from the Plan)
- 12) CMI Riverside (508 Harrison)
- 13) CMI Creekside (646 E. Michigan)
- 16) River East (812 Gull and 700 River St.)
- 17) Lovell and Rose (215 W. Lovell and 418/424 S. Rose)
- 18) East Michigan Avenue Properties/Parking Lot #9 (105 E. Michigan Ave will remain, 139 N. Edwards and 128/162 E. Water will be removed from the Plan)
- 21) 2220 Lane Blvd.
- 22) Public Safety Training Facility (116 W. Cedar)
- 34) Former Panelyte (2403 S. Burdick)
- 35) Former Performance Paper (remove entire site from the Plan except for the portions of 315 and 333 E. Alcott that are included within the 400 Bryant Plan chapter)
- 42) 1501 Blakeslee Street
- 50) 1104 South Westnedge Avenue

**Summary of Significant Changes
Revised Brownfield Plan
October 2017**

A) Add Chapter 47) The Foundry Phase II

- Basis of Eligibility: Facility
- Parcel Addresses: 100, 155 and 155 Rear Rochester Avenue
- Estimate of Eligible Activities: \$1.5 Million
- Estimate of Potential Redevelopment Investment: \$12.5 Million
- Jobs Created: Approximately 200 Full Time Equivalents
- Use: Office/Residential

B) Remove 24 Chapters

Since the initial Plan was adopted by the City, BRA initiated and City approved 29 amendments to the Plan. The current version dated April 2017 – Amended and Restated Brownfield Plan: Twenty-Ninth Amendment (“Plan Amendment 29”) – now contains 66 Chapters comprising 274 pages.

The BRA/City staff has reviewed Plan Amendment 29 and has determined there are certain chapters in that plan representing real estate parcels on or about which: (a) the redevelopment was completed and BRA applied all the tax increment revenues allowed under Act 381; or (b) no redevelopment has occurred by the owner or prospective developer since added to the Plan and BRA has received no inquiries for future redevelopment; or (c) a developer who signed a redevelopment agreement failed to timely begin or complete the project (as defined in the agreement) under the terms of the agreement; or (d) changes in the redevelopment potential or anticipated project; or (e) redevelopment occurred only on some, but not all, the parcels comprising a certain chapter; or (f) the likely loss of eligible tax increment revenue to support a significant project due to length of time those parcels have been in the Plan without realized redevelopment.

Those chapters and real estate parcels listed below (listed with current Plan Amendment 29 chapter numbers) no longer meet the goals and objectives of Act 381 and the purposes for which they are currently included in Plan Amendment 29 and are proposed to be removed from the Revised Brownfield Plan (Revised Plan). The Revised Plan will assist the City and BRA in the administration of the real estate parcels and projects proposed for this plan and in more efficiently and effectively monitoring and -

- 1) **Speareflex Block** (a) (205 and 261 E. Kalamazoo)
- 2) **Alumilite** (a) (315 E. North)
- 6) **Former Lakeside Refinery** (e, f) (2700 E. Cork (High Grade Materials) will remain, 2805 and 2705 E. Cork will be removed from the Plan)
- 9) **Wellfield #13** (e) (MCP Real Estate, LLC (4175 Davis Creek Ct.) will remain, 4233 Davis Creek Ct., 3550 Covington and 3603 E. Kilgore will be removed from the Plan)
- 10) **Former Pioneer Paper Stock/Textile Systems, Inc.** (a) (817 Walbridge)
- 11) **Consumers/Covington Road LLC** (a) (4141 Davis Creek Ct., 3600 and 3610 Covington Rd.)
- 12) **CMI Riverside** (f) (508 Harrison)
- 13) **CMI Creekside** (f) (646 E. Michigan)
- 14) **South Town Commons – Kalamazoo Gazette** (a) (401 and 423 S. Burdick)
- 16) **River East** (f) (812 Gull and 700 River St.)
- 17) **Lovell and Rose** (f) (215 W. Lovell and 418/424 S. Rose)
- 18) **East Michigan Avenue Properties/Parking Lot #9** (e, f) (105 E. Michigan Ave will remain, 139 N. Edwards and 128/162 E. Water will be removed from the Plan)
- 21) **2220 Lane Blvd.** (d)
- 22) **Public Safety Training Facility** (f) (116 W. Cedar)
- 24) **United Building** (a) (202 and 242 E Kalamazoo)
- 27) **Stryker Headquarters** (a) (2825 Airview Blvd.)

- 28) **341-357 South Pitcher Street** (c)
- 30) **167 East Kalamazoo Avenue** (a)
- 32) **3400 and 3406 Stadium Drive** (c)
- 34) **Former Panelyte** (f) (2403 S. Burdick)
- 35) **Former Performance Paper** (f) (remove entire site from the Plan except for the portions of 315 and 333 E. Alcott that are included within the 400 Bryant Plan chapter)
- 42) **1501 Blakeslee Street** (d)
- 47) **East Campus** (d) (601 Oakland Dr.)
- 50) **1104 South Westnedge Avenue** (d)



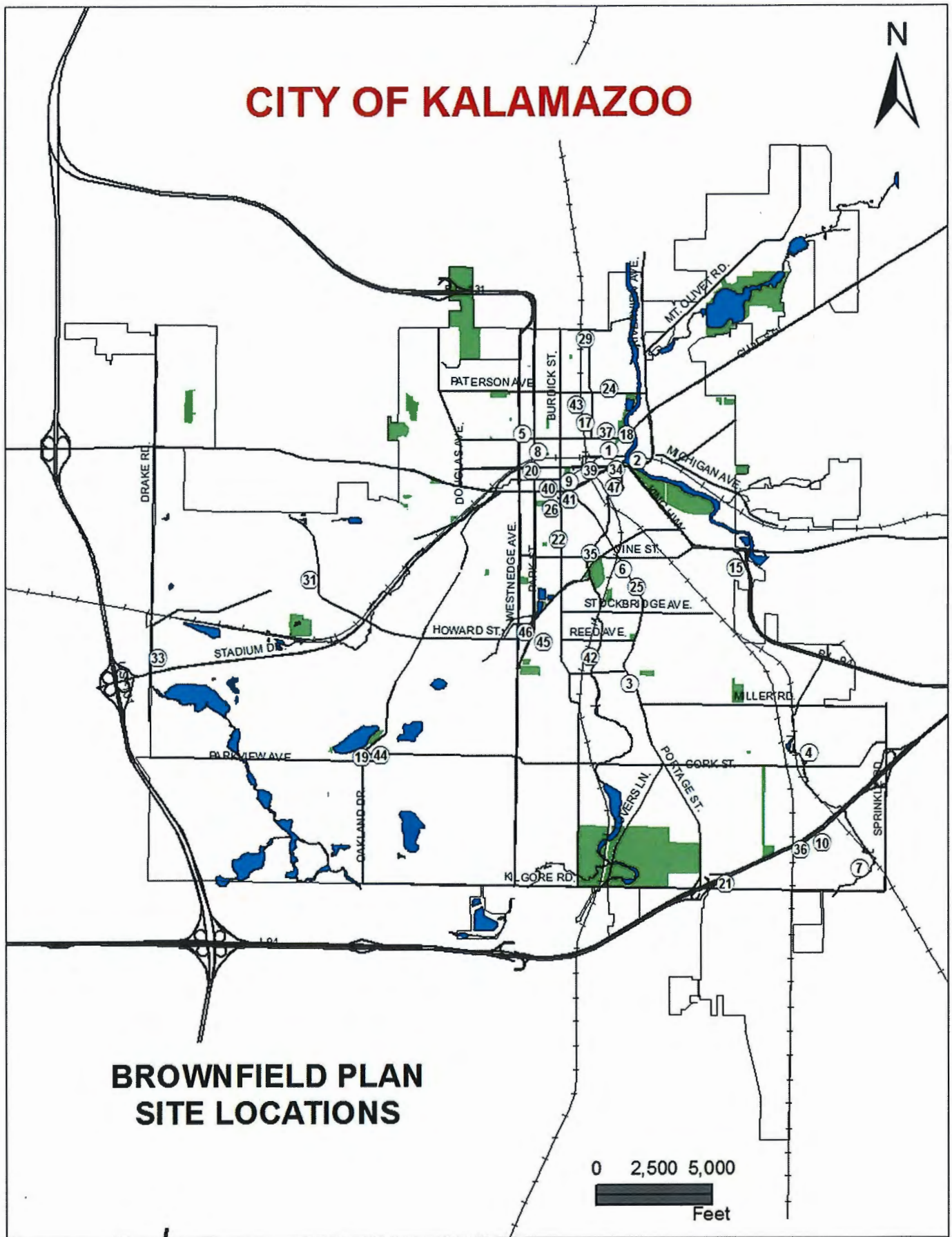
CITY OF KALAMAZOO REVISED BROWNFIELD PLAN



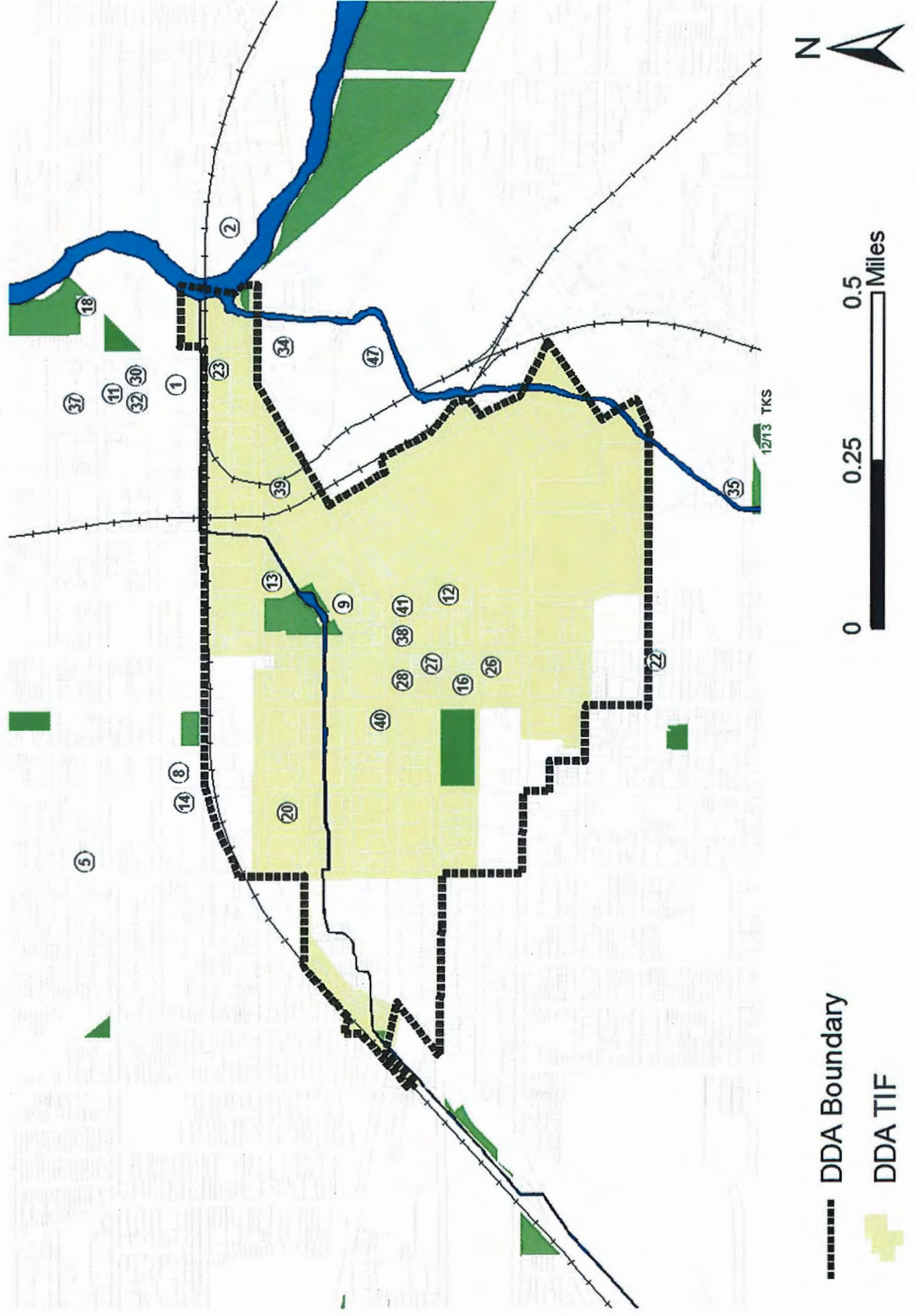
October 2, 2017

Brownfield Site Locations	4
Brownfield Plan Sites Near DDA District & Downtown Development Area	5
<u>Introduction</u>	6
1) Willard/Walbridge Block	10
2) 701 East Michigan Avenue.....	15
3) Former SER Plating.....	19
4) 2700 East Cork Street	22
5) NorthPoint Retail Park.....	25
6) Former Liberty Gasoline Station	29
7) 4175 Davis Creek Court	32
8) Northside Grocery Store Development Site	35
9) 105 East Michigan Avenue.....	38
10) 4141 Manchester.....	42
11) 512 – 524 East North Street.....	46
12) Ramp #3.....	49
13) United Building	55
14) 507 North Park Street	58
15) City Yards.....	61
16) South & Rose.....	64
17) Former J.A. Richards Blocks.....	68
18) Gull & North.....	73
19) Former Superior Cleaners.....	76
20) Arcadia Creek West End District	79
21) 1919 East Kilgore Service Road.....	83
22) 610 South Burdick Street.....	87
23) 419 Harrison Street.....	90
24) 511 East Paterson Street	93
25) 1101 Portage Street.....	97
26) 316 South Kalamazoo Mall.....	101
27) 154 South Kalamazoo Mall	104
28) 155 West Michigan Avenue	108

29) 1807 North Pitcher Street	112
30) 500 Block East Ransom Street	116
31) 2700 Block of West Michigan Avenue	120
32) 500-516 East Butler Court.....	123
33) 4620 Stadium Drive and 2075 South Drake Road.....	126
34) 600 East Michigan Avenue.....	130
35) 425 East Vine Street	134
36) 4124 Manchester Road	137
37) 508 East Frank Street.....	141
38) 108 East Michigan Avenue.....	145
39) 421 and 427 East Michigan Avenue	149
40) 216 and 220 West Michigan Avenue.....	153
41) 162 East Michigan Avenue.....	157
42) 400 Bryant Street.....	161
43) 225 Parsons Street	167
44) 1910 Parkview Avenue.....	172
45) 1825 S. Park Street	176
46) 412 Howard Street.....	180
47) Foundry Phase II.....	184
Aggregate Table 1.....	188
Aggregate Table 2.....	189
ASSUMPTIONS AND NOTES.....	189
City Administration & Financial Services Information.....	190



Brownfield Plan Sites Near DDA District & Downtown Development Area



Revised Brownfield Plan

October 2017

Introduction

This document is the City of Kalamazoo's Brownfield Plan, created pursuant to Section 13(1) of Michigan's Brownfield Redevelopment Financing Act, Public Act No. 381 of 1996, as amended ("Act 381"). Section 13(1) enables the City of Kalamazoo's Brownfield Redevelopment Authority (Authority) board to implement a Brownfield Plan and establishes 13 mandated requirements of the Plan (paragraphs "a" through "n"). Prior to implementation, the Brownfield Plan must be approved by the Brownfield Redevelopment Authority and the Kalamazoo City Commission. Prior to capturing school taxes for eligible activities, remedial action plan/work plan components of the Brownfield Plan must also be approved by the Michigan Department of Environmental Quality, and/or the Michigan Economic Growth Authority.

Because of its status as a "Core Community," Kalamazoo's Brownfield Plan can now be used as a basis for reimbursement for additional eligible activities such as infrastructure improvements, demolition, lead or asbestos abatement, and certain site preparation activities. This amended and restated Brownfield Plan incorporates such considerations. The Authority will use its discretion in approving reimbursement and method of payment for all eligible activities. The Authority will take into consideration factors such as total amount of reimbursement requested, projected unabated tax revenue generated by the development, and other pertinent factors. In the future, the Authority may further develop or refine policy which impacts reimbursement for eligible activities.

General Program Policy Statement

To further the legislative intent of the Brownfield Redevelopment Financing Act, and to achieve the goals of the City of Kalamazoo Brownfield Plan, it is the mission of the Brownfield Redevelopment Authority and the city's Brownfield Redevelopment Initiative to clean up environmentally challenged properties in the city and prepare them for desirable and productive re-uses which enhance the city's tax base. The city's Brownfield Plan is intended to establish a working set of sites which are prioritized first as those sites which are "orphaned" or abandoned and for which there are no other resources available to facilitate redevelopment. The city's financial and staffing resources are limited and the Brownfield Plan shall be comprised of a select group of sites which reflect the application of the criteria set forth above and the stated intent of the city's program.

Criteria For Sites Included In Brownfield Plan

1. A site must qualify as a facility, as functionally obsolete or blighted as defined by Public Act 145 of 2000, or be directly adjacent to such a site and part of an overall development plan which includes the adjacent facility.
2. It is a priority that a site must be publicly owned, abandoned, and/or generate minimal property tax base, if privately owned.

3. If a site is privately owned, and otherwise qualifies for inclusion in the Plan, then the private owner must consent to the inclusion of the site in the Plan.

Organization of Document

This document is meant to be a living document, subject to revision and amendment. As site-specific issues change, projections contained in this Plan will change accordingly. Site-specific work plans and remedial action plans will be added, as appropriate, subsequent to adoption of the Brownfield Plan. The following 47 sites have met, or are expected to meet, eligibility requirements and are included in the Brownfield Plan:

- 1) Willard/Walbridge Block
- 2) 701 East Michigan Avenue
- 3) Former SER Plating
- 4) Former Lakeside Refinery
- 5) NorthPoint Retail Park
- 6) Former Liberty Gasoline Station
- 7) Wellfield #13
- 8) Northside Grocery Store Development Site
- 9) 105 East Michigan Avenue
- 10) 4141 Manchester
- 11) 512 – 524 East North Street
- 12) Ramp #3
- 13) United Building
- 14) 507 North Park Street
- 15) City Yards
- 16) South & Rose
- 17) Former J.A. Richards Blocks
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- 19) Former Superior Cleaners
- 20) Arcadia Creek West End District
- 21) 1919 East Kilgore Service Road
- 22) 610 South Burdick Street
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- 35) 425 East Vine Street
- 36) 4124 Manchester Road
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- 38) 108 East Michigan Avenue
- 39) 421 and 427 East Michigan Avenue
- 40) 216 and 220 West Michigan Avenue
- 41) 162 East Michigan Avenue
- 42) 400 Bryant Street
- 43) 225 Parsons Street
- 44) 1910 Parkview Avenue
- 45) 1825 S. Park Street
- 46) 412 Howard Street
- 47) Foundry Phase II

General Plan Provisions

Statutory requirements cited in Section 13 (d), (e), (f), (i), (j), (k), (l), (m) and (n) involve general principles and approaches applicable to each site included in the Authority's Plan.

Method of Financing (Section 13(d))

The Authority's Brownfield Plan will rely on a "pay-as-you-go" approach, utilizing tax increment financing (TIF) revenue generated from new development on eligible brownfield sites. These funds will be accumulated by the Authority and reimbursed to the appropriate entities on an annual basis. It is anticipated that there will be instances where private parties will finance the cost of eligible activities under the Plan. To the extent that these costs are reimbursable, TIF revenue will be used to reimburse these parties on an annual basis as TIF revenue is generated. It is also the intent of the Authority to capture TIF revenue, as applicable administrative fees, allowable under Act 381. For each active project (TIF revenue collection occurring) contained within this Brownfield Plan, administrative fees will be reimbursed to the Authority after reimbursements for all eligible activities have been completed. Because allowable administrative fees are based on the number of active projects in any given year, the administrative fees for each active project will be calculated each year, once all TIF revenue has been collected and tabulated for that year. The final five years of TIF revenue capture will be accumulated in, and expended from, a Local Site Remediation Revolving Fund (LSRRF) established by the Authority. These "excess" LSRRF funds will be used to fund eligible activities on eligible properties.

Advances by the city from its economic development fund accounts or other sources may be required to cover certain eligible costs described in the Plan. It is understood that the city will be reimbursed for these expenses from TIF revenue as revenue is generated from new development on eligible sites. In addition, federal and state grant sources may be utilized to cover the costs of otherwise eligible activities under the Plan.

Maximum Amount of Bonded Indebtedness (Section 13(e))

It is not anticipated that the Authority will incur any bonded indebtedness with the adoption of its

Brownfield Plan. It is the Authority's intent to pursue a "pay-as-you-go" approach to financing its Plan.

Duration of the Brownfield Plan (Section 13(f))

The Authority's Brownfield Plan will capture TIF revenue from eligible properties in excess of the amount authorized under Section 13(4) for not more than five years after the time that capture is required to cover eligible activities as defined in the Act. These "excess" funds will be deposited in the LSRRF and used for authorized purposes only. Therefore, the duration of the Plan will be no longer than five years after the capture of TIF funds for eligible activities and administrative fees on the last eligible site identified in the Plan, or 35 years from the date of Plan approval, whichever is less, in accordance with Section 13(5).

Estimates of Numbers of Persons Residing on Eligible Properties; Study of Housing Market for Residents to be Displaced under Brownfield Plan (Section 13(i))

Eligible properties identified in this Plan contain no residents or residential properties which require displacement of individuals. Should eligible properties with residents targeted for displacement be added to the Plan in the future, the provisions of Section 13(i), 13(j), 13(k), and 13(l) will be addressed in detail through Plan amendments.

Plan for Relocation of Persons Displaced by Brownfield Plan (Section 13(j))

This section is not applicable at this time.

Provisions for Costs of Relocating Persons Displaced by Plan (Section 13(k))

This section is not applicable at this time.

Strategy for Compliance with Michigan Public Act 227 of 1972 (Section 13(l))

This section is not applicable at this time.

Description of Proposed Use of Local Site Remediation Revolving Fund (Section 13(m))

The fund will be used to reimburse public or private entities for costs described for eligible sites identified in this Plan as well as for any related eligible activities on these sites.

Other Material that the Authority or Governing Body Considers Pertinent (Section 13(n))

None.

Statutory requirements cited in Section 13 (a), (b), (c), (g) and (h) are provided on a site-by-site basis in the following 47 chapters.

47) Foundry Phase II

Eligible Property

100 Rochester Avenue, 06-15-454-001
155 Rochester Avenue, 06-15-445-001

155 Rochester Avenue Rear, 06-15-445-002

This 4.279-acre project site is comprised of three parcels that each have an acreage of 2.159, 2.1 and .02, respectfully. River's Edge Partners, LLC proposes to build a two-story mixed use building of approximately 60,000 total square feet (45,000 first floor 15,000 second floor) built on adjacent parcels to the newly opened Foundry Development (600 E. Michigan Ave). The project may encompass retail, office, residential and on-site parking for its tenants. The property is adjacent to Portage Creek and will provide a new opportunity to connect the east end downtown development with the current downtown district.

Basis of Eligibility

The Foundry property (600 E. Michigan Ave) is a "facility" (per Natural Resources and Environmental Protection Act, 1994 PA 451, as amended) due to the presence of chlorinated solvents, heavy metals, polycyclic aromatic hydrocarbons and/or petroleum hydrocarbons in soil and/or groundwater. The subject property is therefore eligible for inclusion in the Plan because it is adjacent to a "facility." Once environmental due diligence is completed for the subject property, it is likely that the presence of similar on-site contaminants will be confirmed.

The Plan (pursuant to section 13(1), Act No. 381 of 1996)

- a. A description of the costs of the plan intended to be paid for with the tax increment revenues;**
- b. A brief summary of the eligible activities that are proposed for each eligible property.**

Tax increment revenues will be used to offset eligible expenses associated with any eligible activities that are allowed under Act 381, as amended. Specific expected activities include: site preparation, infrastructure improvements, environmental assessments, due care activities, and environmental response activities. The current cost estimate for eligible activities is up to \$1,500,000.

- c. An estimate of the captured taxable value and tax increment revenues for each year of the Plan from each parcel of eligible property.**

Estimate of Captured Taxable Value: Assuming the property will be redeveloped as described, the anticipated future taxable value is estimated to be \$1,425,000. The current taxable value is \$35,058, leaving a net future taxable value, upon which capture can be based, of \$1,389,942.

Estimate of Tax Increment Revenues: Using the overall business millage rate of 58.2221 mills,

maximum annual available real property tax increment revenues are estimated to be \$80,925 for years 1 – 5. The calculation assumes that redevelopment has occurred as described above. It is the intent of the Authority to capture all available school and non-school tax increment revenue on real and personal property generated by new development on the site. These tax increments will be captured for up to five years after the time that capture is required for the purpose of paying the cost of eligible activities.

f. Duration of the Brownfield Plan for eligible activities.

It is anticipated that the capture of tax increment revenues will start by 2019. However, the date for the beginning of capture of tax increment revenues will be no later than January 1, 2024 and will continue for a period necessary to reimburse eligible activities plus five years of additional tax capture, but not longer than allowed by law.

g. Maximum Estimated Impact of Tax Increment Financing on Taxing Jurisdictions.

Taxing Unit	Business Millage Rate	Maximum Estimated Annual Taxes Captured by Authority
CITY OPERATING	12.0000	\$ 16,679
TRANSIT	0.7500	\$ 1,042
SOLID WASTE	1.8000	\$ 2,502
KCTA	0.3145	\$ 437
KVCC	2.8089	\$ 3,904
STATE EDUCATION TAX	6.0000	\$ 8,340
COUNTY (Summer)	4.6810	\$ 6,506
COUNTY (Winter)	1.4472	\$ 2,012
COUNTY HOUSING	0.0998	\$ 139
SCHOOL OPERATING	17.8704	\$ 24,839
KRESA OPERATING	2.8946	\$ 4,023
KRESA Allocated	0.1444	\$ 201
KRESA SPECIAL ED	1.4988	\$ 2,083
KALAMAZOO LIBRARY	3.9487	\$ 5,488
TOTAL	58.2221	\$ 80,925

Maximum annual increased taxable value = \$1,389,942

h. Legal description of each parcel of eligible property to which the plan applies, a map showing the location and dimensions of each eligible property, and a statement of whether personal property is included as part of the eligible property.

100 Rochester Avenue, 06-15-454-001:

15582 Part of BUCKOUTS ADDITION com at a pt 1175.83ft ELY alg ctr li of Michigan Avenue from its intersection with ctr li Edwards Street; th SELY at an angle of 86deg 36min 617.25ft for p.o.b.; th cont in the same course 290.1ft; th SWLY at an angle of 27deg 11min 15sec 140.5ft to NLY bank of Portage Creek; th SWLY at an angle of 74deg 56min 225.07ft; th NLY at an angle of 113deg 3min 45sec 450.2ft; th NELY at an angle of 54deg 49min 25ft to beg. Also beg at a pt of beg of above described parcel; th SWLY at an angle of 90deg 25ft; th SLY at an angle of 54deg 49min to left 450.2ft to NLY bank of Portage Creek; th SWLY alg sd bank 17.65ft; th NWLY par to & 90.5ft distant from ctr li of main track NYC RR 158ft; th NLY at an angle of 29deg 2min to right 167.25ft; th NELY at an angle of 26deg 1min to right 154.85ft; th NLY 23deg 25min to left 60ft; th SELY 53.85ft to beg.

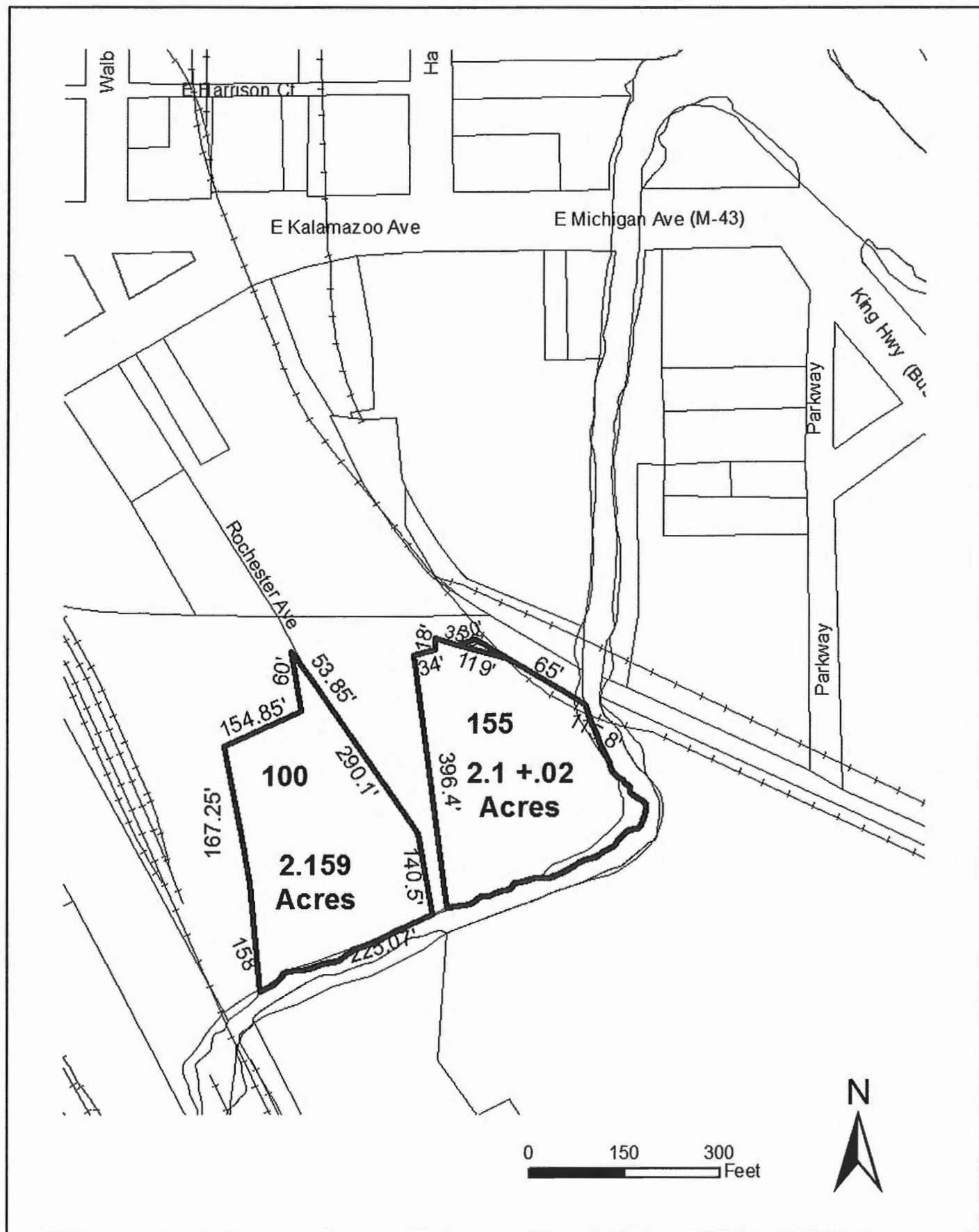
155 Rochester Avenue, 06-15-445-001:

4132 Section 15-2-11 Commencing at the intersection of the easterly line of South Pitcher Street with the southerly line of East Michigan Avenue; thence Northeasterly 1027.8ft along the southerly line of East Michigan Avenue; thence Southeasterly 645.9ft at an angle of 80deg 36min 30sec to the right from the last described course for the point of beginning; thence Northeasterly 34ft at an angle of 103deg 53min to the right; thence Northerly 18ft at an angle of 40deg to the left; thence Southeasterly 119ft at an angle of 78deg 02min 30sec to the right; thence 115.8ft at angle to the right of about 17deg to the westerly bank of Portage Creek; thence Southerly & Westerly along the west bank of the Portage Creek to a point being 6ft, measured at right angles, from the easterly rail of the C K & S Railway Company's Track No. 61 which crosses the Portage Creek at this point; thence Northerly 271ft to a point, said point being 6.35ft, measured at right angles from the easterly rail of said Track No. 61; thence Northerly 125.40ft to the point of beginning.

155 Rochester Avenue Rear, 4135 SEC 15-2-11 COM AT INTERSEC ELY LI S PITCHER ST WITH SLY LI MICHIGAN AVE, TH NELY ALG SD SLY LI 1027.8 FT, TH SELY AT AN ANGLE OF 80DEG 36MIN 30SEC TO THE LEFT FROM LAST DESC COURSE 645.9FT, TH NELY AT AN ANGLE OF 103DEG 53MIN TO THE RIGHT 34FT, TH NLY AT AN ANGLE OF 40DEG TO THE LEFT 18FT, TH SELY AT AN ANGLE OF 78DEG 02MIN 30SEC 35.5FT TO PL OF BEG, TH NELY AT AN ANGLE OF 38DEG 02MIN 30SEC TO THE LEFT 30FT, TH AT AN ANGLE OF 125DEG 57MIN 30SEC TO THE RIGHT 65FT, TH NWLY AT AN ANGLE OF 16DEG 83.5FT TO PL OF BEG.

For location and dimensions of property, see attached site diagram. Personal property will be included as part of the eligible property.

SITE LOCATION: FOUNDRY PHASE II



Aggregate Table 1

**Maximum Estimated Tax Increment Revenues Captured by
Brownfield Redevelopment Authority for the 47 Aggregate
Sites**

Taxing Unit Impacted	Years 1-5 (Each Year)
KVCC	\$175,372
Metro Transit	\$50,577
City Operating	\$1,152,863
Solid Waste	\$107,263
County	\$371,684
Kalamazoo Regional Educational Service Agency	\$227,250
County Transportation	\$14,999
Kalamazoo Library	\$246,599
State Education Tax	\$341,500
Kalamazoo School Operating	\$826,329
DDA	\$38,620
County Public Safety	\$13,587
Portage Public Schools	\$0
Comstock Public Schools	\$347,688
County Housing	\$1,549
Totals	\$3,915,880

Note: These figures reflect maximum captured dollars per year based upon all projects beginning simultaneously and tax capture ending simultaneously. In reality, projects on various sites will begin in different years, with five-year tax capture on each site ending in different years. The figures reflected in this table are for illustrative purposes only. The true tax investments will be far less per year, but over a longer time frame than five years. This explanation also applies to the estimate of taxable value in Aggregate Table 2.

For sites within the Downtown Development Authority District, figures represent 20% or more of estimated taxable value for real property and 100% of estimated taxable value for personal property, due to existing agreements between DDA and other taxing units.

Aggregate Table 2

Aggregate Estimates of Taxable Value for Each Year of Amended Plan
Maximum Estimated Taxable Value for the 47 Sites:

Taxing Unit	Years 1-5 (Each Year)
KVCC	\$102,725,452
Metro Transit	\$102,725,452
City Operating	\$102,725,452
Solid Waste	\$102,725,452
County	\$102,725,452
Kalamazoo Regional Educational Service Agency	\$102,725,452
County Transportation	\$46,907,644
Kalamazoo Library	\$102,725,452
State Education Tax	\$82,381,981
Kalamazoo School Operating	\$82,381,981
DDA	\$53,663,815
County Public Safety	\$9,986,170
Portage Public Schools	\$0
Comstock Public Schools	\$13,714,430
County Housing	\$19,204,322

Notes: See note for aggregate table 1

ASSUMPTIONS AND NOTES:

- 1) 2015 tax rates used for new chapters. Previous chapters used tax rates in effect at the time of their inclusion in the Plan.
- 2) No inflationary factor applied to projections.
- 3) Years 1-5 reflect cumulative estimates per year for all sites at their fully-developed, maximum taxable value. In reality, sites will be prepared and redeveloped at various and staggered times. The five-year maximum duration of tax capture will begin later in the life of the Brownfield Plan for some sites. Therefore, the tax capture for any given year, as reflected in this table, will be a lesser amount during the first five-year period. The total number of years subject to tax capture will be greater than five, but no more than 30, with the five-year statutory limitation on tax capture per site after the completion of eligible activities under the Plan

City Administration & Financial Services Information

Site Name	Address	Parcel No.	Date Added to Plan	Act 381 Work Plan Details	Initial Taxable Value*
1 Willard/Walbridge	507 Harrison Street	06-15-274-004	15-Sep-97	n/a	\$4,420
	527 Harrison Street	06-15-274-001	15-Sep-97	Approved 4/20/98 for \$22,327; Total spent: \$19,380	\$6,100
	527 Harrison Street (second redevelopment at address)	06-15-274-001	15-Sep-97	n/a	\$141,489
	514 East Ransom Street	06-15-273-004	15-Sep-97	DEQ approved \$17,853 6/8/01; MEDC approved \$12,265 5/30/01	\$9,380
2 701 East Michigan Avenue	701 East Michigan Avenue	06-15-429-003	15-Sep-97	n/a	\$0
3 Former SER Plating	2152 Portage Street	06-27-283-005	September 15, 1997; March 6, 2000	n/a	\$0
4 2700 East Cork Street	2700 East Cork Street	06-36-130-001	15-Sep-97	n/a	\$42,500
	2700 East Cork Street	06-88-004-041	15-Sep-97	n/a	\$0
5 North Point Retail Park	700 North Westnedge Avenue	06-15-160-001	4-May-98	n/a	\$0
6 Former Liberty Gas	930 Portage Street	06-22-291-002	4-May-98	n/a	\$0
7 4175 Davis Creek Court	4175 Davis Creek Court	06-36-475-001	4-May-98	n/a	\$0
8 Northside Grocery Store Development Site	512 North Park Street	06-15-172-102	2-Jun-03	n/a	\$16,550
	612 North Park Street	06-15-167-108	2-Jun-03	n/a	\$5,900
	105 East Michigan Avenue	06-15-376-010	7-Jun-04	n/a	\$578,145
9 105 East Michigan Avenue	105 East Michigan Avenue - Rear	06-15-376-011	7-Jun-04	n/a	\$0
10 4141 Manchester	4141 Manchester	06-88-008-438	7-Jun-04	n/a	\$2,451,100
	4141 Manchester	06-36-339-001	7-Jun-04	n/a	\$252,000

11	512-524 East North Street	512 East North Street	06-15-264-402	7-Jun-04	n/a	\$9,484
		514 East North Street	06-15-264-404	7-Jun-04	n/a	\$3,365
		516 East North Street	06-15-264-406	7-Jun-04	n/a	\$3,901
		518 East North Street	06-15-264-401	7-Jun-04	n/a	\$23,347
		520 East North Street	06-15-264-407	7-Jun-04	n/a	\$22,581
		522 East North Street	06-15-264-405	7-Jun-04	n/a	\$3,901
12	Ramp #3	524 East North Street	06-15-264-403	7-Jun-04	n/a	\$3,728
		173 East South Street	06-15-392-300	7-Jun-04	n/a	\$0
		231 East South Street	06-15-388-101	7-Jun-04	n/a	\$0
		149 Farmers Alley	06-15-387-301	7-Jun-04	n/a	\$0
		155 Farmers Alley	06-15-387-300	7-Jun-04	n/a	\$0
		140 Portage Street	06-15-383-200	7-Jun-04	n/a	\$0
13	United Building	130 Portage Street	06-15-382-201	7-Jun-04	n/a	\$0
		180 Portage Street	06-15-388-100	7-Jun-04	n/a	\$0
		202 East Kalamazoo Ave	06-15-338-282			
		242 East Kalamazoo Avenue	06-15-339-280			
		507 North Park Street	06-15-302-106	2-Aug-04	n/a	\$5,263
		822 Schuster	06-23-286-001	2-Aug-04	n/a	\$0
14	507 North Park Street	911 Hatfield	06-23-290-002	2-Aug-04	n/a	\$0
15	City Yards	277 South Rose Street	06-15-390-300	5-Sep-06	n/a	\$494,626
16	South & Rose	314 Parsons Street	06-15-215-076	6-Nov-06	n/a	\$4,592
17	Former J.A. Richards Blocks	322 Parsons Street	06-15-215-075	4-Apr-11	n/a	\$0
		809 Porter Street	06-15-251-133	4-Sep-12	n/a	\$227
		813 Porter Street	06-15-251-233	4-Sep-12	n/a	\$0
		817 Porter Street	06-15-221-003	4-Sep-12	n/a	\$344
		825 Porter Street	06-15-221-060	4-Apr-11	n/a	\$0
		901 Porter Street	06-15-216-200	4-Apr-11	n/a	\$0
		315 East Frank Street	06-15-250-150	4-Apr-11	n/a	\$0
		810 North Pitcher Street	06-15-250-031	4-Sep-12	n/a	\$15,200

18	Gull & North (Now 655 Gull, 06-15-281-025)	627 East North Street	06-15-281-019	21-Apr-08	n/a	\$8,294
		631 East North Street	06-15-281-020	21-Apr-08	n/a	\$0
		651 Gull Street	06-15-281-021	21-Apr-08	n/a	\$0
19	Former Superior Cleaners	3122 Oakland Drive	06-29-474-010	29-Jun-09	n/a	\$0
		3122 Oakland Drive	06-29-474-011	29-Jun-09	n/a	\$0
		243 Cooley Street	06-15-315-501	29-Jun-09	n/a	\$0
		411 West Kalamazoo Avenue	06-15-311-002	29-Jun-09	n/a	\$0
		431 West Kalamazoo Avenue	06-15-310-103	29-Jun-09	n/a	\$0
20	Arcadia Creek West End District	227 North Park Street	06-15-317-105	29-Jun-09	n/a	\$0
		416 West Water Street	06-15-321-209	29-Jun-09	n/a	\$0
		240 North Westnedge Avenue	06-15-315-503	29-Jun-09	n/a	\$0
21	1919 E. Kilgore Service Road	1919 E. Kilgore Service Road	06-35-469-001	29-Jun-09	n/a	\$370,600
22	610 South Burdick Street	610 South Burdick Street	06-22-141-060	29-Jun-09	n/a	\$107,600
23	419 Harrison Street	419 Harrison Street	06-15-404-007	4-Apr-11	n/a	\$0
24	511 East Paterson Street	511 East Paterson Street	06-10-495-001	4-Apr-11	n/a	\$0
25	1101 Portage Street (now 06-22-434-008)	730 Lake Street	06-22-434-007	4-Apr-11	n/a	\$0
		1111 Portage Street	06-22-428-004	3-Sep-13	n/a	\$0
26	316 South Kalamazoo Mall	316 South Kalamazoo Mall	06-15-390-210	16-May-11	n/a	\$567,700
27	154 South Kalamazoo Mall	154 South Kalamazoo Mall	06-15-386-223	5-Jul-11	n/a	\$210,519
28	155 West Michigan Avenue	155 West Michigan Avenue	06-15-380-081	6-Sep-11	n/a	\$153,554
29	1807 North Pitcher Street	1807 North Pitcher Street	06-10-405-001	4-Sep-12	n/a	\$0
		525 East Ransom Street	06-15-269-351	4-Sep-12	TBD	\$0
30	500 Block East Ransom Street	535 East Ransom Street	06-15-290-207	2-Feb-15	TBD	\$9,916
		617 Harrison Street	06-15-285-103	4-Sep-12	TBD	\$0
31	2700 Block of West Michigan Avenue	2701 West Michigan Avenue	06-20-330-100	3-Sep-13	TBD	\$423,600

32	500 – 516 East Butler Court	500 East Butler Court	06-15-268-202	4-Sep-12	TBD	\$501
		501 East Butler Court	06-15-263-207	4-Sep-12	TBD	\$0
		502 East Butler Court	06-15-268-203	4-Sep-12	TBD	\$501
		504 East Butler Court	06-15-268-204	4-Sep-12	TBD	\$395
		506 East Butler Court	06-15-268-205	4-Sep-12	TBD	\$467
		508 East Butler Court	06-15-268-206	4-Sep-12	TBD	\$573
33	4620 Stadium Drive and 2075 South Drake Road	510 East Butler Court	06-15-268-201	4-Sep-12	TBD	\$5,862
		516 East Butler Court	06-15-268-208	4-Sep-12	TBD	\$6,515
		4620 Stadium Drive	06-30-116-001	6-Jan-14	n/a	\$494,960
34	600 East Michigan Avenue	2075 South Drake Road	06-30-120-001	6-Jan-14	n/a	\$63,190
		600 East Michigan Avenue	06-15-435-010	2-Sep-14	TBD	\$265,280
35	425 East Vine Street	578 Rear East Michigan Ave	06-15-440-002	6-Jul-15	TBD	\$6,900
36	4124 Manchester Road	425 East Vine Street	06-22-251-014	2-Sep-14	n/a	\$84,500
37	508 East Frank Street	4124 Manchester Road	06-36-341-001	2-Sep-14	n/a	\$694,500
		508 East Frank Street	06-15-258-011	1-Feb-15	TBD	\$83,718
		505 East North Street	06-15-258-001	1-Feb-15	TBD	\$0
38	108 East Michigan Avenue	714 Walbridge Street	06-15-258-010	1-Feb-15	TBD	\$4,400
		108 E. Michigan Avenue	06-15-381-015	6-Jul-15	TBD	\$456,300
39	421 & 427 East Michigan Avenue	421 E. Michigan Avenue	06-15-416-122	6-Jul-15	TBD	\$30,000
		427 E. Michigan Avenue	06-15-411-271	6-Jul-15	TBD	\$220,000
40	216 W. Michigan Avenue & 220 W. Michigan Avenue	216 W. Michigan Ave	06-15-354-132	7-Dec-15	TBD	\$0
		220 W. Michigan Ave	06-15-354-031	7-Dec-15	TBD	\$0
41	162 East Michigan Avenue	162 East Michigan Avenue	06-15-382-104	7-Dec-15	TBD	\$379,800
42	400 Bryant Street	400 Bryant Street	06-27-212-002	7-Dec-15	TBD	\$180,000

43	225 Parsons Avenue	225 Parsons	06-15-139-001	6-Jun-16	TBD	\$177,771.00
		1208 N Edwards St	06-15-128-015	6-Jun-16	TBD	
		215 E Bush St	06-15-129-004	6-Jun-16	TBD	
		219 E Bush St	06-15-129-015	6-Jun-16	TBD	
		221 E Bush St	06-15-19-003	6-Jun-16	TBD	
		223 E Bush St	06-15-129-014	6-Jun-16	TBD	
		909 Scudder Ct	06-15-144-015	6-Jun-16	TBD	
		1910 Parkview	06-29-497-016	6-Jun-16	TBD	
44	1910 Parkview Avenue	1923 Whites Rd	06-29-497-014	6-Jun-16	TBD	\$68,589.00
45	1825 S. Park Street	1825 S. Park Street	06-27-103-003	6-Jun-16	TBD	\$171,793.00
46	412 Howard Street	412 Howard Street	06-22-366-002	20-Apr-17	TBD	\$940,589.00
47	Foundry Phase II	100 Rochester Ave	06-15-454-001	21-Sep-17	TBD	\$13,300.00
		155 Rochester Ave	06-15-445-001	21-Sep-17	TBD	\$21,758.00
		155 Rochester Ave Rear	06-15-445-002	21-Sep-17	TBD	\$0.00



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

REVIEWED BY: Jerome R. Kisscorni, Assistant City Manager & Economic Development Director

PREPARED BY: Ryan Simpson, Economic Development Coordinator

DATE: 9/22/2017

SUBJECT: A resolution to dissolve City of Kalamazoo Local Development Finance Authority and to distribute the remaining assets

RECOMMENDATION

It is recommended that the City Commission adopt a resolution to dissolve the City of Kalamazoo Local Development Finance Authority (LDFA) and distribute the remaining assets.

BACKGROUND

In April 2001, the State of Michigan (the "State") designated the Business, Technology, and Research Park (the "BTR Park") at Western Michigan University (WMU) a "SmartZone." At the time, this designation was one of only eleven such designations in the State, and was the result of a joint application from WMU, the City of Kalamazoo (the "City"), and Southwest Michigan First.

Since its creation, the SmartZone has operated as a district through the Local Development Finance Authority (LDFA) under the provisions of PA 281 of 1986, as amended. This structure allowed for the utilization of tax increment financing (TIF) as the financing mechanism for eligible expenses. Starting in 2002, the LDFA captured all new and incremental growth from the initial assessed value determined on the basis of assessments as of December 31, 2000. Based on the enabling legislation, the maximum length of capture through the established TIF Plan was for a length not to exceed 15 years (i.e., through taxes captured in 2016).

From the outset, the TIF Plan and Development Plan that were approved to guide the advancement of the SmartZone outline a number of desired outcomes. These goals from 2002, and major accomplishments as of present day in 2017, include:

- Over 1,400 direct and indirect jobs and hundreds of student internships have been retained and/or created
- Over 50 companies have been attracted to the SmartZone, with 41 additional companies located in the Innovation Center (total of 91 companies). In addition, 35 patents have been developed at the WMed Innovation Center and many WMU faculty have partnered with SmartZone companies on research projects.
- At its creation, the tax base of the SmartZone was \$0. Today, the total assessed value of SmartZone properties is over \$8 million.

In short, the goals set in 2002 were all accomplished. Moving forward, the WMU SmartZone will continue on as a “non-TIF SmartZone.” This means that the park will maintain the designation as a SmartZone but will not be able to capture any new tax increment based off of future new development on or around the site.

On November 18, 2015, the LDFA Board approved the proposed budget for 2016, the final year of the LDFA District. This budget includes a surplus of \$31,998 for 2016 after all expenses. With a beginning fund balance of \$19,512 leftover from 2015, this would leave the LDFA with a balance of \$51,510 as of 2017 as a budgetary surplus with no outstanding infrastructure reimbursements or expenses to be paid.

With the goals of the Local Development Finance Authority (LDFA) achieved, and with a year-end budget surplus of \$51,510, it is recommended that the City Commission adopt a resolution to dissolve the LDFA and to distribute the remaining assets to the affected taxing units.

COMMUNITY RESOURCES CONSULTED

This recommendation did not require advisory board consultation. The Local Development Finance Authority met on August 11, 2017, and passed a resolution in support of dissolving the Authority. The minutes of the meeting are attached.

FISCAL IMPACT

None. The City would distribute the remaining funds in the amount of \$51,510 to local taxing jurisdictions.

ALTERNATIVES

- The City Commission could choose not to approve the resolution to dissolve the City of Kalamazoo Local Development Finance Authority and transfer the remaining balance of \$51,510 to the general fund.
- The City Commission could choose to approve the resolution with specific conditions.
- The City Commission could choose to approve the resolution, as recommended.

ATTACHMENTS:

Type	Description
□ Resolution	Resolution
□ Resolution	LDFA Resolution
□ Background Material	Summary of Activities, Outcomes, and Closeout of the LDFA District

CITY OF KALAMAZOO

RESOLUTION NO. 17-

A RESOLUTION TO DISSOLVE CITY OF KALAMAZOO LOCAL DEVELOPMENT FINANCE AUTHORITY AND TO DISTRIBUTE THE REMAINING ASSETS

Minutes of a regular meeting of the City Commission for the City of Kalamazoo on October 2, 2017 at 7:00 o'clock p.m., local time, at the City Hall, 241 West South Street, Kalamazoo, Michigan.

PRESENT, Commissioners:

ABSENT, Commissioners:

Recitals:

- A. The City Commission under the authority of Act 281 of 1986, as amended, (MCL 125.2151 et. seq.) adopted Resolution No. 01-12 (dated February 5, 2001) to create the Local Development Finance Authority (LDFA), to designate the boundaries for the LDFA district, and to appoint the LDFA Board of Directors. (The LDFA district was later expanded under Resolution No. 01-52).
- B. The LDFA district is located in Western Michigan University Business, Technology and Research Park (BTR).
- C. An agreement dated February 18, 2002 among Western Michigan University (WMU), LDFA and the Michigan Economic Development Corporation (MEDC) designated BTR as one of 11 SmartZones in Michigan and qualified the LDFA district as a certified business park.
- D. The MEDC is authorized by Public Act 104 of 2008 to enter into agreements with local development finance authorities that are designated certified technology parks by agreement with previously designated certified SmartZones.
- E. This agreement does not include authorization of a Tax Increment Financing Plan and prohibits consideration of any future local and school tax capture.
- F. As part of the designation as a SmartZone, the City Commission approved the Tax Increment Financing Plan and Development Plan for the LDFA district with the adoption of Resolution No. 02-26 (dated March 18, 2002) (TIF Plan).
- G. Under the TIF Plan LDFA was able to capture tax increment revenues through 2016 for the purposes generally of (i) attracting and retaining technology related jobs in

the city; (ii) attracting and retaining technology related capital in the city; (iii) creating tax base on otherwise tax-exempt public land over the long term; and (iv) providing the only viable financing mechanism available in the city for implementing the TIF Plan.

- H. During the term of the TIF Plan LDFA was able to capture \$6,458,351.96 million dollars, which was leveraged to allow approximately \$8 million in capital investment for businesses located in BTR, especially assisting the Innovation Center to attract and support new startup businesses. When LDFA was created there were no businesses in BTR Park; currently there are 50 located in the park and 41 in the Innovation Center.
- I. The LDFA Board of Directors met on August 11, 2017. It determined that the purposes for which it was organized and TIF Plan was adopted were fulfilled, and that after the satisfaction of all its obligations LDFA has property and assets remaining in the amount of \$51,150.00. Therefore, LDFA adopted the attached resolution recommending that the City Commission dissolve LDFA and distribute its remaining property and assets.

THEREFORE, IT IS RESOLVED as follows:

1. The City Commission determines that the purposes for which the LDFA was organized were fulfilled in meeting the objectives under the Act 281 and the TIF Plan.
2. The City Commission adopts this resolution under the authority Section 20 of Act 281 (MCL 125.2170) to dissolve LDFA and to direct the City's Chief Financial Officer, or his designee, to distribute the remaining property and assets of LDFA in amount of \$51,150.00 proportionately to the taxing jurisdictions from which the tax increment revenues were captured.

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission for the City of Kalamazoo at a regular meeting held on September 5, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.

Scott A. Borling, City Clerk

**CITY OF KALAMAZOO
LOCAL DEVELOPMENT FINANCE AUTHORITY**

**A RESOLUTION RECOMMENDING DISSOLUTION OF
LOCAL DEVELOPMENT FINANCE AUTHORITY AND
DISTRIBUTION OF REMAINING ASSETS**

Minutes of a special meeting of the City of Kalamazoo Local Development Finance Authority held on August 11, 2017 at 9:00 o'clock a.m., local time, at the City Hall, 241 West South Street, Kalamazoo, Michigan.

PRESENT, Members: Jill Bland, Michael Collins, Joan Dombrowski, Alexander Lee, Scott McGraw, Bob Miller, Doug Phillips, and Tom Skrobola

ABSENT, Members: Claire Eager, Paula Sorrell, and Gary Start

Recitals:

- A. The Kalamazoo City Commission under the authority of MCL 125.2151 et. seq. adopted Resolution No. 01-12 (dated February 5, 2001) to create the Local Development Finance Authority (LDFA), to designate the boundaries for the LDFA district, and to appoint the LDFA Board of Directors. (The LDFA district was later expanded under Resolution No. 01-52).
- B. The LDFA district is located in Western Michigan University Business, Technology and Research Park (BTR).
- C. An agreement dated February 18, 2002 among Western Michigan University (WMU), LDFA and the Michigan Economic Development Corporation (MEDC) designated BTR as one of 11 SmartZones in Michigan and qualified the LDFA district as a certified business park.
- D. As part of the designation as a SmartZone, the City Commission approved the Tax Increment Financing Plan and Development Plan for the LDFA district with the adoption of Resolution No. 02-26 (dated March 18, 2002) (TIF Plan).
- E. Under the TIF Plan LDFA was able to capture tax increment revenues through 2016 for the purposes generally of (i) attracting and retaining technology related jobs in the city; (ii) attracting and retaining technology related capital in the city; (iii) creating tax base on otherwise tax-exempt public land over the long term; and (iv) providing the only viable financing mechanism available in the city for implementing the TIF Plan.

- F. The LDFA Board of Directors has determined that the purposes for which it was organized and TIF Plan was adopted were fulfilled, and that after the satisfaction of all its obligations LDFA has property and assets remaining in the amount of \$51,510.

THEREFORE, IT IS RESOLVED as follows:

1. The LDFA adopts this resolution and recommends: (a) the Kalamazoo City Commission adopts a resolution under the authority of MCL 125.2170 dissolving LDFA; and (b) the remaining property and assets of LDFA in amount of \$51,510 be distributed proportionately to the taxing jurisdictions from which the tax increment revenues were captured.

The above resolution was offered by Member Bob Miller and supported by Member Michael Collins.

AYES, Members: Jill Bland, Joan Dombrowski, Alexander Lee, Douglas Phillips, Thomas Skrobola and Scott McCraw

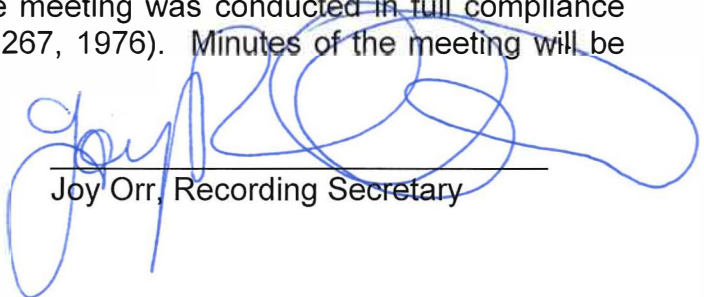
NAYS, Members: None

ABSTAIN, Members: None

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City of Kalamazoo Local Finance Development Authority at a special meeting held on August 11, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.



Joy Orr, Recording Secretary

City of Kalamazoo

Local Development Finance Authority and District at the
Western Michigan University
Business, Technology, and Research Park



Photo: wmich.edu/btr/about-park

Summary of Activities, Outcomes, and Closeout of the LDFA District

August 2017



CONTENTS

I. INTRODUCTION 1

II. BACKGROUND 2

III. ECONOMIC IMPACT 5

IV. FINANCIAL SUMMARY 6

V. CLOSEOUT & TRANSITION 8

APPENDIX

ACKNOWLEDGMENTS

Fifteen years after its official establishment as a SmartZone and Certified Technology Park, the Business, Technology, and Research Park at Western Michigan University is a shining example of Southwest Michigan’s **tenacity for innovation** and **collaborative approach to economic development**.

The success of the WMU BTR Park would not have been possible without the ongoing support and assistance from Southwest Michigan First, Western Michigan University, and the City of Kalamazoo. In addition, the SmartZone program championed by the Michigan Economic Development Corporation acted as the springboard for this entire initiative. Finally, thanks are owed to the many Southwest Michigan companies, innovators, and researchers whose hard work made this project a success.



I. INTRODUCTION

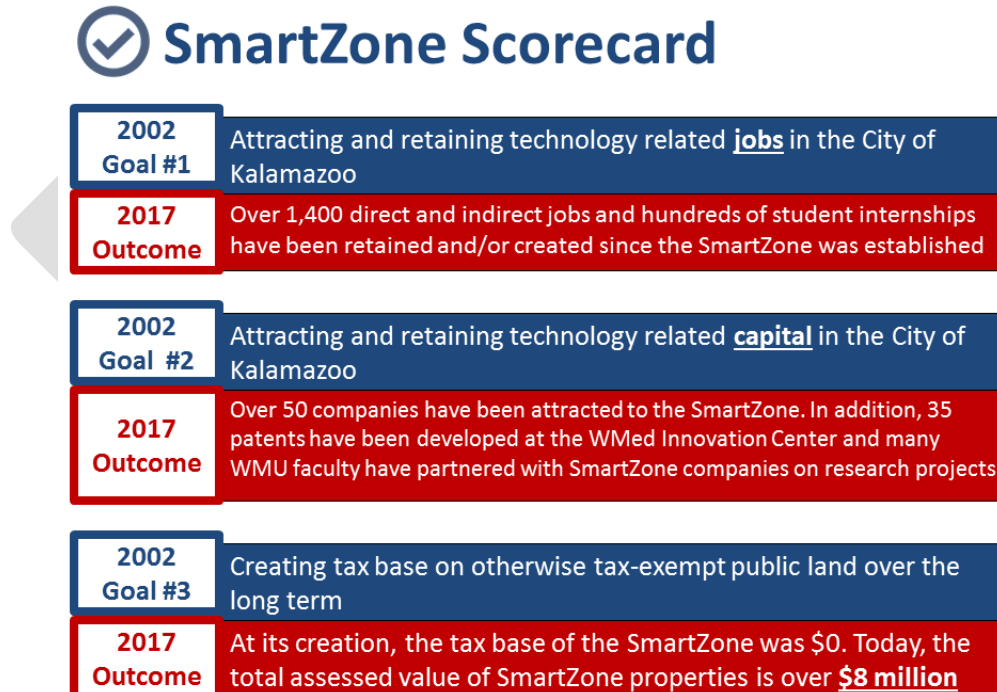
In April 2001, the State of Michigan (the "State") designated the Business, Technology, and Research Park (the "BTR Park") at Western Michigan University (WMU) a "SmartZone." At the time, this designation was one of only eleven such designations in the State, and was the result of a **joint application from WMU, the City of Kalamazoo (the "City"), and Southwest Michigan First.**

Since its creation, the SmartZone has operated as a district through the Local Development and Finance Authority (LDFA) under the provisions of PA 281 of 1986, as amended. This structure allowed for the utilization of tax increment financing (TIF) as the financing mechanism for eligible expenses. Starting in 2002, the LDFA captured all new and incremental growth from the initial assessed value determined on the basis of assessments as of December 31, 2000. Based on the enabling legislation, the maximum length of capture through the established TIF Plan was for a length not to exceed 15 years (i.e., through taxes captured in 2016).

SmartZone Major Accomplishments

From the outset, the TIF Plan and Development Plan that were approved to guide the advancement of the SmartZone outlined a number of desired outcomes. These goals from 2002, and major accomplishments as of present day in 2017, are illustrated in Figure 1.

Figure 1: SmartZone Goals and Outcomes



In short, these goals were all accomplished with resounding success. Additional detail on activities and outcomes within the SmartZone over the last 15 years are included within this document.

Document Overview

As the tax capture period of the TIF Plan and Development Plan for the SmartZone has reached its end, this document was developed to serve as a summary of major accomplishments, relevant activities, and outcomes for the SmartZone over the previous 15 years. In addition to this brief introduction, this document contains four main sections:

- **Background:** Detailed information about the creation of the SmartZone, enabling legislation, location, and other relevant background
- **Economic Impact:** Number of jobs, businesses, patents, and overall investment generated at the SmartZone
- **Financial Summary:** Overview of the SmartZone's overall financial performance, including tax capture, year-by-year breakdowns, and major projects financed
- **Closeout and Transition:** Summary of what happens following official "Closeout" of the LDFA District related to items such as tax capture, leadership, and administration

II. BACKGROUND

Classifications

Over the last 15 years, the WMU BTR Park has benefitted from its classifications as both a SmartZone and a certified technology park (CTP). The **SmartZone** program was created by the Michigan Economic Development Corporation (MEDC) to stimulate growth of technology-based businesses and jobs by designating recognized clusters of technological businesses and research institutions across Michigan.

The **CTP designation** resulted from an agreement subsequent to the SmartZone classification between the MEDC, the City, and WMU. This designation qualifies the LDFA district as a CTP for the purpose of maximizing TIF capture under PA 248 of 2000 (an amendment to PA 281 of 1986).

Designation as a CTP expands the tax capture opportunity to include 50% of the operating levies of Kalamazoo Public Schools, the Kalamazoo Regional Educational Service Agency (KRESA), and the State Education Tax. This is in addition to the standard allowable capture of the operating levies of all local taxing units. The WMU BTR Park, LDFA District, SmartZone, and CTP are all different names for the same area of land depicted in Figure 2 on the following page.

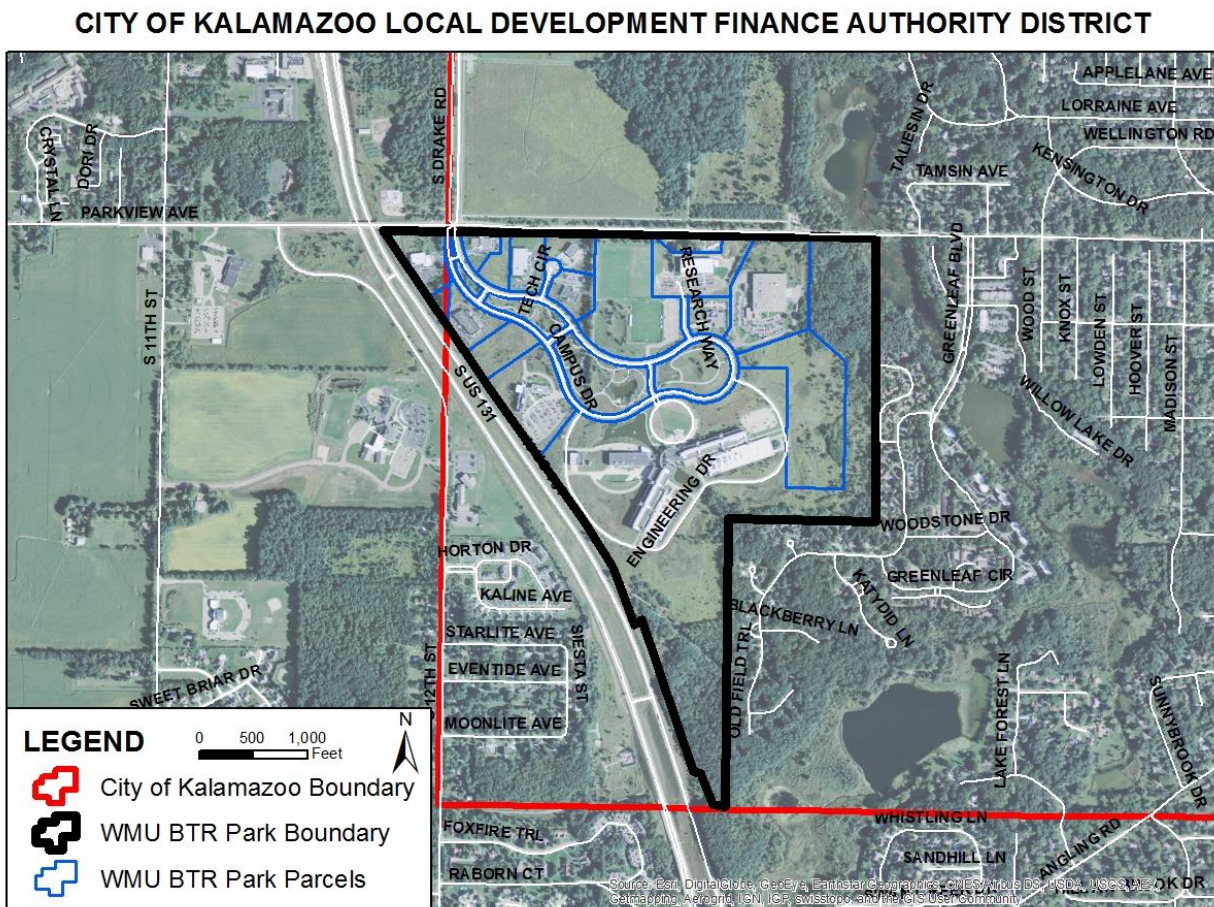
Location

The WMU BTR Park is located in the southwestern portion of the City of Kalamazoo. The WMU BTR Park itself was originally comprised of two parcels, one being the portion of the WMU BTR Park located within the City (approximately 265 acres) and the other being an adjacent property located in Oshtemo Township (approximately 6.5 acres). See Figure 2 for a view of the WMU BTR Park's location. As Figure 2 shows, the WMU BTR Park now contains 20 parcels.

The original Development Plan stated the boundaries of the WMU BTR Park as follows:

"The property is irregularly shaped. The western/southwestern border of the property is U.S. 131. The southern tip of the property is the City of Kalamazoo/City of Portage boundary on a line that would connect Kilgore Road on the east and N Avenue on the west. The northern border is Parkview Avenue. The eastern border is staggered and runs west of, but roughly parallel to, Green Leaf Boulevard, Green Leaf Circle, and Old Field Trail in the Parkview Hills neighborhood."

Figure 2: Map of the LDFA District at the WMU BTR Park



Major Tenants

The BTR Park is home to the **WMU Homer Stryker M.D. School of Medicine Innovation Center** (the “Innovation Center”), formerly known as the Southwest Michigan Innovation Center. Originally opened in 2003, the Innovation Center is a life science, advanced technology, and engineering incubator that features 58,000 square feet of wet-lab space, 11,000 square feet of conference room space, offices, and common areas. The Innovation Center is located at the intersection of Campus Drive and Engineering Drive.

In addition, the **WMU College of Engineering and Applied Sciences** is located adjacent to the WMU BTR Park, consisting of the four buildings encircled by Engineering Drive. The BTR Park and College of Engineering and Applied Sciences are both part of WMU’s Parkview Campus.

The remaining buildings within the Park consist of **private companies**. The presence of WMU and the Innovation Center, paired with the incentives associated with the SmartZone and CTP classifications, were catalysts for the substantial private development in the WMU BTR Park since 2002.

TIF Overview

The basic concept of tax increment financing (TIF) allows a local government, through an authority such as the LDFA, to finance public improvements in a designated development district by capturing the property taxes levied on any increase in property values within that district. Under a TIF Plan, a base year is established for the development district, resulting in an “initial assessed value” for the district.

In subsequent years, any increase in assessment above the base year level is referred to as the “captured assessed value”. Property taxes levied on the state equalized value (SEV) of all real and personal property within the designated area by all taxing units (less any debt service or other millages specified as exempt in the enabling statutes) is diverted, or “captured” for use in carrying out the adopted Development Plan for the district.

Increases in assessed values of properties within a development district that result in generation of tax increment revenue, can be from new construction occurring after the date established as the base tax year, improvements to existing properties occurring after the date of initial tax year, and increases in property values that occur for any other reason.

III. ECONOMIC IMPACT

The WMU BTR Park has experienced a substantial amount of success and growth since 2002. These successes can be broken down into two major categories; those that occurred within and resulting from the activities at the **Innovation Center**, and those related to private development within the **WMU BTR Park** as a whole.

Innovation Center

The Innovation Center's success has cemented Southwest Michigan's status as one of the leaders in life science, technology, and engineering research and innovation. Some of the major successes of the Innovation Center include:

- The "launch" of nearly 30 startup companies (i.e., business ventures that began at the Innovation Center), of which 83% are still active
- Incubation of over 40 firms, with services provided to over 90 companies
- Generation of over 350 direct and indirect jobs in the region, accounting for over \$18 million in payroll
- The creation of six Investigational New Drugs, 35 patents, and 11 compounds in human clinical trials
- Grants totaling over \$8 million from organizations including the MEDC, Foundation for the National Institutes of Health, and People for the Ethical Treatment of Animals¹

In addition to the services provided by the Innovation Center as a whole, the Launch MI Lab was established in 2013 as a sub-unit of the overall Innovation Center's mission. The Launch MI Lab offers professional analytical services to the life sciences industry and low-cost lab space and equipment to entrepreneurs testing new ideas related to life sciences. The Launch MI Lab further strengthens the services offered within the Innovation Center and intends to build off the success of the last 15 years.

WMU BTR Park

The WMU BTR Park has gone from a greenfield to almost an entirely built-out business park in 15 years. This rapid success includes the attraction of over 50 private-sector businesses, of which eight have constructed their own facilities at the Park. As a result, these companies have created or retained over 1,400 direct and indirect jobs.²

¹ W.E. Upjohn Institute for Employment Research, Employment and Income Impact of the Southwest Michigan Innovation Center, George Erickcek, November 2010

² Western Michigan University, Business Technology and Research Park, "About the Park", <https://wmich.edu/btr/about-park>

According to the WMU BTR Park website (www.wmich.edu/btr), there are nearly 40 companies located at the Park currently. The majority of companies at the Park operate within three business sectors; life sciences, advanced engineering, and information technology.

IV. FINANCIAL SUMMARY

From a financial perspective, the creation of the LDFA District served the purpose for which it was created. This section details the expenditures associated with the LDFA District as well as the revenues generated by tax capture.

Projects Financed

The TIF Plan was developed to finance advances extended by the City during the initial construction of the WMU BTR Park. These improvements included the following projects that were initially outlined in the 2002 Plan:

Figure 3: Detailed Project Descriptions and Cost Estimates (2002)

Project	Description	Location	Construction Staging	Estimated Cost	Financing
Drake Road Improvements	Widen road from two to four lanes	Stadium Dr. to Parkview Ave.	Complete in 2001	Local match: \$530,000	City of Kalamazoo reimbursed over time by TIF revenue
Drake Road Sanitary Sewer	Install sewer line to service WMU BTR Park	Stadium Dr. to Parkview Ave.	Complete in 2001	\$250,000	
Parkview Avenue Improvements	Resurface; widen from 2 to 3 lanes Kent Ave. to Green Leaf Blvd.; Intersection improvements at Drake Rd.	Kent Ave. to Drake Rd.	Complete in 2002	Local match: \$1,012,569	
Water Main (second phase)	Install water main to service WMU BTR Park	Park interior along Campus Dr.	Complete in 2001	\$33,500	
Water & Sanitary Sewer Lot Connections	Connections to developed lots from main lines	Business development area of Park	Consistent with pace of BTR Park build out	\$183,000	
Infrastructure Maintenance and Repair	Maintenance of road and municipal utility lines; repairs as needed	Campus Dr. and utilities inside Park	Ongoing through life of LDFA	\$399,220	
Innovation Center	Equipment, furniture, and operating expenses*	BTR Park lots 15 & 16	Ongoing through life of LDFA	\$1,748,980	Reimbursement to Innovation Center owners from TIF revenue

**Innovation Center operating expenses included marketing, legal and accounting, and business support.*

In addition to the projects outlined in Figure 3 above, marketing for the WMU BTR Park as a whole was covered through TIF Revenue as well as administrative support provided by the City.

WMU also supported the BTR Park through the construction of Tech Circle and Research Way, two roads that service the BTR Park. The LDFA reimbursed WMU for the construction of these roadways and they have been transferred to the City for dedication and ongoing maintenance.

Tax Capture

The SmartZone and CTP designations allowed for capture of additional revenue over the length of the LDFA District's life. In sum, the LDFA District allowed for the capture of 50% of millages levied by local jurisdictions (e.g., Kalamazoo County, Kalamazoo Public Library, etc.) as well as 50% of millages for Kalamazoo Public Schools, the State Education Tax, and KRESA. Figure 4 provides a year-by-year breakdown of total tax capture from 2002 through 2016.

Figure 4: Year-by-year Tax Capture for LDFA District

Tax Year	Property Tax	IFT*	Total Captured
2002	\$21,261.39	\$49,300.68	\$70,562.07
2003	\$193,068.00	\$107,610.00	\$300,678.00
2004	\$304,660.52	\$115,016.39	\$419,676.91
2005	\$189,644.13	\$115,016.39	\$304,660.52
2006	\$232,394.81	\$110,292.74	\$342,687.55
2007	\$239,047.07	\$149,852.27	\$388,899.34
2008	\$243,376.79	\$200,872.84	\$444,249.63
2009	\$243,610.54	\$202,180.60	\$445,791.14
2010	\$267,176.17	\$203,247.80	\$470,423.97
2011	\$265,278.08	\$198,438.15	\$463,716.23
2012	\$268,227.82	\$195,946.69	\$464,174.51
2013	\$281,024.91	\$193,174.84	\$474,199.75
2014	\$477,257.67	\$113,661.50	\$590,919.17
2015	\$529,612.81	\$117,343.23	\$646,956.04
2016	\$518,075.20	\$112,684.93	\$630,760.13
Total			\$6,458,354.96

*Industrial Facility Tax

(see http://www.michigan.gov/taxes/0,1607,7-238-43535_43537-157971--,00.html for more information)

Ending Balance

On November 18, 2015, the LDFA Board approved the proposed budget for 2016, the final year of the LDFA District. The budget includes a surplus of \$31,998 for 2016 after all expenses. With a beginning fund balance of \$19,512 leftover from 2015, this would leave the LDFA with a balance of \$51,510 as of 2017 as a budgetary surplus with no outstanding infrastructure reimbursements or expenses to be paid. The 2016 year-end budget showing detailed revenue and expenditure information is included in the Appendix.

V. CLOSEOUT & TRANSITION

According to PA 281 of 1986, the enabling legislation for the LDFA District,

“An authority that completes the purposes for which it was organized shall be dissolved by resolution of the governing body. The property and assets of the authority remaining after the satisfaction of the obligations of the authority shall belong to the municipality or to an agency or instrumentality designated by resolution of the municipality.”

With all reimbursements taken care of and the LDFA projected to end 2016 with a budgetary surplus, it is time to plan for the dissolution of the LDFA District and a transition into the future operating structure for the WMU BTR Park and the Innovation Center. The following organizations that have been critical in the operation of the LDFA District over its life will continue with the following roles moving forward:

- **WMed Innovation Center:** The Innovation Center is fully operational and will continue to be run by the WMU Homer Stryker M.D. School of Medicine, a private medical school which is a collaboration between WMU, Borgess Health, and Bronson Healthcare
- **WMU BTR Park:** The Park itself is located on WMU’s campus and will continue to be promoted and overseen by WMU
- **MEDC:** The MEDC will continue to provide resources to the BTR Park and recognize it as one of its state-supported SmartZones as it transitions from a traditional TIF SmartZone to a “No TIF MEDC SmartZone designation” (see Appendix)
- **Southwest Michigan First:** Southwest Michigan First will continue to provide its services as applicable to assist in business recruitment, retention and expansion within the WMU BTR Park to grow Southwest Michigan’s economy
- **City of Kalamazoo:** The City of Kalamazoo will work to ensure that the WMU BTR Park continues to be served by high quality infrastructure and was identified as the primary point of contact with the MEDC in the recently submitted No TIF SmartZone Designation application
- **Taxing Jurisdictions:** All taxing jurisdictions that were affected by the 50% tax capture during the length of the TIF Plan will now be eligible to capture the full amount of taxes levied on the taxable property within the WMU BTR Park. In addition, the recommendation from the LDFA Board is to distribute the remaining budgetary surplus back to the local taxing jurisdictions in proportion to the amount captured from them
- **LDFA Board:** The LDFA Board met in August 2017 to approve a plan for handling the budgetary surplus and to formalize the dissolution of the LDFA District and Board (see resolution in Appendix)

APPENDIX

Appendix A
2016 LDFA Budget

LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

2016 YEAR END

	2014 Actual	2015 Budget	2015 Actual	2016 Budget	2016 Actual
Revenue					
Projected TIF Revenue	590,793	594,631	641,801	633,515	623,926
Miscellaneous Revenue	0	0	0	0	0
Total Resources Available	590,793	594,631	641,801	633,515	623,926
Expenditures					
Reimbursement (non-Balance Sheet) for WMU BTR Park Infrastructure	0	0	0	0	0
Reimbursement (non-Balance Sheet) for 2011 Campus Drive (to Major Sts)	0	0	0		
BTR Park Marketing	0	0	0	3,000	0
Operating Expenses: Southwest Michigan Innovation Center					
Marketing	0	5,464	0	0	0
Legal and Accounting	0	10,927	0	0	0
Business Support	131,456	91,980	336,072	333,371	333,371
Administrative Fees	2,892	2,808	2,808	2,892	2,892
City Administrative Support (via EDC Fund)	81,024	81,025	265,524	265,024	276,732
Total Projected Expenses	215,372	192,204	604,404	604,287	612,995
LDFA Overall Fund Balance					
Beginning Fund Balance	(404,237)	(28,816)	(28,816)	8,582	8,582
Surplus(Deficit)	375,421	402,427	37,398	29,228	10,931
Ending Fund Balance	(28,816)	373,611	8,582	37,810	19,512
LDFA Infrastructure Maintenance Sinking Fund (a segment of Overall Fund Balance)					
Beginning Balance	52,127	52,127	52,127	52,127	0
Contributions to (from)		0	0	0	0
Ending Balance	52,127	52,127	52,127	52,127	0
Balance Sheet Liabilities: Payment Schedule (to be paid from excess Overall Fund Balance generated above)					
	BTR Park Infrastructure Costs	1/1/2011 Balance	2011 Repayments	12/31/2011 Balance	
Drake Road Improvements	413,265	40,025	40,025	-	
Parkview Avenue Improvements	1,367,103	1,025,229	91,339	933,890	
Sanitary Sewer Reimbursement	116,716	69,287	30,000	39,287	
Water and Sewer Connections	154,226	99,638	20,000	79,638	
Ending Balance	2,085,880	1,234,179	181,364	1,052,815	
Budgetary Surplus Available for Liability Payment:			197,934		
		1/1/2012 Balance	2012 Repayments	12/31/2012 Balance	
Parkview Avenue Improvements		933,890	47,000	886,890	
Sanitary Sewer Reimbursement		39,287	39,287	-	
Water and Sewer Connections		79,638	20,000	59,638	
Ending Balance		1,052,815	106,287	946,528	
Budgetary Surplus Available for Liability Payment:			375,421		
		1/1/2013 Balance	2013 Repayments	12/31/2013 Balance	
Parkview Avenue Improvements		886,890	222,359	664,531	
Water and Sewer Connections		59,638	59,638	-	
Ending Balance		946,528	281,997	664,531	
Budgetary Surplus Available for Liability Payment:			298,304		
		1/1/2014 Balance	2014 Repayments	12/31/2014 Balance	
Parkview Avenue Improvements		664,531	328,619	335,912	
Ending Balance		664,531	328,619	335,912	
Budgetary Surplus Available for Liability Payment:			328,619		
		1/1/2015 Balance	2015 Repayments	12/31/2015 Balance	
Parkview Avenue Improvements		335,912	335,912	-	
Ending Balance		335,912	335,912	-	
Budgetary Surplus Available for Liability Payment:			0		

Appendix B

MEDC “No TIF SmartZone Application”



SmartZone Designation Extension (no TIF) Application

Michigan SmartZones, allowed under Act 281 of Michigan of 1986 as amended, provide distinct geographical locations where technology-based firms, entrepreneurs and researchers locate in close proximity to all of the community assets that assist in their endeavors. The Act allows for a certified technology park to extend its designation (without a tax increment financing plan) upon approval by the president of the Michigan Economic Development Corporation (MEDC) contingent upon the authority agreeing to maintain reporting requirements and regional collaboration.

The SmartZone designation extension process will begin with MEDC consideration of the SmartZone designation extension request. The MEDC will then enter into a formal agreement with the SmartZone to extend designation without tax capture.

1. SmartZone Information

SmartZone Applicant

Past Performance

Year Agreement Signed	2002	
High-Tech Jobs Projected	1,100	High-Tech Jobs Created 850
Current Reporting Cycle	2016	
Current Reporting Due Date(s)	April 2017	
Number of Ongoing Research Projects	10	
Number of Completed Research Projects	34	
Number of Ongoing Commercialization Projects	10	
Number of Completed Commercialization Projects	19	
Amount of Investments by the SmartZone	5,287,429	

Number and Type of Businesses Assisted (attach additional pages if necessary)

Over 90 total businesses assisted, all high-tech companies

Number and Type of Businesses locating or expanding (attach additional pages if necessary)

50 high-tech firms located/expanded in the Kalamazoo SmartZone, 41 in the Innovation Center.

Primary Contact Information

Primary Contact

Ryan Simpson, Economic Development Coordinator

Organization

City of Kalamazoo

Mailing Address

Kalamazoo City Hall, 241 W. South St.

City

Kalamazoo

State

MI

Zip

49007

Phone

269-337-8082

Email

simpsonr@kalamazoo-city.org

Please provide the type, amount and status of all financial incentives previously awarded by the Michigan Economic Development Corporation (MEDC)

See attached page

2. Required Application Attachments

- An analysis of the Zone's overall contribution to the technology based economy in Michigan and the region to be provided by the SmartZone.
- Plan for future performance:
 - Demonstration of Regional Cooperation and local support, including but not limited to, interlocal agreements, local planning strategies highlighting SmartZone focus, and required local approvals.
 - Submission of an updated business plan with a clear strategy for growth during the extension period and how they will continue to attract specific high-tech business. This will include information on how the institution of higher education will be involved in the implementation of this plan. Demonstration of administrative capacity to continue to implement the business plan and how the zone will transition to become self-sufficient.

SmartZone Applicant Signature

Date

**If you have any questions, please contact
James Tischler, Community Development Unit
(517) 420-8531**

Appendix C

Resolutions to Dissolve LDFA District and Board

DRAFT

CITY OF KALAMAZOO

RESOLUTION NO. 17-

A RESOLUTION TO DISSOLVE CITY OF KALAMAZOO LOCAL DEVELOPMENT FINANCE AUTHORITY AND TO DISTRIBUTE THE REMAINING ASSETS

Minutes of a regular meeting of the City Commission for the City of Kalamazoo on September 5, 2017 at 7:00 o'clock p.m., local time, at the City Hall, 241 West South Street, Kalamazoo, Michigan.

PRESENT, Commissioners:

ABSENT, Commissioners:

Recitals:

- A. The City Commission under the authority of Act 281 of 1986, as amended, (MCL 125.2151 et. seq.) adopted Resolution No. 01-12 (dated February 5, 2001) to create the Local Development Finance Authority (LDFA), to designate the boundaries for the LDFA district, and to appoint the LDFA Board of Directors. (The LDFA district was later expanded under Resolution No. 01-52).
- B. The LDFA district is located in Western Michigan University Business, Technology and Research Park (BTR).
- C. An agreement dated February 18, 2002 among Western Michigan University (WMU), LDFA and the Michigan Economic Development Corporation (MEDC) designated BTR as one of 11 SmartZones in Michigan and qualified the LDFA district as a certified business park.
- D. As part of the designation as a SmartZone, the City Commission approved the Tax Increment Financing Plan and Development Plan for the LDFA district with the adoption of Resolution No. 02-26 (dated March 18, 2002) (TIF Plan).
- E. Under the TIF Plan LDFA was able to capture tax increment revenues through 2016 for the purposes generally of (i) attracting and retaining technology related jobs in the city; (ii) attracting and retaining technology related capital in the city; (iii) creating tax base on otherwise tax-exempt public land over the long term; and (iv) providing the only viable financing mechanism available in the city for implementing the TIF Plan.
- F. During the term of the TIF Plan LDFA was able to capture \$___ million dollars, which was leveraged to allow approximately \$ ___ million in capital investment for businesses located in BTR, especially assisting the Innovation Center to attract and support new startup businesses. When LDFA was created there were ___

businesses in BTR Park; currently there are ____.

- G. The LDFA Board of Directors met on August 11, 2017. It determined that the purposes for which it was organized and TIF Plan was adopted were fulfilled, and that after the satisfaction of all its obligations LDFA has property and assets remaining in the amount of \$_____. Therefore, LDFA adopted the attached resolution recommending that the City Commission dissolve LDFA and distribute its remaining property and assets.

THEREFORE, IT IS RESOLVED as follows:

1. The City Commission determines that the purposes for which the LDFA was organized were fulfilled in meeting the objectives under the Act 281 and the TIF Plan.
2. The City Commission adopts this resolution under the authority Section 20 of Act 281 (MCL 125.2170) to dissolve LDFA and to direct the City's Chief Financial Officer, or his designee, to distribute the remaining property and assets of LDFA in amount of \$_____ proportionately to the taxing jurisdictions from which the tax increment revenues were captured.

The above resolution was offered by _____ and supported by

_____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission for the City of Kalamazoo at a regular meeting held on September 5, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.

Scott A. Borling, City Clerk

**CITY OF KALAMAZOO
LOCAL DEVELOPMENT FINANCE AUTHORITY**

**A RESOLUTION RECOMMENDING DISSOLUTION OF
LOCAL DEVELOPMENT FINANCE AUTHORITY AND
DISTRIBUTION OF REMAINING ASSETS**

Minutes of a special meeting of the City of Kalamazoo Local Development Finance Authority held on August 11, 2017 at 9:00 o'clock a.m., local time, at the City Hall, 241 West South Street, Kalamazoo, Michigan.

PRESENT, Members:

ABSENT, Members:

Recitals:

- H. The Kalamazoo City Commission under the authority of MCL 125.2151 et. seq. adopted Resolution No. 01-12 (dated February 5, 2001) to create the Local Development Finance Authority (LDFA), to designate the boundaries for the LDFA district, and to appoint the LDFA Board of Directors. (The LDFA district was later expanded under Resolution No. 01-52).
- I. The LDFA district is located in Western Michigan University Business, Technology and Research Park (BTR).
- J. An agreement dated February 18, 2002 among Western Michigan University (WMU), LDFA and the Michigan Economic Development Corporation (MEDC) designated BTR as one of 11 SmartZones in Michigan and qualified the LDFA district as a certified business park.
- K. As part of the designation as a SmartZone, the City Commission approved the Tax Increment Financing Plan and Development Plan for the LDFA district with the adoption of Resolution No. 02-26 (dated March 18, 2002) (TIF Plan).
- L. Under the TIF Plan LDFA was able to capture tax increment revenues through 2016 for the purposes generally of (i) attracting and retaining technology related jobs in the city; (ii) attracting and retaining technology related capital in the city; (iii) creating tax base on otherwise tax-exempt public land over the long term; and (iv) providing the only viable financing mechanism available in the city for implementing the TIF Plan.
- M. The LDFA Board of Directors has determined that the purposes for which it was organized and TIF Plan was adopted were fulfilled, and that after the satisfaction of all its obligations LDFA has property and assets remaining in the amount of

\$ _____.

THEREFORE, IT IS RESOLVED as follows:

3. The LDFA adopts this resolution and recommends: (a) the Kalamazoo City Commission adopts a resolution under the authority of MCL 125.2170 dissolving LDFA; and (b) the remaining property and assets of LDFA in amount of \$ _____ be distributed proportionately to the taxing jurisdictions from which the tax increment revenues were captured.

The above resolution was offered by _____ and supported by _____.

AYES, Members:

NAYS, Members:

ABSTAIN, Members:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City of Kalamazoo Local Finance Development Authority at a special meeting held on August 11, 2017. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.

Joy Orr, Recording Secretary



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

REVIEWED BY: Jerome R. Kisscorni, Assistant City Manager & Economic Development Director

PREPARED BY: Ryan Simpson, Economic Development Coordinator

DATE: 9/22/2017

SUBJECT: Michigan Economic Development Corporation SmartZone “non TIF” Agreement

RECOMMENDATION

It is recommended that the City Commission approve the Michigan Economic Development Corporation SmartZone “Non-TIF” Agreement and designate the City Manager to sign the necessary papers effectuating the agreement.

BACKGROUND

In April 2001, the State of Michigan (the “State”) designated the Business, Technology, and Research Park (the “BTR Park”) at Western Michigan University (WMU) a “SmartZone.” At the time, this designation was one of only eleven such designations in the State, and was the result of a joint application from WMU, the City of Kalamazoo (the “City”), and Southwest Michigan First.

To date, the LDFA has accomplished all of its goals set forth in 2002. With all reimbursements taken care of and the LDFA projected to end in 2017 with a budgetary surplus of \$51,510, it is time to plan for the dissolution of the LDFA District and a transition into the future operating structure for the WMU BTR Park and the Innovation Center. The following organizations that have been critical in the operation of the LDFA District over its life will continue with the following roles moving forward:

- **WMED Innovation Center:** The Innovation Center is fully operational and will continue to be run by the WMU Homer Stryker M.D. School of Medicine
- **WMU BTR Park:** The Park itself is located on WMU’s campus and will continue to be promoted and overseen by WMU as a “non-TIF SmartZone.” This means that the park will maintain the designation as a SmartZone but will not be able to capture any new tax increment based off of future new development on or around the site.
- **MEDC:** The MEDC will continue to provide resources to the BTR Park and recognize it as one of its state-supported SmartZones as it transitions from a traditional TIF SmartZone to a “No TIF MEDC SmartZone designation.”
- **Southwest Michigan First:** Southwest Michigan First will continue to provide its services as applicable to assist in business recruitment, retention, and expansion within the WMU BTR Park to grow Southwest Michigan’s economy.

- **City of Kalamazoo:** The City of Kalamazoo will work to ensure that the WMU BTR Park continues to be served by high-quality infrastructure and was identified as the primary point of contact with the MEDC in the recently submitted No TIF SmartZone Designation Application (attached)
- **Taxing Jurisdictions:** All taxing jurisdictions that were affected by the 50 percent tax capture during the length of the TIF Plan will now be eligible to capture the full amount of taxes levied on the taxable property within the WMU BTR Park. In addition, the recommendation from the LDFA Board is to distribute the remaining budgetary surplus back to the local taxing jurisdictions in proportion to the amount captured from them.
- **LDFA Board:** The LDFA Board met on August 2017 to approve a plan for handling the budgetary surplus and to formalize the dissolution of the LDFA District and Board.

It is recommended that the City Commission approve the Michigan Economic Development Corporation SmartZone Agreement and designate a person to sign the necessary papers effectuating the amendment.

COMMUNITY RESOURCES CONSULTED

This recommendation did not require advisory board consultation.

ALTERNATIVES

- The City Commission could choose not to approve the No TIF SmartZone agreement. Such action would likely negatively impact future development at the site.
- The City Commission could choose to approve the agreement, as recommended

ATTACHMENTS:

Type	Description
□	Agreement Non-TIF SmartZone Agreement

CITY OF KALAMAZOO SMARTZONE AGREEMENT

This SmartZone Agreement (“Agreement”), dated September 11, 2017, is between the Michigan Economic Development Corporation (“MEDC”), the City of Kalamazoo (“City”), and the Local Development Finance Authority of the City of Kalamazoo (“Authority”). In this Agreement, the MEDC, the City, and the Authority sometimes may be referred to individually as a “Party” and collectively as “Parties.”

RECITALS

WHEREAS, The Michigan Legislature enacted Public Act 248 of 2000, to amend 1986 PA 281 to promote the development of high technology businesses throughout the State of Michigan;

WHEREAS, The MEDC is authorized by Public Act 104 of 2008 to enter into agreements with local development finance authorities that are designated certified technology parks by agreement with previously designated certified technology parks (“SmartZones”) within the State of Michigan;

WHEREAS, by resolution dated February 5, 2001, the City of Kalamazoo resolved to create a Local Development Finance Authority exercising powers in the Authority District the (“LDFA”);

WHEREAS, this agreement does not include authorization of a Tax Increment Financing Plan and prohibits consideration of any future local and school tax capture;

In consideration of the mutual covenants contained in this Agreement, the MEDC, the City, and the Authority agree as follows:

ARTICLE I DEFINITIONS

Section 1.01 Act. “Act” means 1986 PA 281, as amended.

Section 1.02 Affiliated Parties. “Affiliated Parties” means public and private individuals, businesses, and organizations with which the Local Representatives may enter into letters of intent, memoranda of understanding, contractual agreements or other types of arrangements to provide, or induce opportunities for, support, market access, assistance or other types of direct or in-kind assistance for tenants of the Business Incubator or for the development of high technology activity within the SmartZone.

Section 1.03 Agreement. “Agreement” means this written Agreement.

Section 1.04 Agreement Date. “Agreement Date” means the date first set forth above.

Section 1.05 Appendices. “Appendices” means the appendices serially identified in this Agreement, including any amendments or substitutions to them, which are furnished to MEDC by the Authority as they are subsequently prepared and approved by the Authority, the City, and/or

MEDC in accordance with the Act.

Section 1.06 Authority. “Authority” means the Local Development Finance Authority of the City of Kalamazoo.

Section 1.07 Authority District. “Authority District” means an area within the City described in the resolution establishing the Authority, and/or subsequent resolution adopted by the City commission of the City of Kalamazoo and which establishes the boundaries of the Authority District.

Section 1.08 Business Incubator. “Business Incubator” means the facility or facilities identified in a Tax Increment Financing Plan (TIFP) will after approval of the TIFP be used in a manner provided by the TIFP and authorized in the Act for a Business Incubator.

Section 1.09 Certified Technology Park. “Certified Technology Park” or “SmartZone” is the portion of an Authority District designated by agreement between the MEDC, a municipality and a local development and finance authority as permitted by Section 12a of the Act. The area is described in the document attached hereto as **Appendix A**.

Section 1.10 City. “City” means the City of Kalamazoo.

Section 1.11 County. “County” means the County of Kalamazoo

Section 1.12 SmartZone. “Kalamazoo SmartZone” means the area in which the Authority may establish a Certified Technology Park.

Section 1.13 Local Representatives. “Local Representatives” means the City, and the Authority.

Section 1.14 MEDC. “MEDC” means the Michigan Economic Development Corporation, a public body corporate created under section 28 of Article VII of the State Constitution of 1963 and the Urban Cooperation Act of 1967, 1967 PA 7, by interlocal agreement effective April 5, 1999 between participating local economic development corporations created under 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan Strategic Fund, or its successor as provided for in the Act.

Section 1.15 Resolution. “Resolution” means the documents creating the Authority and filed with the Michigan Secretary of State and attached hereto as **Appendix B**.

Section 1.16 State. “State” means the State of Michigan.

Section 1.17 SmartZone. “SmartZone” or “Certified Technology Park” is the portion of an authority district designated by agreement between a municipality in which a Certified Technology Park has been designated under the act, another municipality, and a local development and finance authority as permitted by Section 12b of the Act.

Section 1.18 Statewide SmartZone Council. “Statewide SmartZone Council” means the SmartZone advisory group comprised of representatives of each SmartZone and the MEDC.

Section 1.19 Tax Increment Revenues. "Tax Increment Revenues" means that term as defined in the Act.

Section 1.20 Term. "Term" means the period beginning on the Agreement Date and ending on December 31, 2032, except as otherwise provided in Section 5.01 of this Agreement.

Section 1.21 Treasury. "Treasury" means the State of Michigan Department of Treasury or State Treasurer.

Section 1.22 University. "University" means Western Michigan University.

ARTICLE II RIGHTS AND OBLIGATIONS OF THE MEDC

Section 2.01 Marketing of the Authority's SmartZone by MEDC. After approval of the SmartZone District, the MEDC shall market the Kalamazoo SmartZone as one of the Certified Technology Parks authorized under the Act. All marketing of the SmartZone by MEDC shall be consistent with the purposes and objectives of the Authority. It is understood that the marketing funds to be expended by the MEDC in fulfillment of its obligation under this Section 2.02 shall be determined by the MEDC.

Section 2.02 Role of the MEDC. The MEDC shall play no role in policy development or decision-making of the Authority including, but not limited to, the areas of zoning, acquisition and disposal of interests in real and personal property, and land development.

Section 2.03 No Approval of Other Tax Incentives. The Authority may seek assistance in the form of other state incentives including, but not limited to, brownfield redevelopment tax incentives, obsolete property redevelopment tax abatement, and other grants and loans to support business development. By signing this Agreement, the MEDC has not signified approval for these incentives, or opined on the Authority's eligibility for these incentives.

Section 2.04 Expansion of the SmartZone. The Local Representatives shall not expand the area or areas at the SmartZone or add an additional area or areas to the SmartZone without the approval of the MEDC. The Authority shall demonstrate a direct impact on high-tech growth in the expanded area if it seeks to expand the SmartZone.

ARTICLE III RIGHTS AND OBLIGATIONS OF THE LOCAL REPRESENTATIVES

Section 3.01 Representation of Compliance with the Act. The Local Representatives represent and warrant that the Authority District was created in compliance with the Act in all material respects.

Section 3.02 Incubator Programs and Participation. The Local Representatives shall develop and implement programs designed to foster the use of the Business Incubator, without support of tax increment revenues and development of other high technology enterprises located within the SmartZone.

Section 3.03 Private Sector Participation. The Local Representatives shall develop and implement programs designed to foster partnerships with the private sector to support

commercialization of technology and development of other high technology enterprises located within the SmartZone.

Section 3.04 University Programs and Participation. The Local Representatives collaborating with the University shall develop and implement programs designed to foster the use of talent resources, and technology at the University towards accelerating technology commercialization and the development of other high technology enterprises located within the SmartZone

Section 3.05 MEDC Membership on the Authority. The Local Representatives shall appoint a representative, selected by the MEDC, as an ex-officio, non-voting member to the Authority.

Section 3.06 Reporting Requirements.

(a) The Authority shall provide, or cause to the extent applicable and required by the MEDC, a report annually containing the following information due no later than April 15 for the previous calendar year data:

- (i) The amount and source of tax increment revenues received.
- (ii) The amount and purpose of expenditures of tax increment revenues
- (iii) The initial assessed value of eligible property.
- (iv) The captured assessed value of the eligible property retained by the authority
- (v) The number of high tech jobs created and retained including average sales of high tech jobs.
- (vi) The number of all other jobs created within the SmartZone.
- (vii) A summary of the SmartZone operations, including, but not limited to, number of high tech businesses assisted, number of high tech businesses locating or expanding in the SmartZone, number of private investment by high-tech companies, number of on-going and completed research projects, number of on-going and completed commercialization projects, and similar information for activity of the business incubator.
- (viii) The amount of new private and new public investment in the SmartZone, (including university investment within the SmartZone).
- (ix) Other money that has been leveraged throughout the year to attract and retain high tech industry.
- (x) The proposed purpose of Tax Increment Financing funds for the next year of the authority.
- (xi) The amount of principal and interest on any outstanding bonded indebtedness of the authority.
- (xii) The amount in any bond reserve account.
- (xiii) Any MEDC funding received for Incubator and/or high-tech activities.
- (xiv) Any other information requested by MEDC or Treasury.

Section 3.07 Reporting Portal. The MEDC shall make available an electronic online portal for the Authority to use for providing the above information items. The Authority shall identify and make staff available for training, and agrees to access the portal and input their reporting data in accordance with the above requirements.

Section 3.08 Use of SmartZone Service Mark. The Local Representatives shall use the SmartZone service mark and logo in accordance with the guidelines on <http://www.michiganbusiness.org/logo-request/> as may be amended from time to time.

Section 3.09 Statewide SmartZone Council. The Local Representatives agree to participate in the activities of the Statewide SmartZone Council, including, but not limited to, assisting the MEDC in developing a marketing plan for the SmartZone program.

Section 3.10 TIF Prohibition. The Authority shall not have the authority to adopt a Tax Increment Financing Plan and there shall be no consideration of any future local or school tax capture for the Smartzone pursuant to this Agreement.

ARTICLE IV INTELLECTUAL PROPERTY

Section 4.01 Service Mark. The MEDC owns the SmartZone service mark and grants a limited license to the Local Representatives and sublicensees of them for use in promoting the Kalamazoo SmartZone in accordance with guidelines established by the MEDC. The MEDC retains the exclusive right to revoke any license or sublicense authorized by this Agreement, or the SmartZone approval pursuant to Section 5.03 of this Agreement.

ARTICLE V TERM, TERMINATION, AND DEFAULT

Section 5.01 Termination. This Agreement shall terminate by the first to occur of the following:

- (a) Expiration of the Term.
- (b) An action, other than one caused by an Event of Default, by any of the following means that voids, suspends, terminates the Authority District as the area in which the Authority may establish a SmartZone;
 - (i) Court order
 - (ii) Any ruling, bulletin, order, administrative or executive decision of the State, State Tax Commission, any State official, or State commission, authority, body or employee with authority to make such determination or take such action, or
 - (iii) State or federal legislative action.
- (c) The involuntary dissolution or liquidation of the Authority.
- (d) The voluntary termination of this Agreement by the MEDC and the Local Representatives. It is understood that the Parties shall not unreasonably withhold their consent to terminate this Agreement under this Section 5.01(d) if it should be in the best interest under good business practice standards to terminate this Agreement.

Section 5.02. Rights of the MEDC. The expiration of the Term shall not affect the rights of the MEDC in connection with its SmartZone service mark.

Section 5.03 Default.

- (a) An event of default under this Agreement “Event of Default” or “Default” shall mean, whenever used in this Agreement, the failure by any of the Local Representatives to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of (45) days after receipt of written notice that specifies such failure and

requests that it be remedied, shall have been given by the party providing notice of Default to all other Parties; provided, however, that if the failure is such that it can be corrected but not within such 45-day period, and corrective action is instituted within such period and diligently pursued until such failure is corrected, then such period shall be increased to such extent necessary to enable the Party failing to observe or perform any covenant, condition or agreement to observe or perform such covenant, condition, undertaking or agreement through the exercise of due diligence. The MEDC is not bound by the period for cure described herein in the event of a failure by the Authority to comply with Section 3.02(a) of this Agreement.

(b) Except as provided in this Agreement upon the occurrence and during the continuance of an Event of Default, any non-defaulting Party may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of this Agreement.

(c) Whenever an Event of Default is caused by the failure of any of the Local Representatives, the MEDC may exercise any one or more of the following remedies:

- (i) Cease to market, as otherwise agreed to by the MEDC under Section 2.02, or revoke permission to market under Section 3.10, the Kalamazoo SmartZone as a SmartZone. If the MEDC exercises this remedy, the Local Representatives may continue to market and operate the SmartZone during the Term.
- (ii) Suspend or revoke of the limited license or sublicense(s) granted under Section 4.01 of the use of the "SmartZone" service mark to any of the Local Representatives or their authorized sublicensees.

Section 5.04 Limitations on Obligations and Remedies.

(a) The authorization to use the MEDC's "SmartZone" service mark extended to the Local Representatives and their sublicensees shall cease immediately upon termination of this Agreement or dissolution of the MEDC, without requiring any action by the MEDC.

ARTICLE VI MISCELLANEOUS

Section 6.01 Designation of MEDC. The President of MEDC, or his designee, is designated as the authorized officer to make determinations and approvals on behalf of the MEDC related to the satisfaction of any condition imposed by this Agreement upon a Local Representative, the terms of any performance required by a Local Representative, or the terms of any agreement entered into between a Local Representative and another person or organization which is subject to MEDC approval.

Section 6.02 Entire Agreement. This Agreement, including all its Appendices and Exhibits, sets forth the entire agreement between the parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter hereof. It is further understood and agreed that the terms and conditions contained in this Agreement are contractual and are not a mere recital, and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter of this Agreement except as expressly stated in this Agreement.

Section 6.03 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

Section 6.04 Severability of Provisions. If any provision of this Agreement, or its application to any Party or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Parties or circumstances is not affected but will be enforced to the extent permitted by law.

Section 6.05 Governing Law. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan without regard to the doctrines of conflict of laws.

Section 6.06 Captions. The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning or to be interpreted as part of this Agreement.

Section 6.07 Terminology. All terms and words used in this Agreement, regardless of the numbers or gender in which they are used, are deemed to include any other number and any other gender as the context may require.

Section 6.08 Cross-References. References in this Agreement to any Article include all sections, subsections, and paragraphs in the Article; references in this Agreement to any Section include all subsections and paragraphs in the Section.

Section 6.09 Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants or conditions of this Agreement, the matter under dispute, unless resolved between the parties, shall be submitted to the court of claims of the State of Michigan.

Section 6.10 Amendment. The Agreement may be amended or an alternative form of the Agreement adopted only upon written agreement of the Parties.

Section 6.11 Independent Contractor. The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party shall be that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

Section 6.12 Counterpart Signatures. This Agreement may be signed in counterparts. The counterparts taken together shall constitute a single agreement.

Section 6.13 No Waiver. No waiver by MEDC or a Local Representative of any breach of obligations, agreements or covenants herein shall be a waiver of any subsequent breach of any obligation, agreement or covenant, nor shall any forbearance by the MEDC or a Local Representative to seek a remedy for any breach by the another Party to this Agreement be a waiver of any rights or remedies with respect to such or any subsequent breach, nor shall any express waiver by the MEDC or a Local Representative be deemed to apply to any other existing or subsequent right to remedy any default another Party to this Agreement. No waiver by MEDC or

Execution Copy

a Local Representative of any default or breach by another Party to this Agreement in the performance of any of the covenants or obligations under this Agreement shall be deemed to have been made by the MEDC or Local Representative unless contained in a writing executed by the waiving Party. The MEDC and the Local Representatives do not waive any immunity provided by law.

IN WITNESS WHEREOF, the Parties cause this Agreement to be executed by their duly authorized representatives as of the Agreement Date.

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

BY: _____

ITS: President

DATE: _____, 2017

CITY OF KALAMAZOO

BY: _____

ITS: Mayor

DATE: _____, 2017

And

BY: _____

ITS: City Clerk

DATE: _____, 2017

WESTERN MICHIGAN UNIVERSITY

BY: _____

ITS: TITLE OF HIGHEST OFFICIAL

DATE: _____, 2017

LOCAL DEVELOPMENT FINANCE AUTHORITY OF THE CITY OF KALAMAZOO

BY: _____

ITS: Chairperson

DATE: _____, 2017

Execution Copy

APPENDICES

Appendix A Description of the Authority District

Appendix B LDFA Creation Resolution

Appendix A - Description of the Authority District

Exhibit A

The parcel of land being in Section 31 of the city of Kalamazoo, county of Kalamazoo, state of Michigan, and particularly described as follows:

Land lying in Section 31, Town 2 South, Range 11 West more particularly described as follows: the Northwest $\frac{1}{4}$ of Section 31 lying Northerly of the Northeasterly right-of-way line of U.S. Highway 131. Also the East $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 31 lying Northerly and Easterly of the Northeasterly right-of-way line of U.S. Highway 131. Also the West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of Section 31. Excluding from the entire parcel described above that part lying in the right-of-way of Parkview Avenue. (Approximately 265 acres.)

In addition, the following property located in Oshtemo Township, Kalamazoo County, shall be included in the LDFA District:

Part of the Northeast $\frac{1}{4}$ of Section 36, Town 2 South, Range 12 West Oshtemo Township, Kalamazoo County, Michigan; more particularly described as follows: Commencing at the Northeast corner of said Section 36; thence South 01 degree 02'18" West, 50.01 feet along the East line of said Section 36, to the point of beginning; thence continuing along said East line (said line also being the centerline of vacated 12th Street), a distance of 896.63 feet to a point of intersection of the Easterly right-of-way line of U.S. Highway 131 and the East line of said Section 36; thence North 34 degrees 42'26" West, 643.45 feet along said Easterly right-of-way line of said U.S. Highway 131 to a point of curve; thence Northwesterly 428.69 feet on a 2,761.79 foot radius curve to the right, a long chord bearing North 30 degrees 15'38" West, 428.26 feet to a point of intersection of the Easterly right-of-way line of said U.S. Highway 131 and the South right-of-way line of Parkview Avenue; thence South 89 degrees 46'19" East 598.44 feet, along said South right-of-way line to the point of beginning. Containing 6.46 acres more or less.

The LDFA district is irregularly shaped. The western/southwestern border of the district is U.S. 131. The southern tip of the district is the city of Kalamazoo/city of Portage boundary on a line that would connect Kilgore Road on the east and N Avenue on the west. The northern border is Parkview Avenue. The eastern border is staggered and runs west of, but roughly parallel to, Greenleaf Boulevard, Greenleaf Circle, and Old Field Trail in the Parkview Hills neighborhood.

Appendix B – LDFA Creation Resolution

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 01-12

A RESOLUTION CREATING A LOCAL DEVELOPMENT FINANCE AUTHORITY
FOR THE CITY OF KALAMAZOO, DESIGNATING BOUNDARIES OF AUTHORITY
DISTRICT AND PROVIDING FOR OTHER MATTERS

Minutes of a regular meeting of the City Commission of the City held on February 5
2001, at 7:00 o'clock p.m., local time, at the Kalamazoo City Commission Chambers

PRESENT: Commissioners Cooney, Gordon, Heilman, McCann, Teeter, Vice Mayor
McKinney, Mayor Jones

ABSENT: None

WHEREAS, the City of Kalamazoo (the "City") is authorized by the provisions of Act
281, Public Acts of Michigan, 1986, as amended ("Act 281"), to create local development finance
authority; and

WHEREAS, pursuant to Act 281, the City is required to hold a public hearing on the
establishment of a local development finance authority and the creation of authority districts in
which the local development finance authority will exercise its powers; and

WHEREAS, on October 30, 2000, the City Commission conducted a public hearing on
the proposed local development finance authority and the designation of the proposed authority
district; and

WHEREAS, not less than 60 days have passed since the public hearing.

NOW THEREFORE, be it resolved as follows:

Section 1. *Determination of Necessity; Purpose.* The City Commission hereby
determines that it is necessary and in the best interests of the public to create a public body
corporate which shall operate to help eliminate the causes of unemployment, underemployment
and joblessness, and to promote economic growth in the City, pursuant to Act 281.

Section 2. *Definitions.* The terms used in this resolution shall have the same meaning
as given to them in Act 281 or as hereinafter in this section provided unless the context clearly
indicates to the contrary. As used in this resolution:

"Act 281" mean Act No. 281 of the Public Acts of Michigan of 1986, as amended.

"Authority" means the Local Development Finance Authority of the City of Kalamazoo created by this resolution.

"Authority District" means the authority district designated by this resolution as now existing or hereafter amended, within which the Authority shall exercise its powers.

"Board" or "Board of Directors" means the Board of Directors of the Authority, the governing body of the Authority.

"Chief Executive Officer" means the Mayor of the City of Kalamazoo.

"City" means the City of Kalamazoo.

"Commission" or "City Commission" means the City Commission of the City of Kalamazoo.

Section 3. *Creation of Authority.* There is hereby created, pursuant to Act 281, a Local Development Finance Authority for the City. The Authority shall be a public body corporate and shall be known and exercise its power under title of the "**LOCAL DEVELOPMENT FINANCE AUTHORITY OF THE CITY OF KALAMAZOO.**" The Authority may adopt a seal, may sue and be sued in any court of this State and shall possess all of the powers necessary to carry out the purpose of its incorporation as provided by this resolution and Act 281. The enumeration of a power in this resolution or in Act 281 shall not be construed as a limitation upon the general powers of the Authority.

Section 4. *Termination.* Upon completion of its purposes, the Authority may be dissolved by the City Commission. The property and assets of the Authority, after dissolution and satisfaction of its obligations, shall revert to the City.

Section 5. *Description of Authority District.* The Authority District shall consist of the territory in the City described in Exhibit A, attached hereto and made a part hereof, subject to such changes as may hereinafter be made pursuant to this resolution and Act 281.

Section 6. *Board of Directors.* The Authority shall be under the supervision and control of the Board. The Board shall consist of 11 board members, seven of whom shall be appointed by the Chief Executive Officer of the City, subject to approval by the City Commission; one of whom shall be appointed by the County Board of Commissioners for the County of Kalamazoo; one of whom shall be appointed by the chief executive officer of the community college; two of whom shall be appointed by the chief executive officer of the local school district. Members shall be appointed to serve for a term of four years, except that the members first appointed, an equal number as near as is practicable, shall be appointed for terms of 1 year, 2 years, 3 years, and 4 years. A member shall hold office until the member's

successor is appointed and qualified. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office. An appointment to fill a vacancy shall be made in the same manner as the original appointment but for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chair of the Board shall be elected by the Board. The Board shall adopt bylaws governing its procedures subject to the approval of the City Commission. In the event that the Board determines to employ a Director of the Authority, such Director shall furnish a bond in the penal sum of Fifty Thousand Dollars (\$50,000.00) payable to the Authority for use and benefit of the Authority and shall fine the same with the City Clerk.

Section 7. *Powers of Authority.* Except as specifically otherwise provided in this resolution, the Authority shall have all powers provided by law subject to the limitations imposed by law and herein.

Section 8. *Fiscal Year; Adoption of Budget.*

a. The fiscal year of the Authority shall begin on January 1 of each year and end on December 31 of that year, or such other fiscal year as may hereafter be adopted by the City Commission.

b. The Board shall prepare annually a budget and shall submit it to the City Commission for approval in the manner and at the time, and which budget shall contain the information, and be prepared in the manner required of municipal departments. The Board shall not finally adopt a budget for any fiscal year until the budget has been approved by the City Commission. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the resolution authorizing the revenue bonds.

c. The Authority shall submit financial reports to the City Commission at the same time and on the same basis as departments of the City are required to submit such reports. The Authority shall be audited annually by the same independent auditors auditing the City and copies of the audit report shall be filed with the City Commission.

Section 9. *Publication, Recording and Filing.* This resolution shall be published once after its adoption in full in the *Kalamazoo Gazette*, a newspaper of general circulation in the City of Kalamazoo, and the City Clerk shall file a certified copy of the resolution with the Michigan Secretary of State promptly after its adoption.

Section 10. *Effective Date.* This resolution shall take effect immediately upon its publication.

Section 11. *Repealer.* All resolutions and parts of any resolution in conflict herewith are hereby repealed.

The above resolution was offered by Commissioner Heilman and supported by Commissioner McCann:

AYES, Commissioners: Gordon, Heilman, McCann, Teeter, Vice Mayor McKinney, Mayor Jones

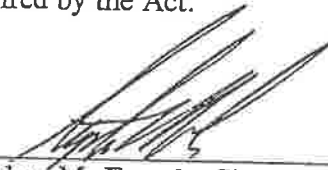
NAYS, Commissioners: Commissioner Cooney

ABSTAIN, Commissioners: None

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on February 5, 2001. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.



Stephen M. French, City Clerk



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

PREPARED BY: Sean Fletcher, CPRP, Parks & Recreation Director

DATE: 9/5/2017

SUBJECT: Purchase of 628 Lake Street

RECOMMENDATION

It is recommended that the City Commission approve and authorize the City Manager to sign the Buy/Sell Agreement with Kalvan Realty/James A. Cash regarding the purchase of 628 Lake Street; and to further authorize the City Manager or his designee to sign all related documents to complete the closing of this purchase.

BACKGROUND

The Farmers' Market Master Plan developed in 2015 includes the realignment of Bank Street. Bank Street currently curves northwest toward railroad tracks. The intersection proves to be a challenge for motorists when traffic is heavy. Public Services has been consulted and is supportive of the realignment of Bank Street to create a better and safer intersection. The purchase of 628 Lake Street is one of several properties needed to realign bank street. The homeowner is working with a realtor that was contacted by the Parks & Recreation Director regarding the sale of the home. The agreed upon price for the property is \$12,500.

COMMUNITY RESOURCES CONSULTED

The Farmers' Market Master Plan was developed with public input. The Traffic Engineer from the Public Services Department and Public Services Director have both been involved in discussions regarding the Farmers' Market improvements and are supportive of the realignment of Bank Street.

FISCAL IMPACT

Funds for the purchase of the property are budgeted in the Capital Improvement Program budget for the Bank Street Farmers' Market.

ALTERNATIVES

There is the alternative to not authorize the purchase of the property at 628 Lake Street, but that is not being recommended.

ATTACHMENTS:

	Type	Description
▯	Aerial Photo	628 Lake Street Offer



AUTHORIZED BUY & SELL AGREEMENT ("Agreement") OF THE GREATER KALAMAZOO ASSOCIATION OF REALTORS®



Form#: 81717BSA

Date August 22, 2017 1:30 ☒ A.M. ☐ P.M. (TIMES ARE KALAMAZOO, MICHIGAN TIME.) MLS No. _____

AGENCY

The undersigned Buyer and Seller ("The Parties") each acknowledge that they have read and signed the Real Estate Agency Disclosure.

The agency relationships at the time of execution of this Agreement are as follows:

Kalvan Realty, Inc. , Listing Broker represents: ☐ Seller Only ☒ Seller and Buyer (Disclosed Dual Agent) ☐ Neither (Transaction Coordinator) James A Cash , Listing Salesperson represents: ☐ Seller Only ☒ Seller and Buyer (Disclosed Dual Agent) ☐ Neither (Transaction Coordinator)	Kalvan Realty, Inc. , Selling Broker represents: ☐ Seller Only ☐ Buyer Only ☒ Seller and Buyer (Disclosed Dual Agent) ☐ Neither (Transaction Coordinator) James A Cash , Selling Salesperson represents: ☐ Seller Only ☐ Buyer Only - Addendum # _____ ☒ Seller and Buyer (Disclosed Dual Agent) - Addendum # _____ ☐ Neither (Transaction Coordinator) - Addendum # _____
--	---

OFFER

- PRIOR OFFERS:** This offer terminates any prior offers or counteroffers between The Parties for The Property.
- PROPERTY DESCRIPTION:** Buyer agrees to buy from Seller The Property, whose address is 628 Lake Street,
(Property Street Address - Full Mailing Address)
Kalamazoo, MI 49001. The Property is Located in the ☒ CITY ☐ VILLAGE ☐ TWP. of
 (City) (Zip)
Kalamazoo, Kalamazoo County, Michigan, and legally described as: 50610 Wells & Parkers Add.
 (CITY/VILLAGE/TWP. NAME) (COUNTY NAME) ("The Property")
E 2.66ft Of N 132ft Of Lot 22 N 132ft Of Lot 23 subject to existing zone ordinances. TAX ID # 39000622425001

The Property shall include all buildings, improvements, appurtenances, fixtures and, if now in or on the property, the following: antennas and/or satellite dishes including all accessories and complete rotor equipment (unless rented); all landscaping, including all plantings; landscape lighting; ceiling fans; lighting fixtures, light bulbs and their shades; built-in sound system wiring and built-in speakers; wall mounted hardware for TV's (excluding TV); security systems; fireplace doors, screens and grates; wood burners and fireplace inserts; drapery and curtain hardware; window shades and blinds; wall-to-wall carpeting; screens, storm windows and doors; stationary laundry tubs; all water conditioning equipment (unless rented); water heaters (unless rented); sump pumps; heating and air conditioning equipment (excluding window units); LP tanks (unless rented); water pump and pressure tank; underground sprinkling systems; built-in kitchen appliances; awnings; mail boxes; garage door openers and transmitters; stationary outdoor grills; storage sheds; pool and pool equipment; fencing; attached: outdoor play equipment, work benches, cabinetry, shelving, mirrors, smoke/fire detectors, carbon monoxide detectors, thermostats, timers, and under-cabinet appliances; invisible fencing and controllers; hot tub and/or spa and all related equipment, and

But shall exclude RENTED ITEMS and _____

- SALE PRICE:** Twelve Thousand, Five Hundred (\$ 12,500.00) Dollars
- CLOSING:** Sale shall be closed on a day and time mutually agreeable to The Parties, but not earlier than August 31, 2017 and not later than October 31, 2017. Buyer shall pay any closing fee charged by a title company, except Seller shall pay said closing fee and wood destroying insect inspection fee(s) if required by a VA lender. Seller shall pay real estate transfer taxes at the time the deed is delivered.

- POSSESSION:** Buyer shall be entitled to possession of The Property as follows: (Check one box)

- ☒ At the completion of closing. **OR**
☐ Seller shall pay to Buyer at closing, a non-refundable delayed possession fee of \$ _____, and shall have the right to possession of The Property until 11:59 p.m. on the _____ day after the day of closing.

Seller shall not be entitled to possession after the time agreed above. Unless otherwise provided in writing and signed by The Parties, Seller shall provide possession of The Property free from the rights of any other person or entity, including, but not limited to, tenants.

At the time of transfer of possession of The Property, Seller shall have removed all personal property (unless otherwise stated in this or an additional written agreement), made arrangements for final payment on all utilities, and shall deliver all keys to Selling Broker or Buyer.

The Property shall be free and clear of trash and debris; buildings and improvements shall be left in broom-clean condition. Seller shall maintain The Property in its present condition until time of possession in the transaction, normal and reasonable wear excepted. Seller shall pay for utilities and for any repairs due to damage caused by the Seller to the Property after closing and before transfer of possession. Seller is responsible for obtaining any insurance Seller deems necessary, covering Seller to the time of transfer of possession.

If Seller fails to give possession to Buyer as provided, Seller shall pay Buyer \$ 50.00 for each day that Seller retains The Property beyond the agreed time and shall be liable for all court costs and reasonable actual attorney fees incurred by Buyer in obtaining possession and collecting the amount due.

- ATTACHMENTS:** ☒ No ☐ Yes Attachments and/or addendum #: _____

7. **DISCLAIMER:** Buyer understands and agrees that the real estate Brokers and Salespersons do not warrant: (i) The Property's boundaries, the size of the land, the size of the buildings and improvements; (ii) the condition of The Property; or (iii) that appropriate permits were obtained for repairs or other work performed on buildings or improvements. Buyer understands and agrees that the real estate Brokers and Salespersons also do not assume any responsibility for the representations made by Seller. It is further understood that no representations or promises have been made to Buyer by the real estate Brokers or Salespersons, or by Seller other than those contained in this Agreement or as otherwise made or given by Seller to Buyer in the written disclosure statement(s). The Parties understand that Brokers and Salespersons are not environmental experts. Unless expressly contained in a written instrument signed by the Brokers, Brokers and Salespersons have no knowledge of, and make no representations regarding (a) the environmental condition of The Property, (b) the existence of underground storage tanks at The Property now, or in the past, (c) whether The Property is, has been or may be listed as a site of environmental contamination, or (d) whether any such sites are located in the proximity of The Property. If Buyer or Seller requests the Brokers or Salespersons to recommend inspectors, repairmen or other professionals, The Parties agree that the Brokers and Salespersons shall not be liable for errors or omissions made by said inspectors, repairmen or other professionals.
8. **BUYER INVESTIGATIONS:**
- A. **Buyer Acknowledgment:** Buyer acknowledges that Buyer has been advised to carefully evaluate The Property to determine its condition and suitability for Buyer's intended use. Buyer is aware that inspectors and inspection services are available to aid Buyer in these evaluations. Items Buyer should evaluate include, but are not limited to, the following: structural integrity; condition of mechanical systems; infestation by termites or other wood-destroying insects; environmental concerns such as underground storage tanks or abandoned uncapped wells; health or safety issues, including radon and mold; zoning; assessed valuation, including the Principal Residence Exemption status and any possible changes to that status; the size of the land; the size of the buildings and improvements; the availability of utilities, including the cost to extend or hook-up; soil erosion or settling; the existence of wetlands; the availability of homeowner's insurance or flood insurance at a cost acceptable to Buyer.
- B. **Buyer Investigation Period:** Buyer shall have ten (10) days from the last dated acceptance of this Agreement ("Investigation Period") to investigate The Property. During the Investigation Period, Buyer and Buyer's investigators shall have reasonable access to The Property to conduct investigations as Buyer deems necessary. Buyer agrees to defend, indemnify and hold Seller harmless from any physical damage to persons or property resulting from such investigations. To the extent The Property is damaged due to any of Buyer's investigations, Buyer agrees to restore The Property to its original condition. Buyer is solely responsible for ordering and paying for any inspections and evaluations, except, if Buyer has elected to use VA financing, Seller shall pay for the wood destroying insect inspection at closing.
- C. **Seller Responsibility Concerning Utilities:** Seller shall have the following utilities, if attached, turned on for Buyer's investigations, appraisals and final inspection: electric, natural gas, propane, heating oil, sewer and water. Seller shall be solely responsible for dewinterization, re-winterization and any and all costs and procedures associated with this subparagraph.
- D. **Results of Investigations:** If any investigation reveals a condition unacceptable to Buyer, then, **prior to the expiration of the Investigation Period**, Buyer may pursue one of the following resolutions:
1. **Buyer may Deliver to Seller or Listing Broker a written request for corrective action(s)** on the GKAR Investigations Addendum, or a similar notice, along with any applicable documentation or report(s) AND ANY APPLICABLE WRITTEN COST ESTIMATE(S). Seller shall have five (5) days from receipt of the Investigations Addendum, or a similar notice, to respond to Buyer, in writing, as to whether Seller will agree to pay for and/or perform said requested corrective action(s). **If Seller rejects any part of Buyer's request in writing, Buyer shall have three (3) days from receipt of Seller's written rejection to terminate this Agreement in writing. If Seller does not respond in writing, Buyer shall have three (3) days from the expiration of Seller's allowed five (5) day period to terminate this Agreement in writing. If Buyer fails to so terminate this Agreement, Buyer shall be deemed to have accepted the condition of the Property in its "AS-IS" condition as it relates to this paragraph.**
 - OR**
 2. **Buyer may terminate this Agreement** by providing written notice of the termination to Seller or Listing Broker, identifying the unacceptable condition. If requested by Seller, Buyer shall provide Seller with a copy of any inspection report or documentation of unacceptable condition.
- E. **Waiver of Contingencies:** BUYER AGREES THAT THE CONTINGENCIES IN THIS PARAGRAPH SHALL BE DEEMED TO HAVE BEEN WAIVED IF (1) BUYER FAILS TO DELIVER WRITTEN NOTICE OF BUYER'S PROPOSED RESOLUTION TO SELLER OR LISTING BROKER WITHIN THE INVESTIGATION PERIOD OR (2) BUYER FAILS TO TERMINATE THIS AGREEMENT IN WRITING AS PROVIDED ABOVE. IF THESE CONTINGENCIES ARE WAIVED, OR IF BUYER ELECTS TO CLOSE THIS TRANSACTION, BUYER SHALL BE DEEMED TO HAVE ACCEPTED THE PROPERTY IN ITS "AS-IS" CONDITION AS OF THE DATE OF CLOSING.
9. **LOCATION OF BOUNDARIES AND IMPROVEMENTS:** Buyer may, at Buyer's expense, obtain a survey or mortgage report of The Property. If the survey or mortgage report: (1) reveals material differences in The Property's boundaries or land area from that which was represented by Seller in writing, or (2) reveals encroachments, setback violations, or matters which would interfere with Buyer's intended use of The Property ("Survey Defects"), Buyer shall furnish Seller with a copy of the survey or mortgage report, along with a written request that Seller correct the Survey Defect(s). These must be received by Seller no later than fifteen (15) days after delivery of the title commitment referenced in Paragraph 16 to Buyer or Selling Broker. Seller shall respond in writing to Buyer within five (5) days as to whether or not Seller will correct the Survey Defect(s). If Seller does not agree to do so or fails to respond, Buyer shall have three (3) days from receipt of Seller's written refusal (if any) or from the expiration of Seller's allowed time, whichever first occurs, to terminate this Agreement in writing.
- BUYER AGREES THAT THIS CONTINGENCY SHALL BE DEEMED WAIVED IF (1) BUYER FAILS TO PROVIDE SELLER WITH A SURVEY OR MORTGAGE REPORT OR (2) BUYER FAILS TO TERMINATE THIS AGREEMENT IN WRITING AS PROVIDED ABOVE. IF THIS CONTINGENCY IS WAIVED AND BUYER ELECTS TO CLOSE THIS TRANSACTION, BUYER SHALL BE DEEMED TO HAVE ACCEPTED THE LOCATION OF THE PROPERTY BOUNDARIES AND IMPROVEMENTS, "AS IS".
10. **WELL/WATER/SEPTIC SYSTEM EVALUATIONS:** If The Property is serviced by a water well, Seller agrees to order within five (5) days of the last dated acceptance of this Agreement and promptly provide to Buyer and/or Selling Broker, at Seller's expense, an evaluation report from the County Health Department or the private well evaluation company listed in Paragraph 11, covering the well and tests for nitrates and bacteria in the water by either the County Health Department or other government approved laboratory. Any water evaluation beyond tests for nitrates and bacteria shall be Buyer's responsibility and Buyer's expense. If The Property is serviced by a septic system, Seller agrees to order within five (5) days of the last dated acceptance of this Agreement and promptly provide to Buyer and/or Selling Broker, at Seller's expense, an evaluation report covering the condition of the septic system by the local County Health Department or the private septic evaluation company named in Paragraph 11. Seller further agrees to have the septic tank pumped if required by the local County Health Department.

If the evaluation report(s) in any of the above circumstances disclose(s) a condition which Buyer reasonably deems unacceptable, Buyer shall notify Seller or Listing Broker of such condition and requested corrective action in writing within five (5) days of the date Buyer has received the applicable report(s). If Seller does not agree or fails to respond within fifteen (15) days of Buyer's requested corrective action, Buyer shall have the right to terminate this Agreement by providing written notice to Seller or Listing Broker within three (3) days from receipt of Seller's written refusal (if any) or from the expiration of Seller's allowed time, whichever first occurs.

BUYER AGREES THAT THE CONTINGENCY PROVIDED BY THIS PARAGRAPH SHALL BE DEEMED TO HAVE BEEN WAIVED IF (1) BUYER FAILS TO PROVIDE WRITTEN NOTICE OF A CONDITION DEEMED UNACCEPTABLE WITHIN FIVE (5) DAYS AFTER BUYER HAS RECEIVED THE APPLICABLE REPORT(S) OR (2) BUYER FAILS TO TERMINATE THIS AGREEMENT IN WRITING AS PROVIDED ABOVE.

IF THESE CONTINGENCIES ARE WAIVED, OR IF BUYER ELECTS TO CLOSE THIS TRANSACTION, BUYER SHALL BE DEEMED TO HAVE ACCEPTED THE PROPERTY IN ITS "AS IS" CONDITION AS OF THE DATE OF CLOSING.

11. **PRIVATE WELL AND/OR SEPTIC EVALUATION COMPANIES:** The Parties agree that the following shall be used to evaluate the well/water/septic system per Paragraph 10: For evaluation of the well and water: _____. For evaluation of the septic system: _____. A blank line shall indicate the agreement of The Parties to use the local County Health Department.

12. **SOURCE OF FUNDS:** This Agreement:

☒ A. **IS NOT CONTINGENT** on the sale or exchange of any real or personal property by Buyer. **BUYER REPRESENTS THAT THE FUNDS NECESSARY TO COMPLETE THIS AGREEMENT (ON THE TERMS SPECIFIED) ARE CURRENTLY AVAILABLE TO BUYER IN CASH OR AN EQUALLY LIQUID EQUIVALENT.**

☐ B. **IS CONTINGENT ON:**

☐ (1) **THE CLOSE OF THE PENDING SALE OF BUYER'S PROPERTY** located at _____. A copy of the agreement(s) to sell or exchange Buyer's property is being delivered to Seller or Listing Broker along with this offer. Buyer shall notify Seller or Listing Broker in writing within 48 hours of any changes in the terms or progress of said agreement(s) that will delay or materially affect the consummation of this Agreement. In such an event, Seller may terminate this Agreement by written notice to Buyer or Selling Broker within 48 hours of receipt of said notice from Buyer. Failure of Buyer to notify Seller of such changes, or a default by Buyer in said agreement(s), shall be considered a default in this Agreement.

☐ (2) **OTHER:** _____

13. **METHOD OF PAYMENT:** All moneys must be paid in US funds by wire transfer, certified check, cashier's check, or money order. The sale will be completed upon Seller's delivery of a warranty deed conveying marketable title by the following method:

☒ A. **CASH.** Buyer will pay the sale price by cash, certified check, cashier's check or money order.

☐ B. **NEW MORTGAGE.** This Agreement is contingent upon Buyer's ability to obtain a(n) _____ (type) mortgage loan in the amount of \$ _____ or _____ % of the sale price. Buyer shall apply for the loan from _____ (name of financial institution – Lender) within _____ days of the last dated acceptance of this Agreement. Loan application shall include the payment of any appraisal fee, application fee, and all other costs customarily charged by Lender for loan approval. Buyer acknowledges that failure to complete the loan application as agreed shall constitute a default by Buyer. Buyer shall take no action that would impair Buyer's credit or ability to obtain the loan and shall accept such loan if offered. Buyer may waive this mortgage loan contingency by written notice to Seller or Listing Broker and pay cash as provided in subparagraph A above.

Seller may terminate this Agreement by written notice to Buyer or Selling Broker if Buyer fails to provide Seller or Listing Broker with evidence of loan approval by 5:00 p.m. _____ ("Loan Approval Deadline Date"). If Buyer is unable to obtain written verification of Lender's approval, Buyer may provide oral verification from Lender to Seller or Listing Broker. If said loan approval is acceptable to Seller, no response shall be necessary.

If Seller reasonably determines that the evidence of loan approval is inadequate or unacceptable and if Seller therefore wishes to terminate, Seller must deliver written notice of termination of this Agreement by 5:00 p.m. on the third day after the Loan Approval Deadline Date. If Seller so terminates, Buyer may waive this mortgage contingency and void the termination by delivering written notice of such waiver to Seller or Listing Broker by 5:00 p.m. on the third day after Seller's delivery of termination. If Buyer waives this mortgage contingency and subsequently fails to close due to Buyer's failure to secure financing, Buyer shall be considered in default in this Agreement.

BUYER HEREBY INSTRUCTS LENDER TO RELEASE TO SELLING BROKER AND SELLER OR LISTING BROKER INFORMATION CONCERNING COMPLETION OF LOAN APPLICATION AND STATUS OF LOAN APPROVAL.

☐ C. **LAND CONTRACT.** See attached GKAR Land Contract Addendum.

14. **SELLER'S DISCLOSURE STATEMENT:** BUYER ☒ HAS ☐ HAS NOT RECEIVED A COMPLETED AND SIGNED COPY OF THE SELLER'S DISCLOSURE STATEMENT # 81817sd DATED OR REVISED _____. **SELLER HEREBY CERTIFIES THAT, TO THE BEST OF SELLER'S KNOWLEDGE, THE INFORMATION CONTAINED IN SUCH SELLER'S DISCLOSURE STATEMENT IS CURRENT AS OF THE DATE OF THIS AGREEMENT. FURTHER, SELLER AGREES TO INFORM BUYER IN WRITING OF ANY CHANGES IN THE CONDITION OF THE PROPERTY RELATING TO THE INFORMATION CONTAINED IN SUCH DISCLOSURE STATEMENT.**

15. **LEAD BASED PAINT DISCLOSURE STATEMENT:** BUYER ☒ HAS ☐ HAS NOT RECEIVED BOTH AN EPA PAMPHLET "PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME" AND A COMPLETED AND SIGNED COPY OF THE SELLER'S LEAD BASED PAINT DISCLOSURE STATEMENT # 81817LBP.

If The Property was constructed prior to January 1, 1978, Buyer will not be obligated to the terms of this Agreement unless the above documents are received by Buyer. If the above documents are received after the last dated acceptance of the Agreement, Buyer shall have the right to terminate this Agreement within 72 hours after Buyer's receipt of the above documents if the Seller's Lead Based Paint Disclosure Statement indicates any condition unacceptable to Buyer. If Buyer fails to terminate this Agreement within said 72 hours, Buyer's right to terminate under this provision shall be considered waived. **BUYER ☒ WAIVES OR ☐ REQUESTS LEAD BASED PAINT INSPECTIONS TO BE PERFORMED PER LEAD-BASED PAINT ADDENDUM # 81817LBP, WHICH IS ATTACHED HERETO.**

16. TITLE EVIDENCE: Seller agrees to convey marketable title to The Property subject to: conditions, limitations, building and use restrictions and easements of record ("Exceptions"). As evidence of marketable title, Seller shall furnish Buyer, at Seller's expense, an *expanded coverage ALTA Homeowner's Policy of Title Insurance ("Expanded Policy")*, if available, in the amount of the sale price. Seller shall order the commitment for such policy, along with copies of the Exceptions, and shall deliver same to Buyer or Selling Broker within ten (10) days after the last dated acceptance of this Agreement. If a survey or mortgage report is required by the commitment, it shall be completed at Buyer's expense in accordance with Paragraph 9 LOCATION OF BOUNDARIES AND IMPROVEMENTS. If an *Expanded Policy* is not available or if Buyer declines any required survey or mortgage report cost, Seller agrees to provide and Buyer agrees to accept a *standard coverage ALTA Owner's Policy of Title Insurance including all standard exceptions*.

If the commitment discloses any title defect(s) or anything in the Exceptions which would interfere with Buyer's intended use of The Property, Buyer must notify Seller or Listing Broker, in writing, of Buyer's objections within five (5) days of Seller's delivery of the commitment and Exceptions. Further, if, prior to closing, Buyer shall become aware of new title defect(s), Buyer must notify Seller or Listing Broker, in writing, within five (5) days of Buyer becoming aware of such defect(s).

If Seller receives any such notification, Seller shall have either thirty (30) days from Buyer's delivery of written objection(s) or until the latest closing date set forth in Paragraph 4 of this Agreement, whichever first occurs, to resolve Buyer's objection(s). If Seller is unable to cure the title defect(s), or unable or unwilling to resolve Buyer's objection(s) to Exceptions, within this time period, Buyer may terminate this Agreement in writing and receive a full refund of the earnest money or proceed to closing, accepting the status of the title "AS IS".

17. PRORATIONS: Items normally prorated in real estate transactions, including association fees, rental income, taxes as discussed below, interest on any existing land contract, mortgage, or lien assumed by Buyer shall be adjusted to the date of closing in accordance with the calendar year. All rental security deposits shall be paid to Buyer at closing.

18. REAL ESTATE TAXES: Current real estate taxes shall be prorated to the date of closing and shall be deemed to cover the calendar year in which they become due and payable. Taxes shall be deemed due and payable as follows: Summer taxes - July 1st or August 1st; Winter taxes - December 1st. If the actual tax bill(s) for the year have not been determined by the municipality at the time of closing, taxes shall be estimated by multiplying the current taxable value by the most recently available tax rate. If The Property's Principal Residence Exemption ("PRE") status for the calendar year in which the closing occurs will change as a result of the closing, the tax rate associated with the new PRE status shall be used.

If the current PRE percentage claimed by Seller is greater than zero, Seller represents that such claim by Seller is accurate and lawful. Such representations shall survive the closing. Seller shall defend, indemnify and hold harmless Buyer from any loss, claim or damage resulting from any inaccuracy in such representations. Such loss, claim or damage shall include, but shall not be limited to, any loss, claim or damage resulting subsequently to Buyer from the tax proration calculation made at the time of closing or from the change in PRE status by the municipality for any prior years. Seller shall also be responsible for reasonable actual attorney fees incurred by Buyer in enforcing the provisions of this paragraph, regardless of whether suit is actually filed. The representations and obligations under this paragraph may only be terminated by a separate written document signed by The Parties specifically referring to this paragraph by number.

19. SPECIAL ASSESSMENTS: Special assessments levied on The Property shall be handled as follows:

- A. Existing special assessments, whether there is a lien or not, which can be paid in full and permanently discharged shall be paid by Seller at close of sale.
- B. Existing special assessments which have ongoing installments and cannot be paid in full and permanently discharged shall be prorated as referenced in the paragraph entitled Prorations. This type of assessment is generally for services or maintenance, including, but not limited to: street lighting, lake weed control, emergency services, etc.
- C. Special assessments which are levied on The Property after the last dated signature of this Agreement shall be the responsibility of Buyer.

20. WATER/SEWER CHARGES: Seller shall be responsible for water and sewer charges until date of possession. The cost of water and sewer hookups after closing shall be paid by Buyer. If The Property is not presently served by these utilities, Buyer is advised to consult with the local units of government for information regarding when and if such hookup is or may be required, feasibility and cost of such hookup, and whether any assessment will be imposed at that time.

21. LIQUID FUEL: Seller agrees that the existing supply of liquid heating and cooking fuel shall be depleted only in the course of normal usage. Buyer shall be entitled to all such fuel owned by Seller and located or stored upon The Property at the time of possession. Buyer acknowledges Buyer has been advised to determine whether any existing supply of liquid fuel is owned by Seller or the supplier.

22. SELLER'S REPRESENTATIONS: The following representations shall survive the closing and, except as otherwise disclosed in writing, Seller represents to the best of Seller's knowledge and belief that:

- A. There are no existing violations of any laws, statutes, ordinances, regulations, orders or requirements of any governmental authority affecting The Property.
- B. There is no pending or threatened litigation, administrative action or claim relating to The Property.
- C. Seller has not been notified of any assessments to be placed on The Property.
- D. The Seller is the owner of title to The Property in the condition required for performance hereunder.

If The Property is rented to tenants:

- E. As referenced in Paragraph 5, Seller shall notify Buyer or Selling Broker in writing of the possession rights of any person or entity, including, but not limited to, tenants. Seller shall provide copies of all leases and security deposit information to Buyer or Selling Broker within three (3) days of the last dated acceptance of this Agreement. This Agreement is contingent upon Buyer's written acceptance of such possession rights, leases and security deposit information within five (5) days of receipt of such notice and copies. If Seller does not provide such notice and copies within such three (3) days, Seller warrants that no other person or entity has possession rights. If Buyer receives such notice and copies and neither accepts nor rejects such items within the five (5) days, Buyer shall be deemed to have accepted them and this contingency shall be deemed satisfied.
- F. None of the tenants occupying The Property shall be entitled to any concessions, rebates, allowances or free rent for any period after the Closing Date.

- G. After the date hereof, the Seller will not enter into any agreement pertaining to The Property or any modification of, or release from, an existing lease or rental agreement, without the prior written consent of Buyer.
23. **FINAL INSPECTION:** Buyer shall have the right to inspect The Property within seventy-two (72) hours prior to closing to make sure that the real estate and personal property are in place and in a condition that is not substantially different from the condition at the time of Buyer's offer per this Agreement, or as improved by any agreed-upon corrective action. If substantial differences have occurred, then Buyer shall immediately notify Seller and/or Listing Broker in writing, of said differences and Buyer's requested corrective action. The Parties shall be deemed to have settled such differences as of close of sale. Broker(s) and/or Salesperson(s) have no responsibility for the condition of The Property.
24. **DISCLOSURE:** Buyer acknowledges Buyer has been advised that Seller and Seller's agent may not consider the existence of or terms of Buyer's offer to be confidential. The Parties further acknowledge that the sale price and terms will be disclosed to the Greater Kalamazoo Association of REALTORS® MLS/SWMRIC, who may use it in the ordinary course of business.
25. **UNPLATTED LANDS:** Seller represents that The Property is not a new land division under the Land Division Act and Seller owns no other contiguous, unplatted land unless otherwise disclosed in writing. Seller is transferring to Buyer all available divisions, if any, under Section 108 of the Land Division Act but makes no representations as to the number. Buyer has not relied on any information or opinions of the Broker(s) or Salesperson(s) on this matter.
26. **LEGAL COUNSEL:** Buyer acknowledges that Broker(s) and/or Salesperson(s) have recommended that Buyer retain an attorney to pass upon the marketability of title to The Property. The Parties acknowledge that Broker(s) and/or Salesperson(s) have recommended that they each retain an attorney to ascertain that the requirements of this Agreement have been met.
27. **DUE ON SALE: SELLER UNDERSTANDS THAT SELLING OR TRANSFERRING THE PROPERTY DOES NOT RELIEVE SELLER OF ANY MORTGAGE OBLIGATION OR OTHER INDEBTEDNESS TO WHICH THE PROPERTY IS SUBJECT, UNLESS OTHERWISE AGREED TO BY THE LENDER OR REQUIRED BY LAW OR REGULATION.**
28. **CONSENT TO FEES:** The Parties acknowledge that Brokers may be offered placement fees, finder's fees or other consideration from others who become involved in the sale of The Property. The Parties hereby grant Broker(s) permission to receive such fees and/or consideration, unless otherwise agreed in writing.
29. **CASUALTY:** In the event that, on or before the closing date, any buildings or other improvements on The Property shall be damaged by fire, storm or other casualty, and the cost to repair same is in excess of 10% of the sale price, either party shall have the right to rescind this Agreement by written notice to the other party within seven (7) days after receiving notice of such casualty, and Buyer shall be entitled to a refund of any earnest money.
30. **ARBITRATION:** The Parties acknowledge that they have been informed that any claim or dispute between them, related to this Agreement, may be arbitrated if Seller and Buyer each agree in writing to such arbitration.
31. **EARNEST MONEY RESOLUTION:** If this Agreement is not closed in the time and manner provided, the Selling Broker shall have the right, but is not obligated, to propose a final disposition of the earnest money in writing to Buyer or Buyer's Salesperson and to Seller or Seller's Salesperson. Unless Broker, within thirty (30) days of the date of giving such notice, receives different instructions in a written instrument signed by both of The Parties, or is furnished written evidence that a lawsuit has been filed relating to enforcement or termination of this Agreement or disposition of the earnest money, all parties shall be deemed to have agreed to Broker's proposed disposition of the earnest money. If a party objects and no mutually agreeable disposition can be negotiated, Broker may deposit the funds by interpleader with a court of proper jurisdiction or await further actions by The Parties. In the event of litigation involving the earnest money, in whole or in part, the nonprevailing Buyer or Seller, as determined by the court, shall reimburse the other for reasonable actual attorneys' fees and expenses incurred in connection with the litigation, and shall reimburse Broker for any reasonable actual attorney's fees and expenses incurred in connection with the interpleader action instituted.
32. **COUNTERPARTS/SIGNATURES:** This Agreement may be signed in one or more counterparts each of which will be deemed to be an original copy of this Agreement and all of which, when taken together will be deemed to constitute one Agreement. The exchange of copies of this Agreement and signature by facsimile or other similar electronic device shall constitute effective execution and delivery of this Agreement as to The Parties, and may be used in lieu of the original Agreement for all purposes. Copies shall be deemed to mean any duplicate, reproduction or similar or exact imitation of the original executed Agreement. Signatures of The Parties transmitted by facsimile or other similar device shall be deemed to be their original signatures for all purposes and shall be deemed valid and binding upon The Parties as if their original signatures, initials and modifications were present on the documents in the handwriting of each party. Neither Buyer nor Seller shall assert the statute of frauds or non-enforceability or validity of this Agreement because of facsimile or similar electronic device copies being used, and both of The Parties specifically waive and relinquish any such defense. Each party agrees to provide an original signed document to the other upon request.
33. **HOME PROTECTION PLAN:** The Parties have been informed that home protection plans are available. Such plans may provide additional protection and benefit to the parties.

34. OTHER PROVISIONS: _____

35. **DEFAULT:** If Buyer defaults, Seller may enforce this Agreement, or may declare Buyer's right to purchase terminated, retain the earnest money, and pursue Seller's legal remedies. If Seller defaults, Buyer may enforce this Agreement, or may demand return of the earnest money and pursue Buyer's legal remedies. Broker(s) and Salesperson(s) have no responsibility for the performance of this Agreement by the parties.
36. **EARNEST MONEY:** Buyer is depositing \$ _____ ☐ cash ☐ check ☐ note with Broker as earnest money evidencing good faith. Broker is required by law to deposit the earnest money in a separate custodial or trust account within two (2) banking days after this Agreement is signed by The Parties. If the offer made is not accepted or if the sale is not closed due to a failure to satisfy a contingency specified herein for a reason other than the fault of Buyer, the earnest money shall be refunded to Buyer. The earnest money will be applied to the sale price at closing.

ACCEPTANCE

WHEN SIGNED BY BOTH PARTIES, BUYER AND SELLER AGREE THAT THIS SHALL BE A BINDING AGREEMENT FOR THE SALE AND PURCHASE OF THE PROPERTY. DELIVERY OF ACCEPTANCE OF THIS OFFER AFTER SIGNING BY THE PARTIES IS NOT NECESSARY TO CREATE A BINDING AGREEMENT.

37. **TIME IS OF THE ESSENCE:** TIME IS OF THE ESSENCE WITH RESPECT TO THIS AGREEMENT. TIME LIMITS SHALL BE STRICTLY OBSERVED.
38. **AUTHORIZATION:** Buyer gives Broker until August 31, 2017, 1:00 ☐ AM ☒ PM to obtain Seller's written acceptance of Buyer's offer.
39. **FINAL AGREEMENT:** THIS AGREEMENT EXPRESSES THE ENTIRE UNDERSTANDING BETWEEN THE PARTIES CONCERNING THIS TRANSACTION AND SUPERCEDES ALL PREVIOUS UNDERSTANDINGS, WHETHER ORAL, WRITTEN OR ELECTRONIC, INCLUDING ANY PROMOTIONAL MATERIALS OR LISTING DESCRIPTIONS. No modifications of this Agreement shall be binding unless in writing and signed by Buyer and Seller. In signing below, The Parties acknowledge that they have read the Agreement carefully before signing and have received copies of pages 1, 2, 3, 4, 5 & 6 as well as any attachments.
40. **FUTURE NOTICES:** The Parties authorize Broker(s) to use the contract information set forth below for notices after the last dated acceptance of this Agreement. During the term of this Agreement, The Parties agree to notify Broker(s) of any contract information changes. The contract information set forth below shall not constitute a material part of this Agreement and any addition or modification of the same shall not constitute a rejection of an offer, the creation of a counteroffer or an amendment to this Agreement. **Any future notices required or permitted to be given under this Agreement shall be in writing and signed by the party giving notice.** Notice shall be deemed to have been given: (i) at the time of personal delivery; or (ii) at the time sent by facsimile (with a successful facsimile confirmation sheet); or (iii) at the time sent by electronic mail. Future notices shall be given to Buyer's or Seller's Broker and shall constitute notice given to Buyer or Seller, respectively. If either party is not represented by a Broker, future notices shall be given to such party directly.

Salesperson Name (print): James A Cash
Salesperson Phone: (269) 628-2151 Fax: (269) 628-4576
Salesperson Email: cash-j@outlook.com
Buyer Street Address: _____
City: _____ State: _____ Zip: _____

X _____
Buyer
City Of Kalamazoo, Kzoo Parks
Print Legal Name (as you wish it to appear on final papers)
X _____
Buyer
Print Legal Name (as you wish it to appear on final papers)

SELLER'S RESPONSE: (Date/Time) _____, _____, _____ ☐ A.M. ☐ P.M.

41. **THE ABOVE TERMS OF SALE ARE** (Check one) ☐ **ACCEPTED AS OFFERED** ☐ **SUBJECT TO COUNTEROFFER NO.** _____

Salesperson Name (print): James A Cash
Salesperson Phone: (269) 384-9532 Fax: _____
Salesperson Email: cash-j@outlook.com
Seller Street Address: 3810 Calvary St
City: Las Vegas State: NV Zip: 89121

X _____
Seller
Ronald Rogers
Print Legal Name (as you wish it to appear on final papers)
X _____
Seller
Print Legal Name (as you wish it to appear on final papers)



SELLER'S DISCLOSURE STATEMENT OF THE GREATER KALAMAZOO ASSOCIATION OF REALTORS® ("GKAR")



Applicability of seller disclosure requirements.

The seller disclosure requirements apply to the transfer of any interest in real estate consisting of not less than 1 or more than 4 residential dwelling units, whether by sale, exchange, installment land contract, lease with an option to purchase, or ground lease coupled with proposed improvements by the purchaser or tenant, or a transfer of stock or an interest in a residential cooperative.

Seller Disclosure requirements; exceptions.

The seller disclosure requirements do not apply to any of the following:

- (a) Transfers pursuant to court order, including, but not limited to, transfers ordered by a probate court in administration of an estate, transfers pursuant to a writ of execution, transfers by any foreclosure sale, transfers by a trustee in bankruptcy, transfers by eminent domain, and transfers resulting from a decree for specific performance.
- (b) Transfers to a mortgagee by a mortgagor or successor in interest who is in default, or transfers to a beneficiary of a deed of trust by a trustor or successor in interest who is in default.
- (c) Transfers by a sale under a power of sale or any foreclosure sale under a decree of foreclosure after default in an obligation secured by a mortgage or deed of trust or secured by any other instrument containing a power of sale, or transfers by a mortgagee or a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a power of sale under a mortgage or deed of trust or a sale pursuant to a decree of foreclosure or has acquired the real property by a deed in lieu of foreclosure.
- (d) Transfers by a nonoccupant fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust.
- (e) Transfers from 1 co-tenant to 1 or more other co-tenants.
- (f) Transfers made to a spouse, parent, grandparent, child, or grandchild.
- (g) Transfers between spouses resulting from a judgement of divorce or a judgement of separate maintenance or from a property settlement agreement incidental to such a judgment.
- (h) Transfers or exchanges to or from any governmental entity.
- (i) Transfers made by a person licensed under article 24 of Act No. 299 of the Public Acts of 1980, being sections 339.2401 to 399.2412 of the Michigan Compiled Laws, of newly constructed residential property that has not been inhabited.

Disclaimer: This form is provided as a service of GKAR. Please review the form and details of the particular transaction. GKAR is not responsible for use or misuse of the form for misrepresentation or warranties made in connection with the form.

12

OK

SELLER'S DISCLOSURE STATEMENT

Property Address: 628 Lake Street Kalamazoo Michigan
Street City, Village, or Township

Purpose of Statement: This statement is a disclosure of the condition of the property in compliance with the seller disclosure act. This statement is a disclosure of the condition and information concerning the property, known by the seller. Unless otherwise advised, the seller does not possess any expertise in construction, architecture, engineering, or any other specific area related to the construction or condition of the improvements on the property or the land. Also, unless otherwise advised, the seller has not conducted any inspection of generally inaccessible areas such as the foundation or roof. This statement is not a warranty of any kind by the seller or by any agent representing the seller in this transaction, and is not a substitute for any inspections or warranties the buyer may wish to obtain.

Seller's Disclosure: The seller discloses the following information with the knowledge that even though this is not a warranty, the seller specifically makes the following representations based on the seller's knowledge at the signing of this document. Upon receiving this statement from the seller, the seller's agent is required to provide a copy to the buyer or the agent of the buyer. The seller authorizes its agent(s) to provide a copy of this statement to any prospective buyer in connection with any actual or anticipated sale of property. The following are representations made solely by the seller and are not the representations of the seller's agent(s), if any. THIS INFORMATION IS A DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY CONTRACT BETWEEN BUYER AND SELLER.

Instructions to the Seller: (1) Answer ALL questions. (2) Report known conditions affecting the property. (3) Attach additional pages with your signature if additional space is required. (4) Complete this form yourself. (5) If some items do not apply to your property, check NOT AVAILABLE. If you do not know the facts, check UNKNOWN. FAILURE TO PROVIDE A PURCHASER WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE A PURCHASER TO TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT.

Appliances/Systems/Services: The items below are in working order (the items below are included in the sale of the property only if the purchase agreement so provides):

Item	Yes	No	Unknown	Not Available
Range/Oven	✓	✓		
Dishwasher	✓	✓		
Refrigerator	✓	✓		
Hood/fan		✓		
Disposal		✓		
TV antenna, TV rotor & controls	✓	✓		
Electrical system	✓	✓		
Garage door opener & remote control		✓		
Alarm system		✓		
Intercom		✓		
Central Vacuum		✓		
Attic fan		✓		
Pool heater, wall liner & equipment		✓		
Microwave		✓		
Trash compactor		✓		
Ceiling fan		✓		
Sauna/hot tub		✓		
Washer	✓			

Item	Yes	No	Unknown	Not Available
Dryer	✓	✓		
Lawn sprinkler system	✓	✓		
Water heater	✓	✓		
Plumbing system	✓	✓		
Water softener/conditioner		✓		
Well & pump		✓		
Septic tank & drain field		✓		
Sump pump	✓	✓		
City Water System	✓	✓		
City Sewer System	✓	✓		
Central air conditioning		✓		
Central heating system	✓	✓		
Wall furnace		✓		
Humidifier		✓		
Electronic air filter		✓		
Solar heating system		✓		
Fireplace & Chimney		✓		
Wood burning system	✓	✓		

Explanations (attach additional sheets if necessary): _____

UNLESS OTHERWISE AGREED, ALL HOUSEHOLD APPLIANCES ARE SOLD IN WORKING ORDER EXCEPT AS NOTED, WITHOUT WARRANTY BEYOND DATE OF CLOSING.

Property conditions, improvements & additional information:

- Basement/crawl space: Has there been evidence of water? yes ☒ no ☐
 If yes, please explain: High water table
- Insulation: Describe, if known
 Urea Formaldehyde Foam Insulation (UFFI) is installed? unknown ☒ yes ☐ no ☐

Page 2 of 3

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REV. 5/2015 SD

Seller's Initial RR Buyer's Initial

Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Ronald Rogers

13

Needs to be filled out

Property conditions, improvements & additional information (continued):

3. Roof: Leaks? repaired yes ☒ no ☐
Approximate age if known 19 yrs
4. Well: Type of well (depth/diameter, age, and repair history, if known): _____
Has the water been tested? _____ yes ☐ no ☒
If yes, date of last report/results: _____
5. Septic tanks/drain fields: Condition, if known: _____
6. Heating System: Type/approximate age: forced air 20 yrs
7. Plumbing system: Type: copper ☒ galvanized ☒ other PVC
Any known problems? no
8. Electrical system: Any known problems? no
9. History of infestation, if any: (termites, carpenter ants, etc.) termites was treated 3-20-2003
10. Environmental Problems: Are you aware of any substances, materials, or products that may be an environmental hazard such as, but not limited to, asbestos, radon gas, formaldehyde, lead-based paint, fuel, or chemical storage tanks and contaminated soil on the property.
If yes, please explain: _____ unknown ☐ yes ☐ no ☒

11. Flood insurance: Do you have flood insurance on the property? _____ unknown ☐ yes ☐ no ☒
12. Mineral rights: Do you own the mineral rights? _____ unknown ☐ yes ☐ no ☐

Other Items: Are you aware of any of the following:

1. Features of the property shared in common with the adjoining landowners, such as walls, fences, roads, and driveways, or other features whose use or responsibility for maintenance may have an effect on the property? _____ unknown ☐ yes ☐ no ☒
2. Any encroachments, easements, zoning violations, or nonconforming uses? _____ unknown ☐ yes ☐ no ☒
3. Any "common areas" (facilities like pools, tennis courts, walkways, or other areas co-owned with others), or a homeowners' association that has any authority over the property? _____ unknown ☐ yes ☐ no ☒
4. Structural modifications, alterations, or repairs made without necessary permits or licensed contractors? _____ unknown ☐ yes ☐ no ☒
5. Settling, flooding, drainage, structural, or grading problems? _____ unknown ☐ yes ☐ no ☒
6. Major damage to the property from fire, wind, floods, or landslides? _____ unknown ☐ yes ☐ no ☒
7. Any underground storage tanks? _____ unknown ☐ yes ☐ no ☒
8. Farm or farm operation in the vicinity, or proximity to a landfill, airport, shooting range, etc.? _____ unknown ☐ yes ☐ no ☒
9. Any outstanding utility assessments or fees, including any natural gas main extension surcharge? _____ unknown ☐ yes ☐ no ☒
10. Any outstanding municipal assessments or fees? _____ unknown ☐ yes ☐ no ☒
11. Any pending litigation that could affect the property or the seller's right to convey the property? _____ unknown ☐ yes ☐ no ☒

If the answer to any of these questions is yes, please explain. Attach additional sheets, if necessary: high water table

The seller has lived in the residence on the property from 3-21-2003 (date) to 9-15-2013 (date). The seller has owned the property since _____ (date). The seller has indicated above the condition of all the items based on information known to the seller. If any changes occur in the structural/mechanical/appliance systems of this property from the date of this form to the date of closing, seller will immediately disclose the changes to buyer. In no event shall the parties hold the broker liable for any representations not directly made by the broker or broker's agent.

Seller certifies that the information in this statement is true and correct to the best of seller's knowledge as of the date of seller's signature.

BUYER SHOULD OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS OF THE PROPERTY TO MORE FULLY DETERMINE THE CONDITION OF THE PROPERTY. THESE INSPECTIONS SHOULD TAKE INDOOR AIR AND WATER QUALITY INTO ACCOUNT, AS WELL AS ANY EVIDENCE OF UNUSUALLY HIGH LEVELS OF POTENTIAL ALLERGENS INCLUDING, BUT NOT LIMITED TO, HOUSEHOLD MOLD, MILDEW AND BACTERIA.

BUYERS ARE ADVISED THAT CERTAIN INFORMATION COMPILED PURSUANT TO THE SEX OFFENDERS REGISTRATION ACT, 1994 PA 295, MCL 28.721 TO 28.732, IS AVAILABLE TO THE PUBLIC. BUYERS SEEKING THAT INFORMATION SHOULD CONTACT THE APPROPRIATE LOCAL LAW ENFORCEMENT AGENCY OR SHERIFF'S DEPARTMENT DIRECTLY.

BUYER IS ADVISED THAT THE STATE EQUALIZED VALUE OF THE PROPERTY, HOMESTEAD EXEMPTION INFORMATION, AND OTHER REAL PROPERTY TAX INFORMATION IS AVAILABLE FROM THE APPROPRIATE LOCAL ASSESSOR'S OFFICE. BUYER SHOULD NOT ASSUME THAT BUYER'S FUTURE TAX BILLS ON THE PROPERTY WILL BE THE SAME AS THE SELLER'S PRESENT TAX BILLS. UNDER MICHIGAN LAW, REAL PROPERTY TAX OBLIGATIONS CAN CHANGE SIGNIFICANTLY WHEN PROPERTY IS TRANSFERRED.

Seller Ronald Rogers Date 3-17-17

Seller _____ Date _____

Buyer has read and acknowledges receipt of this statement.

Buyer _____ Date _____ Time: _____

Buyer _____ Date _____ Time: _____



**RESPONSIBILITIES OF SELLERS UNDER
RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION ACT
GREATER KALAMAZOO ASSOCIATION OF REALTORS®
Information for Seller and Buyers**



The disclosure requirements listed below are imposed on sellers of residential housing built prior to 1978.

1. Sellers must disclose the presence of any lead-based paint hazards actually known to the seller. A Lead-Based Paint Seller's Disclosure Form for providing such information is provided on the reverse side of this page. This disclosure must be made prior to the sellers' acceptance of the buyers' offer. An offer may not be accepted until after the disclosure requirements are satisfied and the buyers have had an opportunity to review the disclosure language, and to amend their offer, if they wish.
 - a. If the sellers are aware of the presence of lead-based paint and/or lead-based paint hazards in the property being sold, the disclosure must include any information available concerning the known lead-based paint and/or lead-based paint hazard, including the following:
 - i. The sellers' basis for determining that lead-based paint and/or lead-based paint hazards exist;
 - ii. The location of the lead-based paint and/or lead-based paint hazards; and
 - iii. The condition of the painted surfaces.
 - b. If a lead-based paint hazard is not known to the seller, the disclosure must include a statement disclaiming such knowledge.
 - c. The sellers must provide a list of any records and reports available to sellers pertaining to lead-based paint and/or lead-based paint hazards, copies of which must be provided to the buyers. (If no such records or reports exist, the disclosure statement should affirmatively so state.)
 - d. The disclosure must include the following government-mandated Lead Warning Statement:

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular threat to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.
2. Sellers must provide buyers with a copy of the federal pamphlet entitled Protect Your Family From Lead In Your Home. Again, a copy of this pamphlet is available from your REALTOR®.
3. Sellers must permit a buyer a ten (10) day period (unless the parties mutually agree, in writing, upon a different period of time) to have the property tested for lead-based paint before the buyers become obligated under the Buy and Sell Agreement.

By signing on the reverse side, the parties acknowledge that the REALTOR®(S) have reviewed the contents of the Responsibilities of Sellers Under Residential Lead-Based Paint Hazard Reduction Act with me and provided a copy.

LEAD-BASED PAINT SELLER'S DISCLOSURE FORM

Lead Warning Statement

Form#: _____

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular threat to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Property Address 628 Lake Street, Kalamazoo, MI 49001

SELLER'S DISCLOSURE (initial (a) if applicable; if not applicable, initial and complete both (b) & (c))

[] [] (a) Seller represents that the above described residential dwelling was constructed after 12/31/77 and thereby is exempt under 42 U.S.C. 4852d, regarding lead based paint disclosure regulations.

[] [] (b) Presence of lead-based paint and/or lead-based paint hazards (check one below):

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):

☒ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

[] [] (c) Records and reports available to the seller (check one below):

☐ Seller has provided the buyer with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below):

☒ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Seller(s) have reviewed the information above and on page 2, and certify, to the best of their knowledge, that the information they have provided is true and accurate.

SELLER Ronald Rogers

SELLER _____

DATE 3-17-17

DATE _____

LISTING AGENT'S ACKNOWLEDGMENT Agent has informed the Seller of Seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

LISTING AGENT James A Cash LISTING OFFICE Michigan Real Estate Service DATE 3-17-17

BUYER'S ACKNOWLEDGMENT (initial)

[] [] (a) Buyer has received copies of all information listed above, if any

[] [] (b) Buyer has received the federally approved pamphlet "Protect Your Family From Lead In Your Home".

[] [] (c) Buyer has (check one below):

☐ Received a 10-day opportunity (or other mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint or lead-based paint hazards; or

☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based and/or lead-based paint hazards.

Buyer(s) have reviewed the information above and on page 2, and certify, to the best of their knowledge, that the information they have provided is true and accurate.

BUYER _____

BUYER _____

DATE _____

DATE _____

SELLING AGENT'S ACKNOWLEDGMENT Agent is aware of his/her responsibility to ensure compliance of the above parties under 42 U.S.C. 4852d.

SELLING AGENT _____ SELLING OFFICE _____ DATE _____

Rev. 10/19/2015



REAL ESTATE AGENCY DISCLOSURE
OF THE

GREATER KALAMAZOO ASSOCIATION OF REALTORS® ("GKAR")

Form # _____



This is to inform potential Sellers or Buyers of the various agency choices available to them. Michigan law requires real estate licensees to advise the potential Sellers or Buyers with whom they work of the nature of their agency relationship. As used here, a "Service Provision Agreement" is a Buyer Agency Agreement or Listing Agreement executed by a Real Estate Broker and a Client that establishes an agency relationship. As used here, a "Limited Service Agreement" is a Buyer Agency Agreement or Listing Agreement executed by a Real Estate Broker and a Client that establishes an agency relationship, together with an additional written agreement, such as a Limited Service Waiver, wherein the Client agrees to waive one or more of those services set forth in paragraph (2)(b), (c), and (d), below.

A Real Estate Broker or Real Estate Salesperson may function in any of the following capacities.

- ☐ Represent the Seller as an authorized Seller's Agent or Subagent
- ☐ Represent the Seller as an authorized Seller's Agent or Subagent pursuant to a Limited Service Agreement
- ☐ Represent the Buyer as an authorized Buyer's Agent
- ☐ Represent the Buyer as an authorized Buyer's Agent pursuant to a Limited Service Agreement
- ☐ Represent both the Seller and Buyer as a Dual Agent, authorized by both Seller and Buyer
- ☐ Represent neither the Seller nor Buyer as an Agent, but provide services authorized by the Seller or Buyer to facilitate a transaction as a Transaction Coordinator

Before you disclose confidential information to a real estate licensee regarding a real estate transaction, you should understand what type of agency relationship you have with that licensee. A real estate transaction is a transaction involving the sale or lease of any legal or equitable interest in real estate consisting of not less than 1 or not more than 4 residential dwelling units or consisting of a building site for a residential unit on either a lot as defined in Section 102 of the Land Division Act, 1967 PA 288, MCL 560.102, or a condominium unit as defined in Section 4 of the Condominium Act, 1978 PA 59, MCL 559.104.

- (1) An Agent providing services under any Service Provision Agreement owes, at a minimum, the following duties to the Client:
 - (a) The exercise of reasonable care and skill in representing the Client and carrying out the responsibilities of the agency relationship.
 - (b) The performance of the terms of the Service Provision Agreement.
 - (c) Loyalty to the interest of the Client.
 - (d) Compliance with the laws, rules, and regulations of this state and any applicable federal statutes or regulations.
 - (e) Referral of the Client to other licensed professionals for expert advice related to material matters that are not within the expertise of the licensed Agent.
 - (f) An accounting in a timely manner of all money and property received by the Agent in which the Client has or may have an interest.
 - (g) Confidentiality of all information obtained within the course of the agency relationship, unless disclosed with the Client's permission or as provided by law, including the duty not to disclose confidential information to any licensee who is not an Agent of the Client.
- (2) A Real Estate Broker or Real Estate Salesperson acting pursuant to a Service Provision Agreement shall provide the following services to his or her Client:
 - (a) When the Real Estate Broker or Real Estate Salesperson is representing a seller or lessor, the marketing of the Client's property in the manner agreed upon in the Service Provision Agreement.
 - (b) Acceptance of delivery and presentation of offers and counteroffers to buy, sell, or lease the Client's property or the property the Client seeks to purchase or lease.
 - (c) Assistance in developing, communicating, negotiating, and presenting offers, counteroffers, and related documents or notices until a purchase or lease agreement is executed by all parties and all contingencies are satisfied or waived.
 - (d) After execution of a purchase agreement by all parties, assistance as necessary to complete the transaction under the terms specified in the purchase agreement.
 - (e) For a Broker or Associate Broker who is involved at the closing of a real estate or business opportunity transaction, furnishing, or causing to be furnished, to the Buyer and Seller, a complete and detailed closing statement signed by the Broker or Associate Broker showing each party all receipts and disbursements affecting that party.

SELLER'S AGENTS

A Seller's Agent, under a Listing Agreement with the Seller, acts solely on behalf of the Seller. A Seller can authorize a Seller's Agent to work with Subagents, Buyer's Agents and/or Transaction Coordinators. A Subagent of the Seller is a licensee who has agreed to work with the Listing Agent, and who, like the Listing Agent, acts solely on behalf of the Seller. Seller's Agents and their Subagents will disclose to the Seller known information about the Buyer which may be used to the benefit of the Seller. Individual services may be waived by the Seller through execution of a Limited Service Agreement. Only those services set forth in paragraph (2)(b), (c), and (d) above may be waived by the execution of a Limited Service Agreement.

BUYER'S AGENTS

A Buyer's Agent, under a Buyer's Agency Agreement with the Buyer, acts solely on behalf of the Buyer. Buyer's Agents will disclose to the Buyer known information about the Seller which may be used to benefit the Buyer. Individual services may be waived by the Buyer through execution of a Limited Service Agreement. Only those services set forth in paragraph (2)(b), (c), and (d) above may be waived by the execution of a Limited Service Agreement.

DUAL AGENTS

A real estate licensee can be an Agent of both the Seller and the Buyer in a transaction, but only with the knowledge and informed consent, in writing, of both the Seller and the Buyer. In such a dual agency situation, the licensee will not be able to disclose all known information to either the Seller or the Buyer, and Seller and Buyer are giving up their right to undivided loyalty. As a Dual Agent, the licensee will not be able to provide the full range of fiduciary duties to the Seller or the Buyer. The obligations of a Dual Agent are subject to any specific provisions set forth in any agreement between the Dual Agent, the Seller and the Buyer.

Side 1 of 2

18

TRANSACTION COORDINATOR

A Transaction Coordinator is a licensee who is not acting as an Agent of either the Seller or the Buyer, yet is providing services to facilitate a real estate transaction. The Transaction Coordinator is not an Agent for either party and therefore owes no fiduciary duty to either party. The activities of a Transaction Coordinator may include:

- ☐ Providing access to and showing of property
- ☐ Providing access to market information
- ☐ Providing assistance in the preparation of a buy and sell agreement
- ☐ Presenting a buy and sell agreement and any subsequent counter-offers
- ☐ Assisting parties in undertaking steps necessary to carry out the buy and sell agreement, such as execution of documents, obtaining financing, obtaining inspections, etc.

GENERAL CONSIDERATIONS

A real estate licensee does not have any expertise or responsibility in the following areas, and licensee recommends the parties seek assistance from professionals trained in these fields and other areas as the parties deem appropriate:

- | | | | | |
|--------------------------------------|--|--|--------------------------------------|------------------------------------|
| ☐ Appraisal | ☐ Mechanical Systems | ☐ Environmental Matters | ☐ Tax Matters | ☐ Law |
| ☐ Engineering | ☐ Hazardous Materials | ☐ Structural Conditions | ☐ Financing | ☐ Surveying |

LICENSEE DISCLOSURE (check one or more as applicable)

I hereby disclose that the agency status I/we have with the Buyer or Seller below is:

- ☒ Seller's Agent
- ☐ Seller's Agent - Limited Service Agreement
- ☐ Buyer's Agent
- ☐ Buyer's Agent - Limited Service Agreement
- ☒ Dual Agent *JA SC*
- ☐ Transaction Coordinator (a licensee who is not acting as an Agent of either the Seller or the Buyer)

DESIGNATED AGENCY

A Buyer or Seller with a Designated Agency Agreement is represented only by the licensees specifically named in the agreement. Any licensees of the firm not named in the agreement do not represent the Buyer or Seller. The named "Designated Agent" acts solely on behalf of his or her Client and may only share confidential information about the Client with the licensee's Supervisory Broker who is also named in the agreement. A Supervisory Broker is one who assists and advises a Designated Agent for the benefit of the Agent's Seller or Buyer. Other licensees in the firm have no duties to the Buyer or Seller and may act solely on behalf of another party in the transaction.

Two Designated Agents from the same firm may each represent a different party in the same transaction or potential real estate transaction and shall not be considered Dual Agents. In such a transaction, however, the Broker is considered a consensual Dual Agent for purposes of that transaction. If the Designated Agent for one party in a transaction is also the Designated Agent for the other party in the transaction, the Designated Agent is considered a consensual Dual Agent for purposes of that transaction.

A Designated Agent's knowledge of confidential information of a Client is not imputed to any other licensee within the Designated Agent's firm unless the other licensee also has an agency relationship with the Client. A Designated Agent does not breach any duty or obligation owed to the Client by failing to disclose to the Client confidential information obtained through a present or prior agency relationship with a different client.

AFFILIATED LICENSEE DISCLOSURE (check one)

- ☒ DESIGNATED AGENT - Only the licensee's Broker and a named Supervisory Broker have the same agency relationship as the licensee named below. If the other party in a transaction is represented by an affiliated licensee, then the licensee's Broker and all named Supervisory Brokers shall be considered consensual Dual Agents.
- ☐ ALL affiliated licensees have the same agency relationship as the licensee named below.

Further, this form was provided to the Buyer or Seller before disclosure of any confidential information.

James A. Cash

Licensee James A. Cash

3-15-17

Date

Licensee

Michigan Real Estate Services, Inc.

Broker (Member Office)

ACKNOWLEDGEMENT

By signing below, the parties acknowledge that they have received and read the information in this agency disclosure statement and acknowledge that this form was provided to them before the disclosure of any confidential information.

THIS IS NOT A CONTRACT. The Undersigned _____ DOES ☒ DOES NOT have any agency relationship with any other real estate licensee. If an agency relationship exists, the undersigned is represented as ☒ SELLER ☐ BUYER.

Ronald Rogers

☒ Potential Seller / ☐ Buyer (check one)

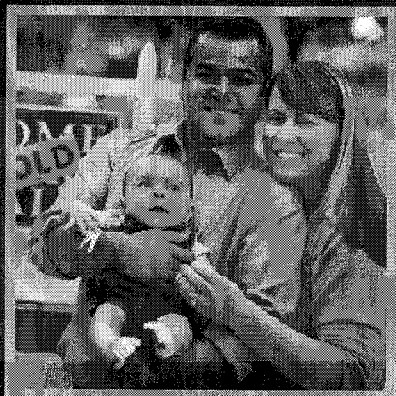
3-17-17

Date

☐ Potential Seller / ☒ Buyer (check one)

Date

19



Protect Your Family From Lead in Your Home



United States
Environmental
Protection Agency



United States
Consumer Product
Safety Commission



United States
Department of Housing
and Urban Development

December 2012

Are You Planning To Buy or Rent a Home Built Before 1978?

Did you know that many homes built before 1978 have lead-based paint? Lead from paint, chips, and dust can pose serious health hazards.

Read this entire brochure to learn:

- How lead gets into the body
- About health effects of lead
- What you can do to protect your family
- Where to go for more information

Before renting or buying a pre-1978 home or apartment, federal law requires:

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:

- Read EPA's pamphlet, The Lead-Safe Certified Guide to Renovate Right, to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).



Simple Steps to Protect Your Family from Lead Hazards

If you think your home has lead-based paint:

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at epa.gov/lead.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods high in iron, calcium, and vitamin C.
- Remove shoes or wipe soil off shoes before entering your house.

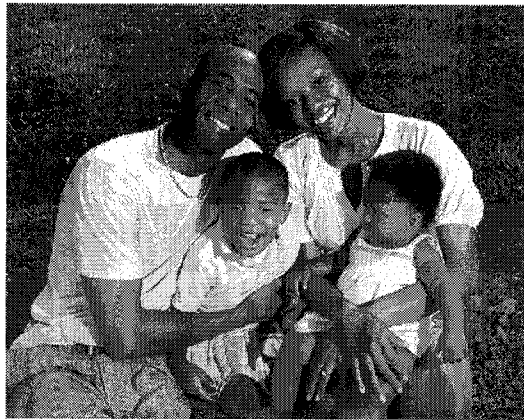
Lead Gets into the Body in Many Ways

Adults and children can get lead into their bodies if they:

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

Lead is especially dangerous to children under the age of 6.

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



Women of childbearing age should know that lead is dangerous to a developing fetus.

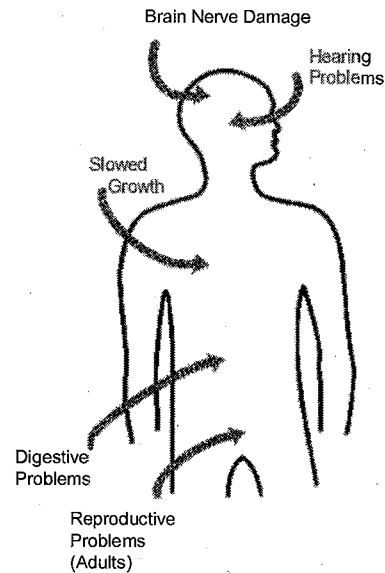
- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

Health Effects of Lead

Lead affects the body in many ways. It is important to know that even exposure to low levels of lead can severely harm children.

In children, exposure to lead can cause:

- Nervous system and kidney damage
- Learning disabilities, attention deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage



While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

In adults, exposure to lead can cause:

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

Check Your Family for Lead

Get your children and home tested if you think your home has lead.

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

Your doctor can explain what the test results mean and if more testing will be needed.

Where Lead-Based Paint Is Found

In general, the older your home or childcare facility, the more likely it has lead-based paint.¹

Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint.²

Learn how to determine if paint is lead-based paint on page 7.

Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at epa.gov/lead.

¹ "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm), or more than 0.5% by weight.

² "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

Identifying Lead-Based Paint and Lead-Based Paint Hazards

Deteriorating lead-based paint (peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention. Lead-based paint may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead-based paint is usually not a hazard if it is in good condition and if it is not on an impact or friction surface like a window.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) and higher for floors, including carpeted floors
- 250 $\mu\text{g}/\text{ft}^2$ and higher for interior window sills

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

Checking Your Home for Lead

You can get your home tested for lead in several different ways:

- A lead-based paint inspection tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
 - Portable x-ray fluorescence (XRF) machine
 - Lab tests of paint samples
- A risk assessment tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
 - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
 - Sample dust near painted surfaces and sample bare soil in the yard
 - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.



Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

Checking Your Home for Lead, continued

In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit epa.gov/lead, or call 1-800-424-LEAD (5323) for a list of contacts in your area.³

³ Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8399.

What You Can Do Now to Protect Your Family

If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children eat nutritious, low-fat meals high in iron, and calcium, such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards

Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

- In addition to day-to-day cleaning and good nutrition, you can temporarily reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead-safe work practices in your home.
- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.



Always use a certified contractor who is trained to address lead hazards safely.

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement professional. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Reducing Lead Hazards, continued

If your home has had lead abatement work done or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

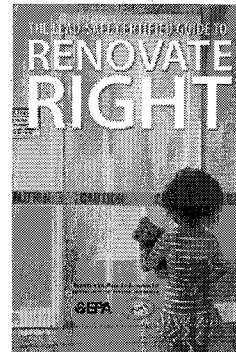
- 40 micrograms per square foot ($\mu\text{g}/\text{ft}^2$) for floors, including carpeted floors
- 250 $\mu\text{g}/\text{ft}^2$ for interior window sills
- 400 $\mu\text{g}/\text{ft}^2$ for window troughs

For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 14 and 15), or visit epa.gov/lead, or call 1-800-424-LEAD.

Renovating, Remodeling, or Repairing (RRP) a Home with Lead-Based Paint

If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, The Lead-Safe Certified Guide to Renovate Right



RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:

- Contain the work area. The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- Avoid renovation methods that generate large amounts of lead-contaminated dust. Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
 - Open-flame burning or torching
 - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment and
 - Using a heat gun at temperatures greater than 1100°F
- Clean up thoroughly. The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- Dispose of waste properly. Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects visit epa.gov/getleadsafe, or read The Lead-Safe Certified Guide to Renovate Right.

Other Sources of Lead

While paint, dust, and soil are the most common sources of lead, other lead sources also exist:

- Drinking water. Your home might have plumbing with lead or lead solder. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might contain lead:²
 - Use only cold water for drinking and cooking.
 - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.

Call your local health department or water supplier to find out about testing your water, or visit epa.gov/lead for EPA's lead in drinking water information.

- Lead smelters or other industries that release lead into the air.
- Your job. If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Hobbies that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old toys and furniture may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.⁴
- Food and liquids cooked or stored in lead crystal or lead-glazed pottery or porcelain may contain lead.
- Folk remedies, such as "greta" and "azarcon," used to treat an upset stomach.

⁴ In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint (16 CFR 1303). In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products (76 FR 44463).

For More Information

The National Lead Information Center

Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at epa.gov/lead and hud.gov/lead, or call 1-800-424-LEAD (5323).

EPA's Safe Drinking Water Hotline

For information about lead in drinking water, call 1-800-426-4791, or visit epa.gov/lead for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call 1-800-638-2772, or visit CPSC's website at cpsc.gov or saferproducts.gov.

State and Local Health and Environmental Agencies

Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at epa.gov/lead, or contact the National Lead Information Center at 1-800-424-LEAD.

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at 1-800-877-8339.



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: 9/20/2017

SUBJECT: Approval of Minutes

RECOMMENDATION

It is recommended that the City Commission approve the minutes from its meetings on August 28, September 18, and September 25, 2017.

ATTACHMENTS:

Type	Description
------	-------------

- | | |
|--------------------------|---|
| ☐ | Minutes August 28, 2017 Work Session |
| ☐ | Minutes September 18, 2017 Neighborhood Meeting |
| ☐ | Minutes September 18, 2017 Business Meeting |
| ☐ | Minutes September 25, 2017 Work Session |

	A regular work session of the Kalamazoo City Commission was held on Monday, August 28, 2017 at 6:00 p.m. in the Community Room at City Hall.
Roll Call	COMMISSIONERS PRESENT: Mayor Bobby J. Hopewell Vice Mayor Don Cooney David Anderson Erin Knott Matt Milcarek Shannon Sykes COMMISSIONERS ABSENT: Jack Urban* Also present were City Manager Jim Ritsema, City Attorney Clyde Robinson, and Deputy City Clerk Shelby Moss.
Commissioners Excused	Commissioner Sykes, seconded by Commissioner Milcarek, moved to excuse the absence of Commissioner Urban. With a voice vote the motion passed.
Discussion Items	Discussion items were considered next.
Discussion of Draft Master Plan and the Built Environment	Community Planning and Development Director Rebekah Kik and City Planner Christina Anderson delivered a PowerPoint presentation entitled <i>Imagine Kalamazoo Master Plan & the Built Environment</i>. A copy of this presentation was filed with the paperwork for this meeting. In response to questions from Commissioner Anderson, Planner Anderson explained in order to use “zoning as a strength” the city needed to be proactive in changing the zoning to match the desired vision for a neighborhood. Director Kik indicated the City’s current zoning was a burden, but once the “red tape” was removed the zoning code could be used as a building block. Planner Anderson identified steps that could be taken immediately such as a “stress test” to identify the gaps between the current zoning code and the desired vision for the City as outlined in the Imagine Kalamazoo 2025 plan. Director Kik indicated a complete rewrite of the zoning code would be a very involved process, comparable to the Imagine Kalamazoo 2025 process. Director Kik described form based zoning vs. use based zoning, and she stated the shift to form based zoning accounts for the character of a neighborhood. Director Kik explained the Master Plan was a big picture vision for the City, but both the Master Plan process and the Shared Prosperity Kalamazoo work were based off information gained from Imagine Kalamazoo 2025. *Commissioner Urban arrived at 6:50pm In response to questions from Commissioner Cooney, Director Kik stated the Master Plan was a necessary foundation for conversations about affordable housing, mixed use housing, a vacant land strategy, and reducing “red tape.” Director Kik stated the vision for the City had changed over the years but the zoning code had not changed and was causing numerous zoning variance requests. Director Kik stated there would be additional conversations about affordable housing and mixed use housing in September.

Commissioner Urban requested that City Manager Ritsema and City Attorney Robinson keep the momentum going on the work being performed to update the zoning code.

In response to questions from Commissioner Anderson, Planner Anderson stated while the City would like to move towards more form based zoning there would still be times when use based zoning was necessary, such as regulating medical marihuana facilities. Director Kik stated the Master Plan was currently in the required 63 day comment period. The City had distributed the plan to neighboring townships, cities and the county and had already received several comments back. Director Kik explained the Redevelopment Ready Community certification process did not dictate zoning, but instead provided technical assistance related to best practices for becoming a Redevelopment Ready Community.

In response to questions from Commissioner Sykes, Director Kik stated there were no barriers to incentivizing affordable housing and mixed income housing in all areas of the City. Director Kik indicated the strategic vision stated affordable housing was important to the City, and the Master Plan would follow that vision. Director Kik explained the location and amount of land available for development would dictate where new development would occur. Director Kik indicated staff in the Community Planning and Development Department recognized the need to minimize displacement, and she suggested a gentrification vulnerability analysis and identifying neighborhood wants and needs before any development took place.

In response to remarks from Commissioner Urban, Planner Anderson stated the work of Imagine Kalamazoo 2025 was not done, and dialog with the public would continue. Planner Anderson explained the information gathered through Imagine Kalamazoo 2025 would be the foundation for updating a number of plans in the City including the zoning ordinance, the complete streets plan, and the climate action plan.

In response to remarks from Commissioner Milcarek, Director Kik agreed the City needed a housing plan, and she highlighted the relationship between the strategic vision, all other neighborhood plans, and a City wide housing plan. Director Kik stated the neighborhood plans developed from the Imagine Kalamazoo 2025 process would be incorporated into the Master Plan.

Commissioner Sykes requested a representative from the Fair Housing Center of Southwest Michigan be a member on the Strong Families Goal Team for Shared Prosperity Kalamazoo.

Mayor Hopewell reminded Commissioners there could be more than one Commission liaison serving on a board, and he encouraged Commissioners to work together.

Commissioner Urban requested that Commissioners share the goals of Shared Prosperity Kalamazoo with the boards and commissions for which they were liaisons.

Discussion of Draft
Master Plan and the
Built Environment
(cont'd)

Discussion of Draft Master Plan and the Built Environment (cont'd)	In response to questions from City Manager Ritsema, Director Kik reported the draft Master Plan was scheduled for City Commission consideration at or before the October 16th business meeting, but if the Planning Commission requested any changes then the Master Plan may be delayed until November. In response to questions from Commissioner Urban, Planner Anderson stated the majority of the comments received regarding the Master Plan had been very positive, and the questions had been more for clarification purposes. Planner Anderson reported no questions had been contradictory to each other. Director Kik stated a possible change to the Master Plan would be the use of the word "boulevard" in the street designation portion, because the way the term was being used in the Master Plan did not match up with the public's understanding of the term "boulevard." Director Kik stated another potential change would be to add more detail to the neighborhood plans being adopted into the Master Plan. In response to comments from Commissioner Cooney, Director Kik reported Lovell Street would not need a continuous left hand turn lane if it was converted to a two-way street, so there would be no loss of on-street parking as feared by residents. Mayor Hopewell pointed out the topic of converting one-way streets to two-way streets downtown was a common request from the community during the Imagine Kalamazoo 2025 visioning process and was not a request that could be ignored.
Citizen Comments	When an opportunity was given for general citizen comments, the following people addressed the City Commission: Mattie Jordan-Woods, City resident, questioned if the Imagine Kalamazoo 2025 neighborhood plans would be incorporated into the new Master Plan. Zach Lassiter, City resident, expressed concerns regarding non-motorized transit contributing to gentrification in the City and commented on the need for a housing plan in Kalamazoo.
City Commissioner Comments	Next, an opportunity was given for miscellaneous comments and concerns of City Commissioners. In response to questions from Mayor Hopewell, Director Kik stated the 2010 Master Plan listed all neighborhood plans that were in existence at that time, such as the Edison Neighborhood plan, but the 2017 proposed Master Plan did not list any of the neighborhood plans. Commissioner Sykes requested a future work session on the topic of policing, including the Group Violence Intervention initiative, the broken windows policy, citizen-led oversight of the Citizen Public Safety Review and Appeal Board, and the effects of policing on extreme displacement and gentrification. Commissioner Urban questioned the meaning of gentrification, and he stated the City needed to have a clear definition of the term. Commissioner Urban shared an opinion from a citizen who felt the

Kalamazoo Promise was causing gentrification in the City because it had increased the demand for housing. Commissioner Urban expressed the need to look at the issue of housing from all sides and perspectives.

In response to a question from Mayor Hopewell, City Manager Ritsema stated the City no longer followed the broken windows policy.

Mayor Hopewell indicated the Bellevue Court Group from the Vine Neighborhood could be a model and resource for other areas of the City wanting to achieve the same goals. Mayor Hopewell requested information regarding the number of property owners appealing to the Board of Review. Mayor Hopewell recapped the importance of service delivery for all departments in the City. Mayor Hopewell requested information regarding any planned sidewalk improvements on Portage Street.

Commissioner Milcarek, seconded by Commissioner Knott, moved that the City Commission go into closed session to discuss labor negotiations and a litigation matter.

Prior to a vote on the motion, Mayor Hopewell indicated the City Commission would not return to open session.

With a roll call vote this motion passed.

AYES: Commissioners Anderson, Knott, Milcarek, Sykes, Urban
Vice Mayor Cooney, Mayor Hopewell

NAYS: None

The meeting adjourned at 7:48 p.m.

Respectfully submitted,

Shelby Moss
Deputy City Clerk

For City Commission approval on October 2, 2017

Approved by: _____
Bobby J. Hopewell, Mayor
Dated: October 2, 2017

City Commissioner
Comments (cont'd)

Closed Session

Adjournment

Roll Call

A neighborhood meeting of the Kalamazoo City Commission was held on Monday, September 18, 2018 at 6:00 p.m. at Hays Park, 2001 Miller Road.

COMMISSIONERS PRESENT:

Mayor Bobby J. Hopewell
Vice Mayor Don Cooney
David Anderson
Erin Knott
Matt Milcarek
Shannon Sykes
Jack Urban

COMMISSIONERS ABSENT:

None

Also present were City Manager Jim Ritsema, City Attorney Clyde Robinson, and City Clerk Scott Borling.

Communications

An opportunity was given for miscellaneous communications, but no communications were offered.

Neighborhood Communications

Neighborhood communications were received next.

Representatives from the following neighborhood associations were present and addressed the City Commission:

Eastside Neighborhood Association

Mike Seals, Board President
April Ouweleen, Board Vice President
Pat Taylor, Executive Director

Vine Neighborhood Association

Steve Walsh, Executive Director

Eastside Neighborhood Association

The Eastside Neighborhood Association representatives:

- reported on a number of summer activities and stated the Association was able to accomplish more this summer compared to previous years due to effective partnerships and collaborations with other organizations.
- distributed copies of the September/October 2017 edition of the Association newsletter.
- stated the Association had a new Vice President and Secretary.
- reported the Association had experienced success at renting out the neighborhood center.
- commented on the exciting initiatives around the City that were coming out of Imagine Kalamazoo 2025.
- recognized Thomas Andrews, former Director of ONEplace at the Kalamazoo Public Library, who recently passed away.

The Vine Neighborhood Association representative:

- commended the Parks and Recreation Department for their collaborative work with neighborhood residents.
- thanked Community Police Officer Ryan Shank for helping with issues associated with the return of college students for the fall.
- thanked the Parks and Recreation Department for supporting the recent festival in South Westnedge Park.
- reported Read and Write Kalamazoo would be renting the front portion of the Association's building.
- commended Community Planning and Development Director Rebekah Kik and City Planner Christina Anderson for their work on Imagine Kalamazoo 2025.
- indicated many new people were being assimilated into the Neighborhood and reported there were no incidents associated with the first Western Michigan University football game.
- requested diligent enforcement of ordinances affecting residents' quality of life, such as parking and trash violations.

Vine Neighborhood Association

When an opportunity was given for general citizen comments, the following people addressed the City Commission:

Citizen Comments

Keith Hook, City resident, spoke about negative interactions with Public Safety Officers and their failure to address issues.

Belinda Buchanan, City resident, asked why she did not see minority workers on construction jobs in Kalamazoo.

Jerry Hoffman, City resident and President of the Edison Neighborhood Association, welcomed the City Commission and thanked Commissioners for holding a meeting out in the community.

Leon Jones, City resident, thanked the Commission for hosting a meeting outdoors in a City neighborhood. Mr. Jones commented on the number of abandoned buildings in the surrounding area and expressed support for preserving older structures rather than destroying them.

Finally, an opportunity was given for miscellaneous comments by City Commissioners.

Commissioner Comments

Commissioner Urban expressed hope that the comments made during this meeting would reach the appropriate staff members. Commissioner Urban stated there needed to be a balance between restoring and demolishing buildings.

Commissioner
Comments (cont'd)

Vice Mayor Cooney announced the City Commission would be having a work session to discuss the built environment on September 25th. Vice Mayor Cooney thanked Public Safety Chief Hadley for talking with Mr. Hook.

Mayor Hopewell talked about the City's plan to implement a 311 system and encouraged people to contact City staff with questions or concerns rather than waiting to speak at a City Commission meeting. Mayor Hopewell welcomed his mother to the meeting.

Adjournment

The meeting adjourned at 6:29 p.m.

Respectfully submitted,

Scott A. Borling
City Clerk

For City Commission approval on October 2, 2017

Approved by: _____
Bobby J. Hopewell, Mayor
Dated: October 2, 2017

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blank intentionally.*

	A regular meeting of the Kalamazoo City Commission was held on Monday, September 18, 2017 at 7:00 p.m. in Hays Park, located at 2001 Miller Road.
Roll Call	COMMISSIONERS PRESENT: Mayor Bobby J. Hopewell Vice Mayor Don Cooney David Anderson Erin Knott Matt Milcarek Shannon Sykes Jack Urban COMMISSIONERS ABSENT: None Also present were City Manager Jim Ritsema, City Attorney Clyde Robinson, and City Clerk Scott Borling.
Invocation	The invocation, given by the Reverend Dr. Seth E. Weeldreyer, First Presbyterian Church, was followed by the Pledge of Allegiance.
Proclamation	Vice Mayor Cooney proclaimed the week of September 18th 2017 <i>Welcoming Week</i>.
Adoption of the Agenda	By unanimous consent the City Commission adopted its meeting agenda as presented.
Communications	City Manager Ritsema announced there would be a special City Commission work session on Monday, September 25, 2017 at 6:00 p.m. in the Community Room at City Hall. The discussion topics for the meeting would be Economic Development and Affordable Housing.
Public Hearing re: the 2016 Mall Maintenance Assessment Roll	At 7:05 p.m. Mayor Hopewell opened a public hearing to receive comments on a resolution approving the 2016 Kalamazoo Mall Sidewalk Maintenance Assessment at a per front foot cost of \$14.779. At 7:06 p.m. Mayor Hopewell closed the public hearing.
Resolution 17-51 Approving the 2016 Mall Maintenance Assessment Roll	Commissioner Milcarek, seconded by Commissioner Urban, moved to adopt a RESOLUTION approving the 2016 Kalamazoo Mall Sidewalk Maintenance Assessment at a per front foot cost of \$14.779. With a roll call vote this motion passed unanimously. AYES: Commissioners Anderson, Knott, Milcarek, Sykes, Urban, Vice Mayor Cooney, Mayor Hopewell NAYS: None
Public Hearing re: the Rezoning of 565 South Drake Road	At 7:06 p.m. Mayor Hopewell opened a public hearing to receive comments on an ordinance to rezone 565 S. Drake Road from Zone PUD (Planned Unit Development) to Zone RS-5 (Residential, Single Dwelling District).

Joe Gesmundo, nonresident and the developer of the subject property, described the project and expressed support for the ordinance. Mr. Gesmundo indicated there were no objections from the Arcadia Neighborhood or the WMU Foundation.

Public Hearing re: the Rezoning of 565 South Drake Road (cont'd)

At 7:11 p.m. Mayor Hopewell closed the public hearing.

Commissioner Anderson, seconded by Commissioner Sykes, moved to adopt an **ORDINANCE** to rezone 565 S. Drake Road from Zone PUD (Planned Unit Development) to Zone RS-5 (Residential, Single Dwelling District).

Ordinance 1952
Rezoning 565 South Drake Road

With a roll call vote this motion passed unanimously.

AYES: Commissioners Anderson, Knott, Milcarek, Sykes, Urban, Vice Mayor Cooney, Mayor Hopewell

NAYS: None

Consent Agenda items were presented as follows with a recommendation to approve the items with authorization for the City Manager to sign on behalf of the city:

Consent Agenda

- adoption of a **RESOLUTION** recognizing the Bach Festival Society of Kalamazoo as a non-profit organization operating in the community for the purpose of obtaining a charitable gaming license.
- adoption of a **RESOLUTION** setting a public hearing on October 2, 2017 to consider an application from Zoetis, LLC for a new PA 198 Industrial Facilities Tax Exemption Certificate to be located at 2605 East Kilgore Road.
- adoption of a **RESOLUTION** setting a public hearing on October 2, 2017 to consider an application from Newell Brands for a new PA 198 Industrial Facilities Tax Exemption Certificate to be located at 3300 Research Way.
- approval of the First Amendment to the Interlocal Agreement Creating The Kalamazoo County Consolidated Dispatch Authority.
- approval of a one-year contract with City of Kalamazoo retiree John Kneas for legal services on behalf of the Economic Development Corporation and Brownfield Redevelopment Authority.
- approval of a Buy/Sell Agreement with Carrie Yancer for purchase of the property located at 1019 East Alcott Street and authorization for the City Manager, or his designee, to sign all related documents related to the closing of this purchase.
- approval of the minutes from the City Commission meetings on June 26, July 17, July 24, August 7, August 21, and September 5, 2017.

Resolution 17-52

Resolution 17-53

Resolution 17-54

Consent Agenda
(cont'd)

- approval of a recommendation to hold until October 2, 2017 consideration of a buy/sell agreement with Kalvan Realty/James A. Cash regarding the purchase of 628 Lake Street and authorization for the City Manager or his designee to sign all related documents to complete the closing of this purchase.

Commissioner Knott, seconded by Commissioner Milcarek, moved to approve the consent agenda requests and authorize the City Manager to sign all documents on behalf of the City.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Anderson, Knott, Milcarek, Sykes, Urban, Vice Mayor Cooney, Mayor Hopewell

NAYS: None

City Manager's Report

City Manager Ritsema provided the following reports and updates:

- Departmental Reports and Project Updates
- August 2017 Purchases

City Manager Ritsema thanked staff from the Parks and Recreation Department for their work to prepare for the meeting.

Parks and Recreation Director Sean Fletcher described recent improvements to Hays Park.

City Attorney's Report

City Attorney Robinson provided information from the website of the Michigan Department of Licensing and Regulatory Affairs (LARA) regarding the issuance of emergency rules for processing medical marijuana facility license applications. City Attorney Robinson explained LARA would be issuing the rules some time in November, and he recommended that the City postpone action on its medical marijuana facility licensing ordinances until after the state issued its rules.

In response to a question from Commissioner Urban, City Attorney Robinson stated the only advantage to an early adoption of the ordinances was that people would know Kalamazoo's regulations and licensing process.

In response to a question from Commissioner Milcarek, City Attorney Robinson stated the emergency rules would not substantially change the City's approach to medical marijuana facilities, but he had heard conflicting information on the state's approach to the licensing process, which would affect the City's approach to the licensing process.

Commissioner Anderson thanked City Attorney Robinson for taking a proactive approach to the new medical marijuana facility statutes. Commissioner Anderson recommended the City not spend more time on its ordinances until LARA established its administrative rules.

By consensus the City Commission directed the City Attorney to not present marihuana facility license ordinances for consideration until after LARA issued administrative rules addressing the licensing process.

Next, an opportunity was given for general citizen comments, but no comments were offered.

Finally, an opportunity was given for miscellaneous comments and concerns of City Commissioners.

Commissioner Urban expressed support for holding City Commission meetings in parks but noted there was an expense involved.

Commissioner Sykes stated it was a great idea to hold City Commission meetings in parks and other places away from City Hall. Commissioner Sykes shared her recent positive experience with Public Safety Officers after a drunk driver hit her parked car.

Commissioner Anderson recalled the community discussion about the construction of Arboretum Parkway and discussed the development of that area. Commissioner Anderson commented on how great it was to have a development like Walden Woods in the City.

Vice Mayor Cooney offered remarks on the 2017 Welcoming Week proclamation and the City's efforts to make Kalamazoo a welcoming community for all people.

Mayor Hopewell offered remarks on the inaugural address of Western Michigan University President Edward Montgomery, the need for immigration reform, the Hispanic Heritage Festival, the Farmers' Market, and the recent Eco Raft Race at Mayor's Riverfront Park. Mayor Hopewell announced he was in the process of appointing a citizen representative to the Kalamazoo County Central Dispatch Authority, and he encouraged Commissioners to suggest potential nominees.

The meeting adjourned at 7:37 p.m.

Respectfully submitted,

Scott A. Borling
City Clerk

For City Commission approval on October 2, 2017

Approved by: _____
Bobby J. Hopewell, Mayor
Dated: October 2, 2017

Citizen Comments

City Commissioner
Comments

Adjournment

	A regular work session of the Kalamazoo City Commission was held on Monday, September 25, 2017 at 6:00 p.m. in the Community Room at City Hall.
Roll Call	COMMISSIONERS PRESENT: Vice Mayor Don Cooney David Anderson Erin Knott Matt Milcarek Shannon Sykes Jack Urban COMMISSIONERS ABSENT: Mayor Bobby J. Hopewell* Also present were City Manager Jim Ritsema, City Attorney Clyde Robinson, and City Clerk Scott Borling.
Commissioners Excused	Commissioner Urban, seconded by Commissioner Sykes, moved to excuse the absence of Mayor Hopewell. With a voice vote the motion passed.
Discussion Items	Discussion items were considered next.
Discussion of Economic Development and Affordable Housing	The following staff members delivered a PowerPoint presentation entitled <i>Economic Development and Affordable Housing, September 25, 2017</i>: - City Manager Jim Ritsema reviewed the desired meeting outputs. - Community Planning and Development Director Rebekah Kik provided an overview of the action items from Imagine Kalamazoo 2025 (IK2025) that were related to economic development and housing. - Andrew Haan, Executive Director of Downtown Kalamazoo, Inc., discussed the Urban Grown Initiative and reviewed the recent Downtown Retail Market Analysis. *Mayor Hopewell arrived at 6:14 p.m. - Economic Development Director Jerome Kisscorni, provided introductory remarks on the City's efforts to work with small, neighborhood businesses. - Economic Development Coordinator Ryan Simpson and Neighborhood Development and Special Projects Coordinator Dwayne Powell, Jr. reviewed the proposed tools available through a revitalized Economic Opportunity Fund, the areas targeted for strategic investment, and the forms of financial assistance that could be made available. - Assistant City Manager Laura Lam presented an opportunity for the City to partner with the Local Initiatives Support Corporation (LISC) for a pilot program that would provide matching funds to address economic development and housing issues in the City.

- Denise Scott, LISC Executive Vice President for Programs, expressed a commitment from LISC to provide 2:1 matching funds through its Catalyzing Economic Activity Initiative to help the City reach its economic development goals. Ms. Scott commented on the connection between affordable housing and economic development.
- Dorla Bonner, Community Development Manager, discussed the challenges and opportunities regarding affordable housing in the City.

Discussion of
Economic
Development and
Affordable Housing
(cont'd)

A copy of the presentation slides was filed with the paperwork for this meeting.

In response to a question from Mayor Hopewell, Mr. Powell explained that "fluidity" referred to connecting with college students to retain their talent in Kalamazoo once they graduated.

In response to a question from Commissioner Urban, Mr. Powell explained the small business accelerator/incubator would be similar to One Place for non-profits, but it would be more vigorous with partnerships and best practices. Mr. Powell stated the first step for the small business accelerator would be a feasibility study, which would suggest where this entity should reside and how it should be supported.

In response to a question from Commissioner Sykes, Mr. Powell clarified the intent of the small business accelerator to focus on businesses within neighborhoods and neighborhood entrepreneurs.

In response to a question from Commissioner Urban, Ms. Scott acknowledged that subsidies were necessary to create affordable housing, and she reported LISC was looking at different housing models and sources for subsidies. Ms. Scott suggested that subsidies might come from the City or might be achieved through reducing the cost of capital.

In response to a question from Commissioner Anderson, Ms. Scott indicated she would continue to be the City's point-of-contact with the national LISC organization.

Commissioner Milcarek cautioned that workforce development in the skilled trades was a complex task, especially when trying to connect it with other economic development goals.

Commissioner Urban suggested retirees as a resource for workforce development.

In response to a question from Commissioner Knott, City Manager Ritsema stated the City was working with LISC to develop a Memorandum of Understanding, which would be followed by a fully developed agreement. City Manager Ritsema indicated the work with LISC, as well as the other economic development and affordable housing projects, would show up in departmental budget proposals and requests for Foundation for Excellence (FFE) funding.

Discussion of Economic Development and Affordable Housing (cont'd)	City Manager Ritsema reviewed the proposed next steps and asked for feedback. Commissioner Sykes thanked City Manager Ritsema and City staff for their presentations. Commissioner Sykes stated the City Commission had heard what they needed to hear, and she expressed excitement about the initiatives that were described. Vice Mayor Cooney remarked on the scope of the work to be done and the need to set priorities. Commissioner Urban expressed concern that the City would overpromise and under deliver on its economic development and affordable housing initiatives. Commissioner Urban recommended these projects be implemented as limited-scale pilots and then expanded. In response to a question from Commissioner Milcarek, Mr. Haan clarified that his reference to the "greater downtown" was a reference to the study area in the Downtown Retail Market Analysis.
Citizen Comments	When an opportunity was given for general citizen comments, the following people addressed the City Commission: Annie Sprague, City resident, spoke about past affordable housing policies and practices that were discriminatory towards black people, and she urged the City to implement policies that would ensure equal access to affordable housing.
City Commissioner Comments	Next, an opportunity was given for miscellaneous comments and concerns of City Commissioners. Commissioner Milcarek spoke about disparities in the community and questioned how the City could break up segregated housing pattern in Kalamazoo. Commissioner Milcarek thanked LISC for its commitment to Kalamazoo and noted the organization usually worked in larger cities. Commissioner Urban remarked on the City's successful use of Neighborhood Stabilization Program funds and stated Kalamazoo was mature and creative enough to face the problem of "two Kalamazoo's." Commissioner Knott thanked Ms. Scott for coming and remarked on the benefits of having a LISC office in the community. Commissioner Knott stated she was eager for the work to begin. Vice Mayor Cooney thanked Kalamazoo County Treasurer Mary Balkema for her work as the head of the Kalamazoo Land Bank. Vice Mayor Cooney urged people to contact their federal legislators regarding a healthcare bill being considered by Congress. Mayor Hopewell suggested the City's tracking and reporting of FFE/IK2025 goals and results include equity and equality measures. Mayor Hopewell offered that the City might need external assistance to ensure its organizational structures and culture did not have a negative impact on its equity goals.

In response to Mayor Hopewell, City Manager Ritsema indicated staff were working to implement dashboard and reporting software, both for FFE projects and the City's open data initiative. City Manager Ritsema indicated these tools would be rolled out by the end of the year. City Manager Ritsema acknowledged the existence of high expectations and thanked staff for their creative work. City Manager Ritsema also expressed appreciation to LISC for choosing to work with Kalamazoo.

The meeting adjourned at 7:45 p.m.

Respectfully submitted,

Scott A. Borling
City Clerk

For City Commission approval on October 2, 2017

Approved by: _____
Bobby J. Hopewell, Mayor
Dated: October 2, 2017

City Commissioner
Comments (cont'd)

Adjournment



Commission Agenda Report

City of Kalamazoo

TO: Mayor Hopewell, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager

REVIEWED BY: Christina Anderson, City Planner

PREPARED BY: Rob Bauckham, Senior Development Planner

DATE: 9/18/2017

SUBJECT: Completing the final requirements for the Michigan Economic Development Corporation (MEDC) Redevelopment Ready Community Application (RRC): City of Kalamazoo Marketing Strategy and Public Participation Plan

RECOMMENDATION

It is recommended that the City Commission endorse the Marketing Strategy and Public Participation Plan as the final two pieces of the Redevelopment Ready Communities (RRC) Application.

BACKGROUND

In 2015, the Planning Division applied to the Michigan Economic Development Corporation (MEDC) for the City to become a certified Redevelopment Ready Community (RRC). The MEDC approved the application and initiated a comprehensive review of all City of Kalamazoo policies and procedures pertaining to economic development, site plan review, and planning and zoning. The results of the review indicated that the City met all but five of the State's best practice guidelines for such activities. Since that time, the Planning Division has diligently worked to satisfy the outstanding requirements. Three of the needed best practice criteria have already been completed: a customer survey for the site plan review program was created and placed on the City web site, a flowchart of the required steps for the review and approval of a site plan was developed, and a training schedule for new members of City Boards and Commission was formulated. These documents have already been reviewed and approved by the MEDC. The final two best practice criteria required for our certification are the creation of a Marketing Strategy and a Public Participation Plan for the City.

The Marketing Strategy was developed with the assistance of a citizen task force made up of representatives from Bronson Hospital, Downtown Kalamazoo Incorporated, Southwest Michigan First, Kalamazoo College, Western Michigan University, Kalamazoo Valley Community College, local businesses, and city staff. The task force met on three occasions to review existing marketing processes for the cities of Grand Rapids, Ann Arbor, Lansing, Traverse City, and Battle Creek, and to discuss an initial outline for the Kalamazoo Strategy. A draft of the Strategy was created by city staff, and was reviewed and ultimately endorsed by the task force.

The document summarizes the following processes that were recently completed in the City:

- Imagine Kalamazoo Strategic Vision

- 2017 Retail Market Analysis
- National Citizen Survey completed by the National Research Center and ICMA
- Creation of a Business Information Packet

Based on the insights from the task force, marketing information from other Michigan cities and recent studies, and a review of the current business/economic climate, specific marketing tasks were identified for Kalamazoo and included in the Strategy. Some are short-term tasks that are scheduled to be completed within one year, such as creating logos and branding guidelines for City departments and initiatives. Some are scheduled to take between one and two years, including creating a promotional video for the City. Other tasks will be ongoing, like conducting periodic surveys of existing and new businesses to obtain feedback on the City's marketing and development processes.

The Public Participation Plan was developed in concert with the Imagine Kalamazoo (IK) 2025 process. It describes the various public participation methods currently utilized by city staff for projects and initiatives, as well as those that were followed during IK 2025. The critical need for engaging in thorough community outreach is identified in the Plan. Such outreach includes providing information to the citizens that will be affected by a proposed project, as well as obtaining their feedback on the potential negative impacts and the benefits. The various engagement tools that will be utilized are identified, including disseminating meeting announcements and notices, conducting community surveys, partnering with local groups and agencies to determine initiatives, creating living walls for public comment, and facilitating open town hall meetings.

An Impact Scale Grid is included in the Plan to define the desired level of public participation based on the anticipated impact level of the project. Projects having significant impact on the community must include extensive public outreach. A Community Engagement Spectrum tool is provided to identify the various desired levels of outreach for a project from initial visioning to debriefing at the conclusion of the work. A Public Participation Toolkit that lists a variety of techniques for disseminating information and gathering input, along with the most appropriate situations in which to use them, is also included. The expected outcomes of each method are also presented in the Plan. For example, using these tools would determine that the proper approach to a planned street project is holding a neighborhood meeting in advance of the project, in which all neighborhood groups and residents are invited to attend in a setting that is familiar and convenient for them. This type of meeting allows review of the proposed plan by residents and promotes full dialogue.

The benefits of obtaining the Redevelopment Ready Community Certification is that the City of Kalamazoo will join a handful of communities that are in the top tier for the state's marketing and promotional efforts. The City will be included in the promotional materials disseminated by the state and when state leaders meet with businesses and organizations outside of Michigan and the U.S. who are considering locating in Michigan, Kalamazoo will be among the recommended cities. The City of Kalamazoo will be considered to "have its act together" in terms of how we accommodate the needs of new and existing businesses. Another benefit is that the process has encouraged the development and updates of policies and procedures the City should have in place, regardless of the certification. The Blueprint for Growth, the existing strategy for promoting development in the City, is over ten years old, and the City does not currently have a comprehensive Public Participation Plan.

The draft copies of the Marketing Strategy and Public Participation Plan have already been submitted to the MEDC for an initial review. MEDC staff commented that both documents are acceptable and meet the requirements needed for the City to obtain the Certification. If the City Commission endorses the Strategy and Plan, the MEDC will make arrangements to present the Certification to the City before the end of the year.

COMMUNITY RESOURCES CONSULTED

A task force comprised of institutional, business, and other community leaders was assembled to develop the Marketing Strategy. The task force met on three occasions, and endorsed the draft plan created. The Public Participation Plan was created using existing processes that are in place for soliciting public input by City boards, commissions, and departments, and the methods used during the Imagine Kalamazoo 2025 process that resulted in unprecedented levels of public input. At its September 7, 2017, meeting, the Planning Commission unanimously endorsed the Marketing Strategy and Public Participation Plan.

FISCAL IMPACT

City staff time will be required to implement the tasks outlined in the Marketing Strategy and the public participation methods detailed in the Plan. Such activity is vital to promote the success of the community. Many staff members are currently engaged in these types of tasks already, and additional work resulting from the Strategy and Plan will be accommodated. Implementation of the Marketing Strategy is anticipated to translate into enhanced economic development and growth in the City, which will likely lead to increases in the tax base.

ALTERNATIVES

The City Commission has the option to not endorse the Marketing Strategy and Public Participation Plan. If the Strategy and Plan are not endorsed, the City will not receive the certification as a Redevelopment Ready Community (RRC). It is recommended that the City Commission endorse the Strategy and Plan.

ATTACHMENTS:

Type	Description
□	Proposal Marketing Strategy
□	Proposal Public Participation Plan

City of Kalamazoo

Marketing & Branding Strategy

August 2017



*Prepared in association with the Michigan Economic Development Corporation's
Redevelopment Ready Communities® Program*



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CONTENTS

Introduction	1
Process	2
Background Research	3
Existing Efforts	11
Kalamazoo RRC Task Force	17
Strategies & Implementation	21
Appendix	

INTRODUCTION

About RRC

The City of Kalamazoo is engaged in the Michigan Economic Development Corporation's (MEDC) Redevelopment Ready Communities (RRC) program. The RRC program provides no-cost evaluation and recommendations for improvement of a community's development processes and procedures. If a community meets all of the best practice requirements outlined by the MEDC, it can become an RRC-certified community.

Receiving RRC certification means that the community has "clear development policies and procedures, a community-supported vision, a predictable review process, and compelling sites for developers to locate their latest projects." For Kalamazoo, this certification can help show investors, residents, and visitors that the City offers deliberate, predictable, and transparent processes. Through this program, Kalamazoo hopes to join the short list of RRC-certified Michigan communities.

About this Strategy

This Marketing & Branding Strategy is necessary to complete the requirements of RRC Best Practice 6.2 – *Marketing and Promotion*. Community marketing and promotion efforts take many forms, but the goal is to create a positive image that enhances community pride and consumer and investor confidence. As such, strong community marketing plans should publicize and strategize around what sets a community apart from others.

An RRC staff evaluation of Kalamazoo's processes and plans found that the City does not have an up-to-date, comprehensive community marketing document that deliberately outlines strategies to connect with development partners and attract businesses, talent, and additional development. Thus, City staff, in conjunction with key community stakeholders, reviewed existing best practices and community input to develop key strategies and action steps to more effectively market the City of Kalamazoo as an attractive place to live, work, and invest. Detail on this process and the accompanying strategies for marketing and branding are outlined in this document.

PROCESS

The development of this Strategy relied on the input of many individuals and synthesizes the efforts of several ongoing Citywide initiatives. The process employed to complete this Strategy included a substantial amount of background research, targeted input from a group of key community stakeholders, and the development of strategies and initial marketing materials for use by City staff and partners. The work carried out in the development of this Strategy is outlined in the following sections:

- **Background Research:** Contains an overview of the research that was completed in the early stages of developing this Strategy. This background research included reviewing marketing and branding efforts of several other Michigan cities, relevant planning efforts within the City of Kalamazoo, and previous Kalamazoo marketing strategy documents.
- **Existing Efforts:** From the time of the initial RRC evaluation to the development of this Strategy, City of Kalamazoo staff have developed a variety of marketing materials and documents that are currently being utilized. A summary of these existing efforts and materials is presented.
- **Kalamazoo RRC Task Force:** This section describes the input gathered from a Task Force of representatives from key partner organizations in Kalamazoo. This Task Force met three times during the development of this Strategy to provide input at critical junctures and to be sure strategies are aligned with cross-agency goals and values.
- **Strategies & Implementation:** Outlines the key action steps and proposed roles and timelines for enhancing Kalamazoo's marketing and branding efforts. These strategies will help guide immediate action by City staff and key partners.

BACKGROUND RESEARCH

To ensure that previous efforts and research were not overlooked or unnecessarily duplicated in the creation of this Strategy, a substantial amount of background research was conducted. Documents and initiatives focused on the City of Kalamazoo were reviewed as well as current efforts and best practices from several communities across the State of Michigan. This information was incredibly valuable to serve as a starting point for developing the strategies outlined later in this document. The following items were reviewed for their relevance to the development of this Strategy:

- **Michigan Peer Community Best Practices:** A subset of five Michigan cities were selected and researched to understand their existing efforts related to marketing and branding
- **Imagine Kalamazoo Strategic Vision and Input:** The input and information gathered from over 3,500 Kalamazoo residents during the City's 15-month Imagine Kalamazoo engagement process was reviewed to identify key themes relevant to marketing
- **Additional Recent Planning Efforts:** Several additional studies and planning projects are currently underway or recently completed as of the writing of this Strategy. Key excerpts of these projects and their accompanying recommendations are summarized here

Michigan Peer Community Best Practices

To get a sense of what other communities across the State are doing when it comes to marketing themselves, a high-level review of five cities' marketing efforts was conducted, including Grand Rapids, Lansing, Battle Creek, Ann Arbor, and Traverse City. These cities were selected for their geographic proximity, similarity in size and/or demographics, and the fact that they have significant marketing efforts already in place. In summary, the following key themes and strategies stuck out as commonplace across our review of these communities.

Targeted Tourism and Promotional Materials

Several of the cities reviewed have specific marketing materials from a tourism agency or visitor's bureau, with the intent of promoting the city to tourists and visitors. These materials often came in the form of a website and were front and center, the first information to appear when searching for a specific city online. These websites often split 'tourism' into three categories: dining, lodging, and play (e.g., family activities, night life, outdoor recreation, etc.). Three examples of this theme include:

- **Experiencegr.com (Grand Rapids):** Lists 'top 10 reasons to visit Grand Rapids' and tourism awards with a focus on the arts, craft brewery scene, and family activities
- **Visitannarbor.org (Ann Arbor):** 'Eat,' 'Play,' 'Stay,' and 'Meet' sections with a focus on the University of Michigan and upcoming events. The website also contains an online quiz which helps each potential visitor tailor their Ann Arbor experience to their preferences
- **Traversecity.com (Traverse City):** Lists activities in Traverse City, with a focus on outdoor recreation, nature, wineries, and restaurants. Traverse City has a different version of their website for each season, with recommended activities based on the current season

Economic Development Partnerships

Along with municipal economic development departments, many cities worked with other economic development companies or citizen boards to attract development and work with investors. These partners serve as a catalyst to attract potential clients, connect new businesses to a community, and aid in business retention and expansion efforts. Several examples of these entities include:

- **Ann Arbor SPARK:** Ann Arbor SPARK is an organization dedicated to the economic prosperity in the greater Ann Arbor region. Ann Arbor SPARK works with businesses by incentivizing growth, promoting entrepreneurship, and advertising available jobs. SPARK regularly receives International Economic Development Council and Michigan Economic Developers Association recognition for its work.
- **The Right Place:** Since its creation in 1985, The Right Place has been West Michigan's leading economic development organization, offering confidential, comprehensive business services in the region. The Right Place has assisted thousands of West Michigan companies to invest more than \$4.7 billion and create 44,000 new jobs in the Grand Rapids region over 30 years.
- **Lansing Economic Area Partnership:** The Lansing Economic Area Partnership (LEAP) is a coalition of area leaders committed to building a prosperous and vibrant region where businesses can thrive. LEAP is the economic development organization representing the tri-county region of Ingham, Clinton, and Eaton counties.

Downtown Development Focus

In the researched cities, downtown improvement was an economic development priority for the continued prosperity of both current and future businesses. Downtown improvement was led by each city's respective Downtown Development Authority (DDA), including the following examples:

- **Downtown Ann Arbor:** The Ann Arbor DDA has worked on large infrastructure projects including the construction of parking structures and installation of transformative streetscape elements. The DDA also works on a variety of smaller projects, including free bus passes for downtown employees, bike parking, and grants to encourage the creation of new workforce housing units.
- **Downtown Battle Creek:** In 2008, the Battle Creek DDA announced the Downtown Transformative Initiative (DTI), which laid the groundwork for a long-term transformation of Battle Creek with public and private resources over multiple years to revitalize the central business district to create a downtown where food-science, innovation, and growth strategies synergize with education and urban lifestyles.

Kalamazoo Comparison

In comparing to the five selected peer communities, it is clear Kalamazoo is already on the right track. On the targeted tourism front, we boast a strong presence of tourism-related efforts primarily from Discover! Kalamazoo, the official destination marketing organization for Kalamazoo County. In relation to economic development partnerships, there are several organizations within the area currently promoting regional economic development. Southwest Michigan First plays a primary role in this realm, including hosting regular meetings of the region's key economic development stakeholders. Finally, Kalamazoo has a deliberate downtown-focus through the work of Downtown Kalamazoo, Inc. and its partners, with a substantial amount of projects, plans, and resources devoted to improving the downtown on a regular basis. In all, it seems Kalamazoo is already doing many of the things our peers across the state are engaged in as it relates to economic development marketing and branding.

Imagine Kalamazoo Strategic Vision and Input

Imagine Kalamazoo 2025 (IK2025) is the City's current engagement process, which aims to create a shared community vision to enhance quality of life for all. IK2025 is about valuing and respecting contributions made by all people who live, work, and play here and believing that this diversity strengthens Kalamazoo as a whole. Currently, the IK2025 process is focusing on updating the City's Strategic Vision and Master Plan via community meetings and events. IK2025 will act as the City's guide to shape future activity and development in Kalamazoo.

A draft of the master plan was released in July 2017 and is under public review, with public hearings scheduled in October 2017. In addition, the Strategic Vision portion, including broad community goals, was approved in July 2017. A substantial amount of community input (from over 3,500 residents) has been

gathered during the Imagine Kalamazoo process. Key portions of the Strategic Vision and community input are relevant to the marketing and branding of the City of Kalamazoo and have been included here.

Strategic Vision

The Strategic Vision from IK2025 is comprised of 10 *Strategic Goals*, each affecting a different aspect of the City of Kalamazoo with the long-term intention to enhance the quality of life for all citizens.

1. **Shared Prosperity** – abundant opportunities for all people
2. **Connected City** – a city that is networked for walking, biking, riding, and driving
3. **Inviting Public Places** – Parks, arts, culture, and vibrant streets
4. **Environmental Responsibility** – A green and healthy city
5. **Safe Community** – A community where it is safe to live, work, bike, drive, walk, and play
6. **Youth Development** – A city with places and supports that help young people thrive
7. **Complete Neighborhoods** – Residential areas that support the full range of people’s daily needs
8. **Strength Through Diversity** – An inclusive city where everyone feels at home
9. **Economic Vitality** – A supportive infrastructure for growing businesses and stabilizing the local economy to the benefit of all
10. **Good Governance** – Making and implementing public decisions in ways that are collaborative, inclusive, and data-driven

This overarching vision for the City is a guiding force encompassing all work carried out at the City. These 10 Strategic Goals will serve as the basis for ensuring that the strategies outlined in this section meet the long-term vision of Kalamazoo residents.

Community Input

Community participation is a vital element of the ongoing IK2025 process. Thus far in citizen surveys and community meetings, feedback was focused into two areas: neighborhoods and downtown. Meetings within every formally-recognized Kalamazoo neighborhood have been held during this process. In each community meeting, citizens were asked what is missing from each neighborhood, and how Kalamazoo could “fill in the gaps.”

While each neighborhood responded with what they believe is most needed, a number of common themes were found across many neighborhoods, including downtown. These themes include:

- **Pedestrian Infrastructure:** Increase networks, and street connections, ADA compliance, repair existing poor conditions, lighting, and bike lanes
- **Daily Needs/Shopping:** More retail, service, healthcare, and child care in the neighborhoods
- **Access to Recreation:** Consistent, family friendly programmed events in each neighborhood
- **Affordable Housing:** Properties to rent and own for all ages
- **Jobs Training:** For trades, technology, high-demand local jobs, including programs for youth
- **Beautification:** Including waste management, green buildings, community gardens, and landscaping
- **Multicultural & Family Activities:** Multicultural entertainment options were cited as being limited. In addition, residents noted they'd like to see more family activities

Additional Recent Planning Efforts

In addition to the research and efforts discussed previously, a number of other relevant planning projects were completed shortly before the development of this Strategy. The findings and recommendations from these projects were reviewed and incorporated into the development of this Strategy as applicable. A brief summary of the key elements of each of these additional projects is included below.

Urban Growth Initiative

The Urban Growth Initiative (UGI) is a project initiated by the City of Kalamazoo's Brownfield Redevelopment Authority (BRA). The BRA partnered with Downtown Kalamazoo Inc. (DKI) and the W.E. Upjohn Institute for Employment Research to create a strategy (currently in draft form) to further the development of downtown Kalamazoo. The UGI brought together key Kalamazoo stakeholders to strategically focus downtown development over the next 10 years. The stakeholders involved in this process outlined six priorities that are critical to downtown Kalamazoo's progress.

- **Business Recruitment and Retention:** Increase business growth in downtown Kalamazoo and the urban core. Sub-tasks key to this priority include incentivizing businesses to come to Kalamazoo, conducting a detailed real estate inventory of space downtown, hiring a "navigator" to help recruit new companies and maintain relationships with existing companies, and compiling relevant data about Kalamazoo's industry trends to share with businesses.
- **Infill to Meet Residential Demand:** Increase opportunities for market and affordable housing options in the downtown and adjacent neighborhoods. Key tasks within this priority include

working with nonprofits to create more affordable housing, relax zoning regulations and reduce parking requirements for desirable housing downtown, and streamline acquisition processes for potential homeowners.

- **Large-scale and Transformative Mixed-use Development:** Change the economic landscape of the downtown region. This includes reviewing how existing incentives are targeted towards downtown and improving marketing efforts of the downtown area.
- **Improving Mobility:** Increase accessibility of downtown Kalamazoo for pedestrians, cyclists, and motorists, positively increasing economic and residential activity. This includes modifying parking regulations and evaluating the conversion of major downtown one-way streets to two-way streets.
- **Create a Healthy Living District:** Create a district that capitalizes on existing organizations to create synergy with the downtown neighborhoods. This includes establishing a formal structure that manages the relationship between Bronson, Kalamazoo Valley Community College, and additional relevant entities.
- **Coordinated Management for Downtown Activities and Initiatives:** Create an organizational structure and financing platform for supporting the previous five priorities. This includes evaluating the feasibility of enacting a Business Improvement District (BID), a Payment in Lieu of Taxes (PILOT) structure, and modifying the DDA's current Tax Increment Financing (TIF) structure.

Retail Market Analysis

In early 2017, a Retail Market Analysis was conducted by Gibbs Planning Group, a nationally-renowned urban retail planning consultant firm. If implemented, the recommendations outlined in the study could drastically boost the economy of downtown Kalamazoo and the entire City.

The study found that the downtown Kalamazoo area could support up to 27,800 square feet of new retail and restaurant development, which would generate nearly \$5.3 million in annual sales. However, the study also showed that the downtown retail market is underperforming due to non-market conditions, such as difficulty navigating shopping areas, poor parking management, limited marketing, and a lack of relevance to university students.

It was found that the area could support up to 156,500 square feet, equivalent to 45-60 stores, of additional retail and restaurant space, generating up to \$51.6 million in sales, *if the City of Kalamazoo were to implement a number of recommendations from the City's 2009 Downtown Consolidated Plan.* These recommendations, which have also been incorporated into the draft Master Plan, focused on:

- The creation of additional on-street parking, specifically on the Kalamazoo Mall
- The creation of an accessible and inviting pedestrian friendly streetscape
- The establishment of the downtown as the primary shopping destination through marketing
- The growth of local businesses through recruitment and retention programs
- The development of multiple new student-oriented businesses
- The installation of a retail incubator program to assist with start-up growth

In addition, the study recommended that the City of Kalamazoo implement a number of physical and policy improvements to meet or exceed industry standards for downtown shopping districts, including:

- Return streets to two-way traffic
- Expand on-street parking throughout the City
- Install more on-street parking meters and offer two hours of free parking in public parking garages
- Implement a comprehensive marketing plan for the downtown
- Consider a small- to medium-size, year-round public market

National Citizen Survey

The National Citizen Survey™ (The NCS™) is a collaborative effort between National Research Center, Inc. (NRC) and the International City/County Management Association (ICMA). The survey and its administration are standardized to assure high quality research methods and directly comparable results across The NCS communities.

The NCS captures residents' opinions within the three pillars of a community (Community Characteristics, Governance, and Participation) and across eight central facets of community (Safety, Mobility, Natural Environment, Built Environment, Economy, Recreation and Wellness, Education and Enrichment and Community Engagement). The NCS was completed in Kalamazoo (with 291 responses from 1,500 surveys mailed out) in late 2016/early 2017. Broadly, major findings from the survey include:

- **Residents in Kalamazoo enjoy a high quality of life.** Almost three quarters of Kalamazoo residents rated their quality of life as excellent or good. Residents identified three key attributes: Friendly, Collaborative, and Opportunity as terms to inspire future planning and development, and they would be willing to participate in future conversations of how to improve Kalamazoo.
- **Safety is a priority for the community.** A lower than average rating for the feeling of safety was found, and over 80% of residents indicated that a safe community should be a high priority for

Kalamazoo's City Commission in the coming years. However, safety services scored well, with at least 7 out of 10 respondents rating police, fire, and emergency services favorably.

- **Residents value economic vitality and emphasize its importance.** Kalamazoo's economic ratings were similar to those in other communities across the United States. Around 4 of 10 respondents felt the overall economic health of Kalamazoo was good to excellent. Unlike most national communities, the majority of Kalamazoo residents work in Kalamazoo. About three quarters believed that economic vitality should be a high priority for the City Commission.

EXISTING EFFORTS

In the time since the initial RRC evaluation in 2015 and the completion of this Strategy, City staff have worked to create and update several key marketing materials and programs. Future steps regarding the utilization of these materials and any suggestions for enhancing or updating them are included in the *Strategies & Implementation* section of this document. This section outlines the work that is currently underway or recently completed that is relevant to the overall mission of more effectively marketing and branding the City of Kalamazoo's development efforts.

Business Information Packet

A "Business Information Packet" was created to give potential investors and outside business owners straightforward and useful information about the City of Kalamazoo and its economy. It includes charts on economic aspects such as market size, proximity to talent, affordability, labor market, as well as brief information and pictures about available sites throughout the City. This packet is formatted to be appealing and certain portions of the content can be reused for different prospects, while other portions can be customized to meet the needs of a particular request. The images on this page show clips from one version of such a "packet" (see *Appendix* for an example of a full sample packet).

Major Organizations in the Kalamazoo Area

Public Agencies	Healthcare Organizations	Educational Institutions
• City of Kalamazoo • City of Portage • Kalamazoo County • Michigan Department of Health and Human Services	• Borgess Medical Center • Bronson Healthcare and Hospital	• Kalamazoo College • Kalamazoo Public Schools • Kalamazoo Valley Community College • Western Michigan University

Private Corporations

- | | |
|--|---|
| <ul style="list-style-type: none">• Amerifirst Financial Corporation• Bell's Brewery• Benteler Automotive• Duncan Aviation• Greenleaf Hospitality Group• Meijer, Inc.• Parker-Hannifin Corporation | <ul style="list-style-type: none">• Pfizer Inc.• State Farm Insurance• Stryker Corporation• Summit Polymers• Thermo Fisher Scientific Inc.• Wal-Mart / Sam's Club• Zoetis |
|--|---|

Development. Simplified.



City of Kalamazoo Economic Development
241 West South Street
Kalamazoo, MI 49007
P: 269.337.8082
COKEconomicDevelopment@kalamazoo-city.org

Request for Qualifications for Key Development Sites

The City of Kalamazoo is in the process of creating Requests for Qualifications (RFQs) for several City-owned sites that offer potential for catalytic development, the first of which is the River's Edge Development Site. Home of the old Kalamazoo Tank and Silo Company, the site is primed for development. The RFQ is being used as a marketing tool for the site, to gather responses from interested developers while explaining the site's characteristics and the perks of developing in Kalamazoo. The City will then have the opportunity to choose the developer that best suits the interests of Kalamazoo. A few images from the River's Edge RFQ are included here (see *Appendix* for full sample of an RFQ document).



DEVELOPMENT OBJECTIVES

The objective of the RFQ process is to select a private developer or development team that will develop the Property consistent with the vision for the River's Edge area of the Northside neighborhood contained in The Kalamazoo Riverfront Redevelopment Plan, which is available through a link on the Resources page. In summary, the development objectives for the Property include:

- Mixed-use development
- Architecture that is aesthetically and functionally compatible with surrounding development
- Building façade at the property lines, with any setback limited to outdoor dining or public plaza
- No fewer than two stories with building forms that reinforce view corridors to the river
- Predominately ground floor transparent glazing with a horizontal façade break from upper floors for street facing buildings
- Utilize on-street parking with no on-site parking located next to a street or public space
- Incorporate the public greenway and nearby Harrison and Verbrug Parks.

Site Development Opportunity Briefs

To provide a snapshot of key development sites to interested parties, the City also developed 1-page "Site Development Opportunity" briefs. These documents describe a site more informally than an RFQ and quickly highlight the property, its features and nearby landmarks, as well as incentives to locate in Kalamazoo. The documents also include a community profile describing the strengths of the Kalamazoo economy and what makes the area unique (see *Appendix* for one example of a site development opportunity brief).

Brownfield Success Stories

Brownfield success stories give overviews of completed Brownfield redevelopment projects in Kalamazoo. They detail the history of the site, the developer, the investment, and the use of the building post-redevelopment. These documents are hosted on the City's website and show the City is willing and able to partner with investors to make development happen and incentivize desirable projects. See right and below for an example of the information contained in one of these "success story" documents (see *Appendix* for one example of a brownfield success story document).

Address:	427 E. Michigan Ave., Kalamazoo, MI
Building Size:	13,733 square feet
Former Use:	Freight House
Current Use:	Commercial / Office Mixed Use
By the Numbers:	
BRA Assistance: Approximately \$89,000 incentive with Tax Increment Financing	
Tenants: HopCat, Maru Sushi & Grill, Cherry Tree Financial	
Total Investment: \$3.6 Million	
Jobs Created: 20-30 Full-Time Equivalent	
Project Partners:	
Brownfield Redevelopment Authority of the City of Kalamazoo	
MI Economic Development Corporation/ MI Strategic Fund	
PlazaCorp Realty Advisors, Inc.	

brownfield success



case study of Depot Building

427 East Michigan Avenue

City of Kalamazoo
Kalamazoo County, MI

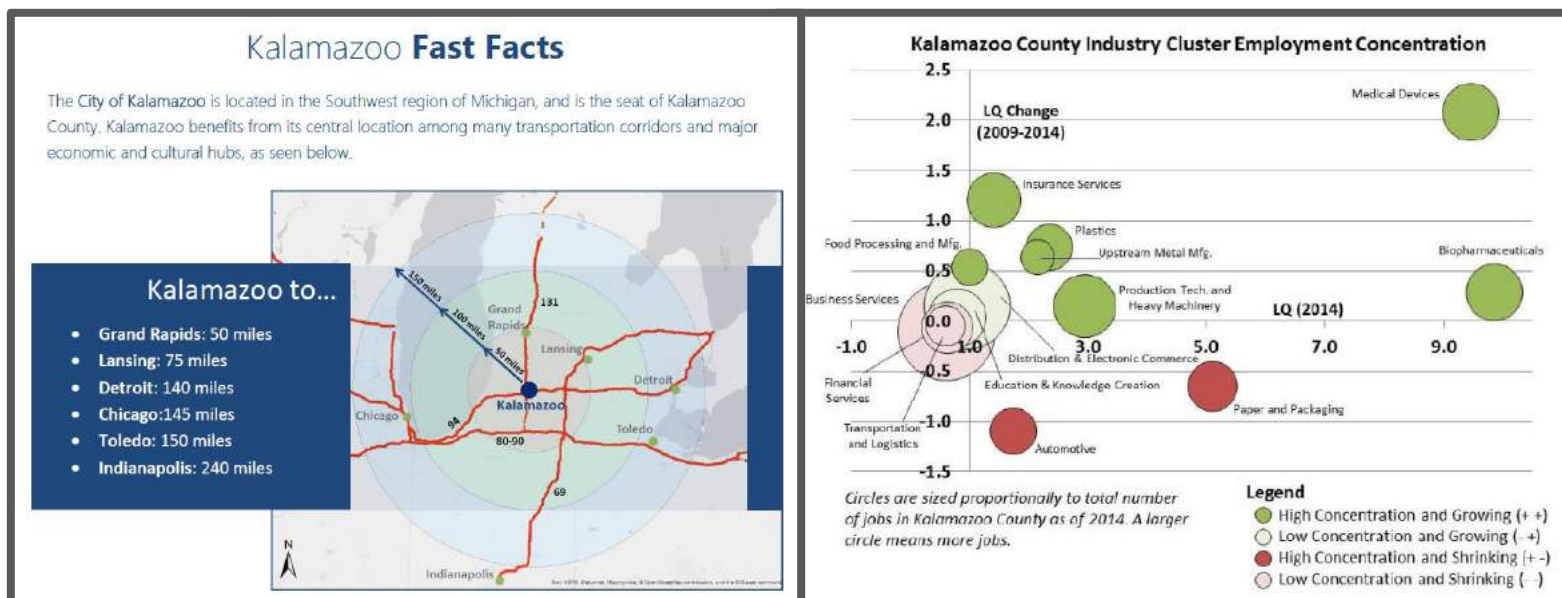


'Fast Facts' Briefs

To quickly share key information about Kalamazoo's economy, housing market, and labor market, a series of "Fast Facts" 1-page summaries were developed. These documents are now hosted on the City's website and provided to interested investors, developers, business owners, or other individuals who want quick overview information about Kalamazoo. City staff offer the option to provide additional detail and analysis to interested parties as well. As of the development of this Strategy, the following Fast Facts briefs have been developed (see *Appendix* for a sample of one of these documents):

- **Kalamazoo Economic Snapshot:** The Economic Snapshot is a short promotional document displaying what makes the economy of Kalamazoo attractive to potential business owners' and investors. The snapshot describes the growing employment base, low unemployment, largest and fastest-growing industries, and major community anchors that support the City of Kalamazoo.
- **Kalamazoo Housing Snapshot:** The Housing Snapshot is a quick information sheet similar to the Economic Snapshot, and details the portion of Kalamazoo housing stock in types other than the traditional single family homes. The document also depicts the mobility and growth of the market in recent years, with graphically displayed information and brief descriptions.
- **Kalamazoo Economic Strengths:** The Economic Strengths document shows the concentration of industries in Kalamazoo County. The graph below shows the Location Quotient, or which industries have the highest concentration, and of those, which are growing and shrinking. This shows investors where Kalamazoo is headed and which jobs are currently popular.

Below are a few screenshots highlighting the kind of information contained in these documents.



Greater Kalamazoo Business Resource Group

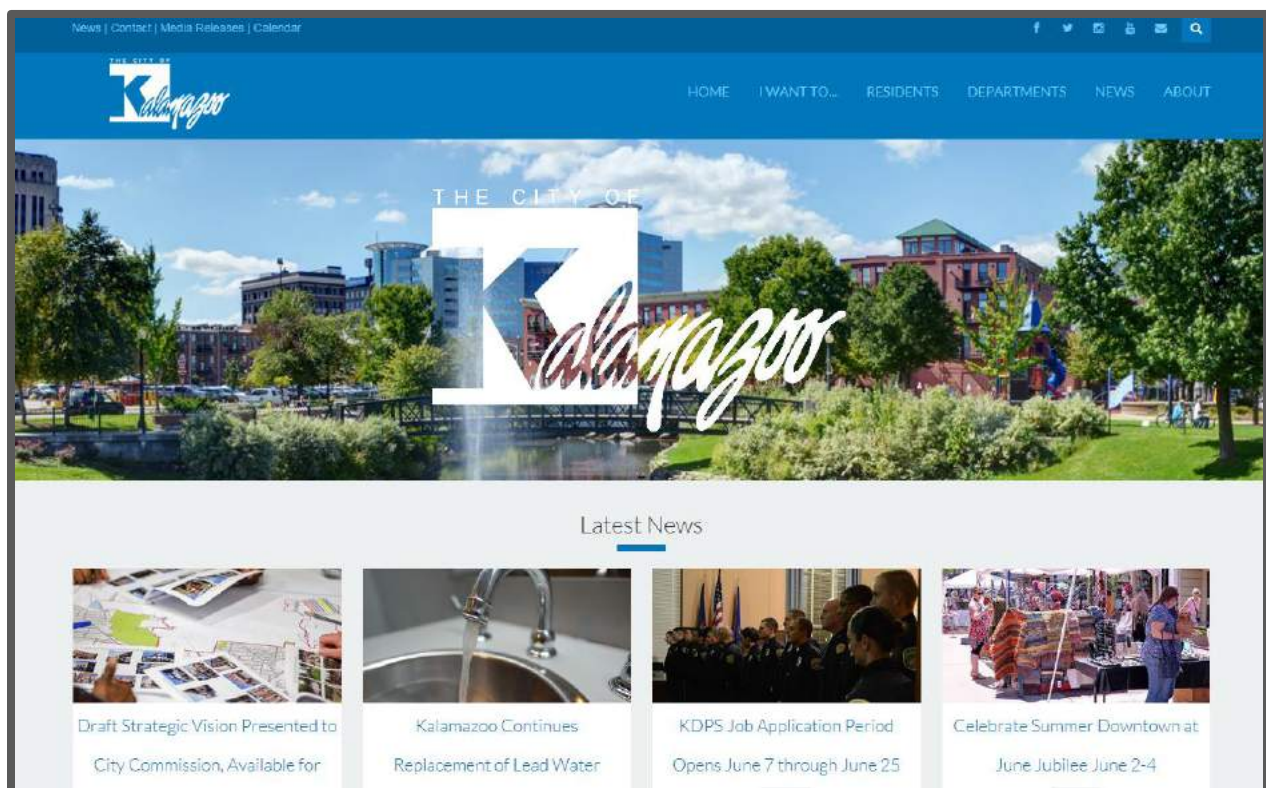
In an effort to more effectively leverage the services and resources of many organizations working to support small business and entrepreneurship development in the Kalamazoo area, City staff spearheaded the creation of the Greater Kalamazoo Business Resource Group. This Group meets regularly to discuss ongoing efforts and projects and opportunities to work together to create a pipeline of entrepreneurship-related services. As part of this effort, the Group created a resource guide that includes information about the organizations serving the Kalamazoo area and the various services they offer. A snapshot of this guide is included below (see *Appendix* for full document). Many Kalamazoo organizations are represented through this partnership, for more information and details, please visit www.greaterkalamazoobusinessresource.org.

KALAMAZOO SMALL BUSINESS RESOURCE GUIDE											
	Access to Capital	Strategy & Planning	Education	Facilities	Government Contracts	Mentoring	Networking, Sales & Marketing	Research & Development	Workforce	Starting a business is one of the most rewarding ventures a person can pursue, but it can be a daunting task to complete alone. Luckily there is help available for business owners and entrepreneurs in the Kalamazoo region for all stages of their business. The table below will help connect you with resources and assistance to ensure your business will be a success!	
IDEA										U.S. Patent & Trademark Office	
										Michigan Electronic Library	
										Start Up Grind	
	✓									Grand Rapids Investors Network	
		✓	✓	✓						Can-Do Kitchen	
STARTUP	✓	✓	✓					✓		Michigan Small Business Development Center	
		✓	✓			✓				SCORE	
		✓	✓	✓		✓				WMU Starting Gate Accelerator	
										MSU Product Center	
							✓			Buy Local Greater Kalamazoo	
		✓	✓	✓			✓			WMU Business Connection	

New City of Kalamazoo Website

City staff are currently in the process of finalizing the City's new website. The old website was effective, but was becoming outdated, cumbersome, and difficult to navigate as more and more information was added. The new website has direct, user-friendly navigation and access to information that can be used by Kalamazoo residents, meaning the number of calls/questions to City Hall may actually decrease. With this greater access to direct information, this website will do a better job of marketing what Kalamazoo has to offer and improve the image of the City as innovative, technologically-savvy, and willing to help in a proactive way.

On the new site, economic development and brownfield projects are prominently advertised, highlighting current available sites with pictures and descriptions. The creation of an open data platform for Kalamazoo is also underway. The City is in the beginning stages of analyzing and collecting what data exists to then present to the public. In sum, this new, more user-friendly website should help keep citizens and potential visitors or investors of Kalamazoo up-to-date on beneficial City initiatives and programs. Below is a screenshot of the new website home page.



KALAMAZOO RRC TASK FORCE

To be sure that the strategies developed through this process are inclusive of the entire development ecosystem in Kalamazoo, a variety of additional stakeholders were asked for their input to supplement the input and research already gathered through initiatives such as IK2025 and the UGI. This group of stakeholders, dubbed the Kalamazoo RRC Marketing and Branding Task Force (the 'Task Force') helped brainstorm and guide the City along on this process of developing this Strategy. The Task Force was comprised of roughly 15 members, including representatives from the following organizations:

- *Bronson Healthcare Group*
- *City of Kalamazoo Community Planning and Development Department*
- *City of Kalamazoo Economic Development Department*
- *Downtown Kalamazoo Incorporated*
- *Kalamazoo College*
- *Kalamazoo Valley Community College*
- *Local Businesses*
- *Southwest Michigan First*
- *Western Michigan University*

This Task Force met three times over the course of the development of this Strategy and helped provide critical input to ensure this document helps to serve as a meaningful tool for the City and its partners. The members of the Task Force understood the importance of developing core messages and a shared vision when it comes to communicating the strengths of Kalamazoo. A summary of the discussion and input gathered from each of the meetings of this group is provided in this section.

Meeting One: **Introduction**

The first meeting of the Task Force was held on Monday, June 5th at Kalamazoo City Hall. The purpose of this meeting was to introduce the RRC process to non-municipal partners and explain its relevance to the overall development ecosystem in Kalamazoo. The results from the June, 2015 RRC evaluation were presented, along with an overview of the Marketing and Branding Strategy and the City's overall RRC application status.

Discussion

Key themes heard from the group during this initial discussion included the importance of this RRC process and striving for timely submission of the RRC application to the State. Task Force members saw the necessity and value of receiving the targeted redevelopment assistance from the MEDC that accompanies RRC certification, and viewed it as a way to help Kalamazoo stand out when it comes to potential future development projects. In addition, the group stated the value of undertaking a process such as this as a way to continue to unify and align the efforts of key stakeholders in Kalamazoo. Finally, the group noted that while the current scope of this Strategy is mostly focused on marketing the City when it comes to development, it could serve as a springboard or great baseline for undertaking more comprehensive marketing and rebranding efforts for the entire City.

Follow-Up: Existing Materials

In the days immediately following this first meeting, the Task Force was asked to provide any existing marketing materials from each of their organizations to help the group think through the development of core messages and how each organization is currently communicating the value of their organization and Kalamazoo as a whole. Marketing materials were received from a handful of the organizations on the Task Force. The following themes stuck out as commonplace across the materials reviewed:

- **Fluidity of Strategy:** Some organizations mentioned their strategy is fluid and flexible, allowing them to adapt approaches depending on the audience.
- **Consistent Core Messaging:** Even with the fluidity mentioned above, many of the materials reviewed maintained core messaging across materials to ensure a consistent set of information is effectively communicated
- **Consistent Branding and Formatting:** Each organization had consistent style elements to their materials, including colors, logos, and general “look and feel” to documentation
- **Kalamazoo as an Area of Opportunity:** Many common strengths of Kalamazoo were communicated across organizations, including downtown, its affordability, its diversity, its educational institution strength (K-12 and postsecondary), and its collaborative spirit

Meeting Two: **Strategy Brainstorming and Draft Input**

The second meeting of the RRC Marketing and Branding Task Force was held on July 10, 2017 at Kalamazoo City Hall. The purpose of this second meeting was to update Task Force members on the status of the draft document at that time, and discuss, as a group, how to form the *Strategies & Implementation* section. Three draft “Strategy Areas” were presented to the group with some potential “tasks” to include within each of these areas. The group agreed upon these three areas to categorize the tasks in the plan. Much of the discussion from this meeting can be found in the resulting Strategy Areas and Tasks in the following *Strategies & Implementation* section. A brief summary of the discussion from this meeting is outlined below.

Discussion

The group was generally positive and excited about the opportunities presented by developing this Strategy and the potential for further collaboration between partners in Kalamazoo. Broadly, the group discussed the following items:

- **Attraction:** Why would a company or potential resident want to come to Kalamazoo? The group felt that we ought to be marketing our talent pool, infrastructure, strategic location, cultural amenities (i.e., we’re a “cool place” to be) as well as our incentives
- **Follow-Up Efforts:** The group strongly indicated that following up with new businesses or with developers after a development project is critical to learn what went well and how we can continue to improve these experiences for our “customers”
- **Internal Marketing:** While the conversation focused on marketing to outsiders about what makes Kalamazoo special, the group wanted to highlight the critical importance of marketing to residents and businesses already in Kalamazoo
- **Online Strategy:** Finally, the group discussed the importance of a consistent and deliberate online strategy for sharing information on all of the City’s various social media and web pages as well as with partners

Follow-Up: Draft Review

All of the group’s input was compiled and the draft Strategy document was updated. In between the second and third Task Force meetings, the draft version of this Strategy was emailed to the group for an opportunity for detailed input to be provided.

Meeting Three: **Final Input and Approval of Strategy**

The third and final meeting of the Task Force was held on August 7th at Kalamazoo City Hall. Task Force members provided their thoughts, comments, and questions about the draft of the Marketing & Branding Strategy document and next steps for submission and potential resources once RRC certification is received.

Discussion

The group indicated they were pleased with the overall content and implementation steps outlined in the Strategy. They offered several minor comments to adjust some of the strategies and to include additional work currently being done in the Kalamazoo area. The group gave their approval for City staff to make these adjustments, finalize the Strategy, and submit to the MEDC. Upon finalization, the Task Force urged City staff to take the following next steps:

- **Align submission** of the Marketing & Branding Strategy and Public Participation Plan, which are the two remaining elements required for RRC certification
- **Ensure timely submission** of documents to the MEDC after they have been approved by necessary City administrative units
- **Share updates of status** and the final Strategy with Task Force members
- **Work closely with MEDC RRC staff** to determine what additional resources are available from the MEDC once Kalamazoo has received certification

STRATEGIES & IMPLEMENTATION

Given the sheer amount of planning efforts, engagement, and research recently completed or underway, the City of Kalamazoo is in an ideal situation to move forward with a Marketing Strategy at this time. After reviewing all these existing efforts and carrying out discussions both internally and with key stakeholders, the following main Strategy areas were identified for this document:

- **Enhance the City’s marketing materials and efforts:** City staff will work to develop and update marketing materials to attract development and share information as well as conduct cross-department education to be sure City staff are knowledgeable of relevant programs
- **Strengthen partnerships through collective marketing:** Develop processes and implement strategies to align efforts and leverage resources of community stakeholders
- **Evaluate impact and conduct ongoing process improvement:** Deliberately plan for evaluation of these efforts, consider potential next steps, and make adjustments as necessary

Implementation Table

The tasks, proposed timeframes, and desired outcomes associated with each of these broad strategy areas are outlined on the following pages. A column for “status” and “notes” are also included, as this implementation table will be treated as a living document for City staff and key partners. The Status column is starting out **red** for almost all projects (a few are already underway), meaning incomplete, but will be updated to **orange** (or “in progress”) and **green** (or “complete”) as work is completed. In addition, notes will be added over time in regards to each task, potentially including who is leading a task, detail on progress made, reasons for a delay, etc.

In this way, this Strategy will serve as a useful guide for moving forward key marketing initiatives in the City of Kalamazoo in the immediate future.

Strategy	Task	Timeframe	Desired Outcome(s)	Status	Notes
Enhance the City's marketing efforts	Develop logo variations and branding guidelines for various City initiatives/ departments (e.g., Parks & Recreation, IK2025, Foundation for Excellence, etc.)	Less than 1 year	At least 5 logo variations and accompanying design guidelines complete and in use	In progress	Working with City communications staff
	Increase digital presence and website effectiveness via Hootsuite and social media, newsletters, GIS, Google Analytics, and website benchmarks	Less than 1 year	Increase reach and audience and evaluate trends using these tools	In progress	Currently finalizing new website
	City staff will build relationships with and write and publish articles in both local (e.g., MLive) and major online publications (e.g., CityLab, Planetizen, NextCity) to share innovative projects / efforts	Ongoing	At least 2 non-local articles featuring Kalamazoo's work per year	Incomplete	
	Develop and/or regularly update key process documents , checklists, and help guides for City-operated development programs	Ongoing	All such documents are created, hosted online, and strategically reviewed annually	In progress	Currently reviewing Redevelopment Liquor License & Site Plan Review process & documents
	Proactively guide new businesses / potential developments in a "caseworker" fashion, rather than referring them to multiple departments	1-2 Years	Implement "caseworker" (or "concierge" / "navigator") methodology for at least 1 type of project (e.g., business attraction)	Incomplete	
	Brand publicly visible City projects (e.g., road improvement, park upgrades, etc.) with consistent signage and "For More Information" links to website	1-2 Years	Finalized signage and approach implemented for some 2018 and all 2019 public projects	In progress	Conversations about this effort have begun through the Imagine Kalamazoo process

Strategy	Task	Timeframe	Desired Outcome(s)	Status	Notes
Strengthen partnerships through collective marketing efforts	Develop a process to share promotions, successes, events, and development opportunities across regional partner communication channels (e.g., newsletters, press releases)	Less than 1 Year	Completed process outlining key means of communication (e.g., social media, newsletters, etc.) and contacts	Incomplete	
	Work collaboratively to develop a series of regional success stories that highlight prominent development successes (e.g., BTR Park / SmartZone, MidLink, etc.) and tie these past projects into current opportunities (e.g., Davis Creek Bus. Park)	Less than 1 Year	Development of at least three documents highlighting regional successes & current opportunities	Incomplete	
	Align updates to ongoing planning efforts / studies (e.g., Downtown Plan, Parking Plan, etc.) to limit duplicated work and engagement efforts	Less than 1 Year	Document that outlines all currently known ongoing planning efforts and update intervals	Incomplete	
	Develop a series of events or initiatives to connect students to downtown Kalamazoo (e.g., happy hour networking, student art exhibits / concerts, back-to-school events)	1-2 Years	Implement at least 1 new event by end of 2017 and at least 2 in 2018	Incomplete	
	Create a subcommittee of organizations with “external” marketing focus. Work to create continuity in messages being sent out, so each different organization can both relay their information and capture the ‘essence of Kalamazoo’	1-2 Years	Consistent outgoing messages about the City of Kalamazoo from multiple partner organizations	Incomplete	
	In conjunction with partners and local marketing firms, develop a promotional video about Kalamazoo that can be used to market the City both internally and to external parties	1-2 Years	Video completed and utilized by at least 3 partners	Incomplete	
	Partner with MEDC and RRC staff to leverage state resources for marketing, including identifying developers, hosting developer roundtables, and marketing key sites	Ongoing	Hold regular conversations with MEDC staff to understand / prioritize available resources	In progress	Have engaged in preliminary conversations to discuss potential state resources

Strategy	Task	Timeframe	Desired Outcome(s)	Status	Notes
Evaluate impact and conduct ongoing process improvement efforts	Use this Strategy as a baseline to evaluate the creation of additional marketing efforts , including a Downtown-focused plan and a broader Citywide branding effort	2 or More Years	Agreement among key partners regarding “go / no-go” with additional marketing strategies	Incomplete	
	Revisit the strategies and tasks outlined in this plan at least annually to evaluate progress, assign roles, and determine if any adjustments need to be made	Ongoing	Substantial progress or completion of all tasks outlined in this document by 2020	Incomplete	
	Maintain accurate, detailed records and data of activities carried out and identify relevant trends, patterns, and impacts of work	Ongoing	A set of relevant metrics that measure activities relevant to marketing in Kalamazoo	In progress	Various data tracking activities are underway (including a system to track business retention & expansion visits)
	Conduct focus groups or surveys of existing and/or new businesses to gather key feedback about what went well, what difficulties they’ve faced, and what resources were provided that were useful/not	Ongoing	Survey / focus group completed at a minimum annually. Use feedback to continue to improve processes	Incomplete	

APPENDIX

Business Information Packet Sample

Request for Qualifications

Site Development Opportunity Brief

Brownfield Success Story

Kalamazoo Fast Facts 1-Pager

Kalamazoo Small Business Resource Guide

City of Kalamazoo

Economic Development



Business Information Packet

Development. Simplified.

City of Kalamazoo Economic Development

241 West South Street

Kalamazoo, MI 49007

P: 269.337.8082

COKeconomicdevelopment@kalamazoocity.org

CITY OF KALAMAZOO

Business Information Packet

Overview

The City of Kalamazoo benefits from its location in the Southwest region of Michigan. Its location is central among many transportation corridors and major economic and cultural hubs, as seen below.



To help with your business location decision, we've gathered key information relating to Kalamazoo's population, economy, culture, and real estate market. We've also gathered similar information for quick comparison between Kalamazoo and Durango, CO; Traverse City, MI; and West Palm Beach and Miami, FL.

We hope this information helps you **choose Kalamazoo!** If you have further questions, don't hesitate to reach out to our Economic Development staff.

Community Anchors

Kalamazoo's economy benefits from the presence of a diverse range of employment anchors, including **public agencies, healthcare organizations, higher education institutions,** and **private corporations.** These institutions form the backbone of the Greater Kalamazoo economy, impacting workforce trends, local development, and educating the next generation of workers.

Major Organizations in the Kalamazoo Area

Public Agencies	Healthcare Organizations	Educational Institutions
- City of Kalamazoo - City of Portage - Kalamazoo County - Michigan Department of Health and Human Services	- Borgess Medical Center - Bronson Healthcare and Hospital	- Kalamazoo College - Kalamazoo Public Schools - Kalamazoo Valley Community College - Western Michigan University
Private Corporations		
- Ameritrust Financial Corporation - Bell's Brewery - Benteler Automotive - Duncan Aviation - Greenleaf Hospitality Group - Meijer, Inc. - Parker-Hannifin Corporation - Pfizer Inc. - State Farm Insurance - Stryker Corporation - Summit Polymers - Thermo Fisher Scientific Inc. - Wal-Mart / Sam's Club - Zoetis		

*Initial Employer List from DemographicsNow, Gale Cengage Learning, Alteryx.
Based on employee estimates as of 2015.*

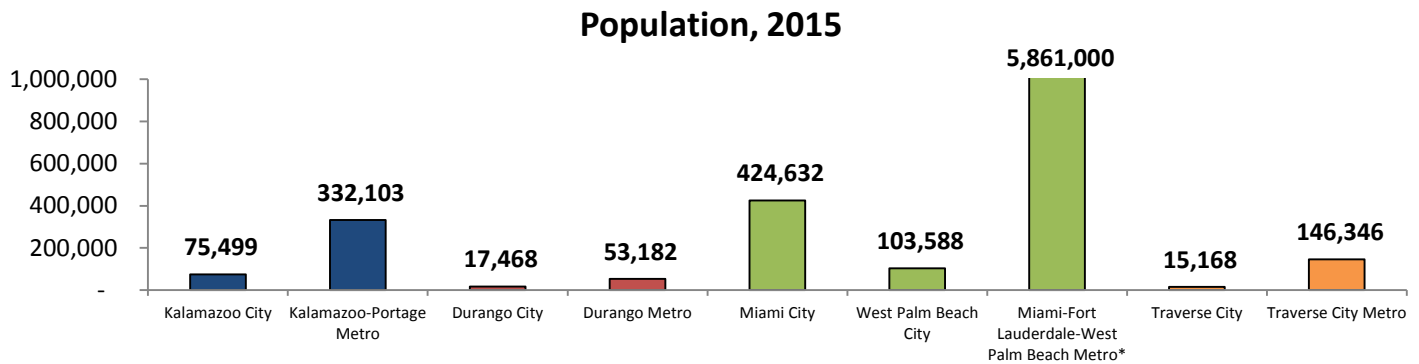
Health and Wellness

In addition to the organizations listed above, Kalamazoo has a strong presence of health and wellness related companies and organizations, including:

- **Specialized Degree Programs:** Both WMU and KVCC offer degree programs related to healthy living, including WMU's Integrative Holistic Health and Wellness program and KVCC's Culinary and Sustainable Food Systems and Sustainable Brewing degrees.
- **Bronson Healthy Living Campus:** A partnership between KVCC, Bronson Healthcare, and Kalamazoo Community Mental Health to provide targeted food, health, and lifestyle education
- **Organizations and Clubs:** Many Kalamazoo organizations have a healthy living component, including Bike Friendly Kalamazoo, Buy Local Kalamazoo, and the Kalamazoo Sports & Social Club
- **Businesses:** Kalamazoo is known for its strength in healthcare, pharmaceuticals, and innovation in general. Many businesses in the area are at the forefront of health and wellness initiatives nationwide

Market Size

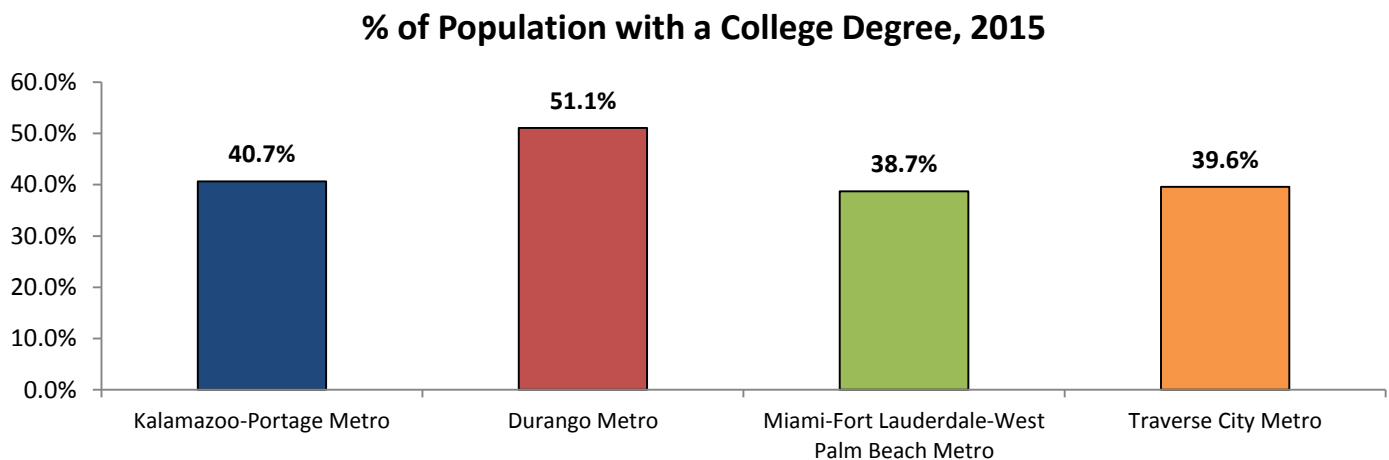
The City of Kalamazoo is home to roughly 75,000 people, within the Kalamazoo-Portage Metro Area of over 332,000. In comparison, Kalamazoo is substantially larger than both the Durango and Traverse City Metro areas, while the Miami Metro area is home to nearly 6 million people.



Source: U.S. Census Bureau, American Community Survey, 2015
**Scale was adjusted to improve visibility. Entire Miami Metro area has a population of almost 6 million.*

Talent Pool

Kalamazoo is home to a diverse, educated, and young population. In particular, over 40% of the Kalamazoo Metro area population has a college degree. Of the other markets evaluated, only the Durango Metro area has a higher share of its regional population with a college degree.



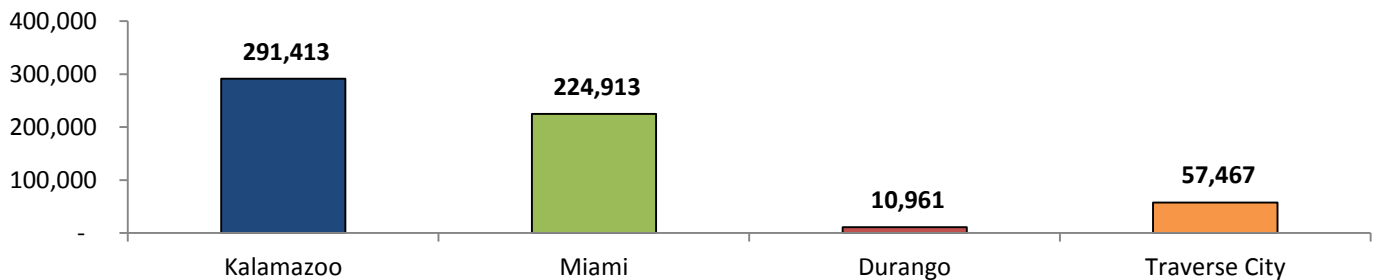
Source: U.S. Census Bureau, American Community Survey, 2015

Proximity to Talent

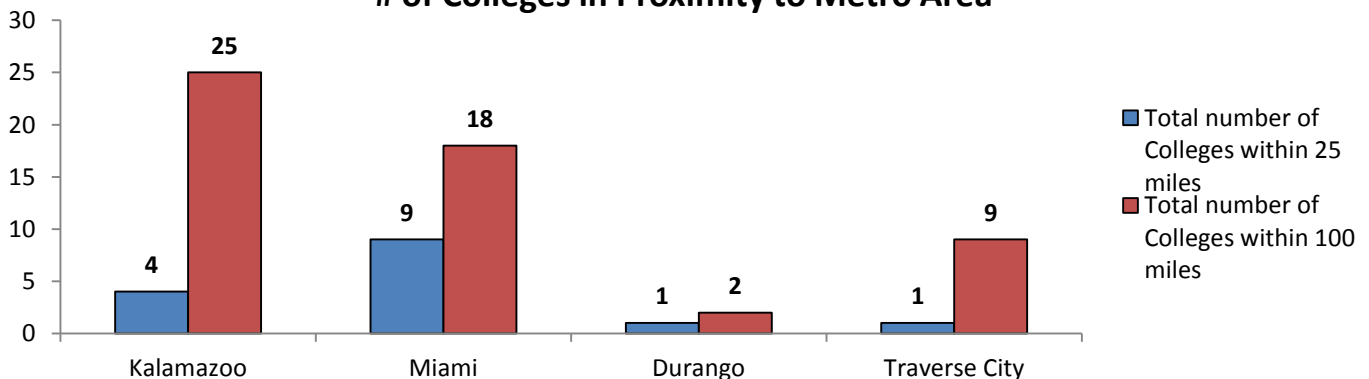
Kalamazoo is centrally located among many of the prominent postsecondary institutions of the Midwest. In particular, **Kalamazoo is within 100 miles of over 291,000 currently enrolled college students** at 25 institutions, the largest number of both students and institutions of any of the comparison regions. Of those, nearly 39,000 students and 4 of the institutions are located within 25 miles (i.e., directly "in" the Kalamazoo Metro area).

	Kalamazoo Metro	Miami Metro	Durango Metro	Traverse City Metro
# of Students within 25 miles	38,889	116,713	3,707	4,264
# of Students within 100 miles	291,413	224,913	10,961	57,467
Total number of Colleges within 25 miles	4	9	1	1
Total number of Colleges within 100 miles	25	18	2	9

of Students within 100 miles



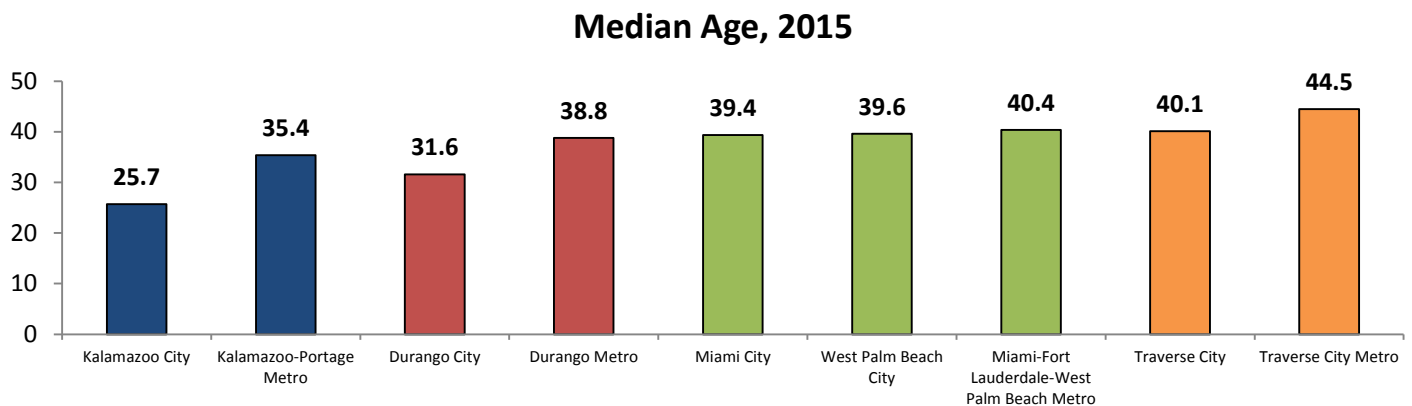
of Colleges in Proximity to Metro Area



Source: National Center for Education Statistics (NCES), College Navigator, 2015

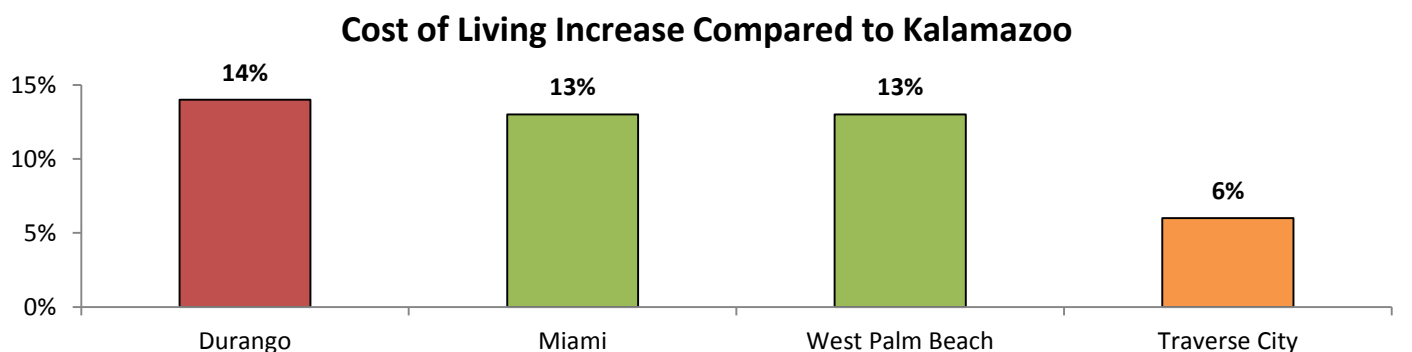
Age of Population

The City of Kalamazoo is young, with a median age of under 26 years old, thanks in part to a **strong postsecondary educational sector** from Western Michigan University, Kalamazoo Valley Community College, and Kalamazoo College all within the City. Kalamazoo's Metro area median age of 35.4 is the youngest of any of the regions analyzed as well.



Affordability

According to the Council for Community and Economic Research, **Kalamazoo was ranked the 3rd most affordable urban area in the country**, out of over 260 areas, based on cost of living. Using a cost of living calculator, we are able to see that moving from Kalamazoo to any of the other comparison cities will result in an increase in cost of living, resulting in a 1-person household earning \$46,000 a year in Kalamazoo needing anywhere from an extra \$3,000 (in Traverse City) to \$6,000 (in Durango) to maintain the same lifestyle.

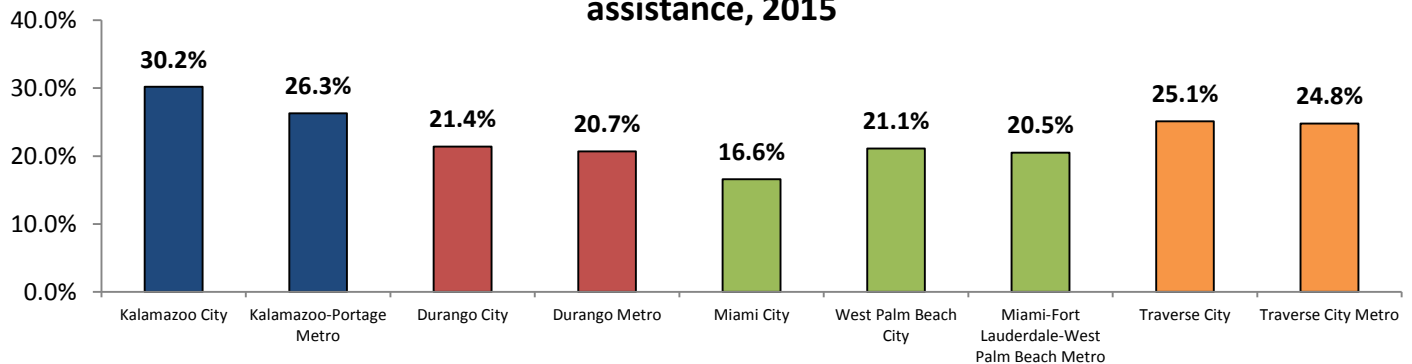


Source: Council for Community and Economic Research and SmartAsset.com Cost of Living calculator

Labor Market

Due to the presence of postsecondary institutions as well as Bronson and Borgess Health systems, Kalamazoo has a substantial portion of its labor market in the *Educational Services, Health Care, and Social Assistance* industry sector. Over 30% of the City's workforce is in this sector, both the Kalamazoo City and Metro area have the highest share of its workforce in this sector.

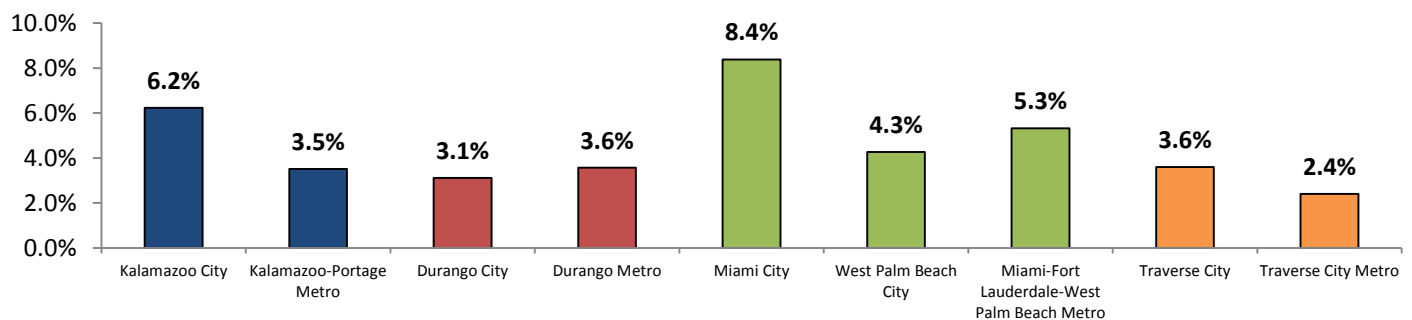
% of Jobs in Educational services, and health care and social assistance, 2015



Growth

In addition, **Kalamazoo's employment base is growing rapidly**. Between 2013 and 2015, the City's employed population grew by over 6%, while the Metro area's grew by 3.5%. Only the Miami Metro area had faster employment growth across the board than Kalamazoo.

% Change in Employed Population, 2013-2015



Source: U.S. Census Bureau, American Community Survey, 2015



Site Selection

Our Economic Development staff at the City of Kalamazoo are specialists in the area of site selection. In addition to a handful of City-owned sites and collaboration with the Kalamazoo County Land Bank, **we have partnerships with many additional regional organizations to ensure you find the right site for your business.**

To compare Kalamazoo to the other regions in this packet, available commercial real estate posted on [LoopNet.com](https://www.loopnet.com) was assessed for each region. Kalamazoo currently has 246 commercial properties available on LoopNet, while Durango and Traverse City have 117 and 163 respectively. Miami and West Palm Beach, being parts of a larger metro area, had over 500 properties, however, many of them were priced quite high.

Meeting Your Needs

All of the available commercial properties for each area were narrowed down only to those between 2,000 and 5,000 square feet and roughly \$6 - \$13 per square foot. The breakdown of number of properties meeting these criteria was as follows:

- **Kalamazoo:** 16 properties
- **Durango:** 4 properties
- **Miami:** 14 properties
- **West Palm Beach:** 27 properties
- **Traverse City:** 10 properties

The 16 sites that meet these criteria in Kalamazoo range widely in their location and former use. The following page contains brief descriptions for a small number of the available properties in Kalamazoo that meet the above criteria. In addition to these sites, we are happy to **discuss additional options** that are available in the Kalamazoo area anytime.

We have substantial experience with **local and state incentive programs** as well. We strive to evaluate the feasibility of all potential incentive sources to make sure your project receives all the support it can.



Jodi K. Milks, CCIM — (269) 216-6770

Office Property For Lease

FIFTH THIRD BANK BUILDING

136 E. Michigan Avenue, Kalamazoo, MI 49007



Total Space: 4,413 SF
Available:
Rental Rate: \$12 /SF/Year
Property Type: Office
Property Sub-type: Office Building
Building Size: 90,489 SF
Building Class: B
Lot Size: 0.17 AC
Listing ID: 17523193
Last Updated: 15 days ago
[Find Out More...](#)

Retail Property For Lease

3928 S Westnedge

3928 S Westnedge, Kalamazoo, MI 49008



Total Space: 3,266 SF
Available:
Rental Rate: \$10 /SF/Year
Property Type: Retail
Property Sub-type: Street Retail
Building Size: 3,266 SF
Lot Size: 0.32 AC
Listing ID: 19621803
Last Updated: today
[Find Out More...](#)



Jodi K. Milks, CCIM — (269) 216-6770

Office Property For Lease

101 E. Crosstown Parkway

101 E. Crosstown Parkway, Kalamazoo, MI 49001



Total Space: 2,104 SF
Available:
Rental Rate: \$12 /SF/Year
Property Type: Office
Property Sub-type: Office Building
Building Size: 6,103 SF
Building Class: C
Lot Size: 1.92 SF
Listing ID: 17426304
Last Updated: 15 days ago
[Find Out More...](#)

Office Property For Lease

125 South Kalamazoo Mall

125 South Kalamazoo Mall, Kalamazoo, MI 49007



Total Space: 19,793 SF
Available:
Rental Rate: \$8 - \$15.50 /SF/Year
Min. Divisible: 460 SF
Max. Contiguous: 7,688 SF
Property Type: Office
Property Sub-type: Creative/Loft
Building Size: 172,000 SF
Lot Size: 0.76 AC
Listing ID: 19171190
Last Updated: today
[Find Out More...](#)

Office Property For Lease

913-917 Alcott Street

913-917 Alcott Street, Kalamazoo, MI 49001



Rental Rate: \$9 /SF/Year
Property Type: Office
Property Sub-type: Office Building
Building Size: 36,389 SF
Year Built: 1963
Lot Size: 1.09 AC
APN / Parcel ID: 39000626121001
Zoning Description: M-1
Listing ID: 19523307
Last Updated: 1 day ago
[Find Out More...](#)

Retail Property For Lease

1020 E Cork

1020 E Cork, Kalamazoo, MI 49001



Total Space: 3,800 SF
Available:
Rental Rate: \$10 /SF/Year
Property Type: Retail
Property Sub-type: Strip Center
Gross Leasable Area: 3,800 SF
Lot Size: 3.26 AC
Listing ID: 20049271
Last Updated: today
[Find Out More...](#)

Development. Simplified.



City of Kalamazoo Economic Development
241 West South Street
Kalamazoo, MI 49007
P: 269.337.8082
COKeconomicdevelopment@kalamazoo-city.org



REQUEST FOR DEVELOPER QUALIFICATIONS/ DEVELOPMENT PROPOSALS

RIVER'S EDGE DEVELOPMENT SITE

Home of the former Kalamazoo Tank and Silo Company
Kalamazoo, Michigan 49006

RFQ Issued: July 17, 2017
Pre-Proposal Conference: August 7, 2017
Submittals Due: September 28, 2017

INTRODUCTION

The City of Kalamazoo, Michigan, ("City") is soliciting proposals to redevelop a prime Brownfield Redevelopment Authority owned development site (the "Property") within the River's Edge Area. The Property is located southeast of the intersection of Gull Road and Harrison Street, two blocks north of Michigan Avenue adjoining the new roundabout at Gull and Harrison. The Property represents an outstanding opportunity for a public-private development partnership. The private developer will be able to leverage decades of public investment to help achieve the City's vision for Downtown and the Northside Neighborhood through private development of a superbly-located riverfront site.



MAP KEY

The context in which the Property is located is illustrated above. One inch equals .125 miles. The Property is highlighted with a green line and is located in the River's Edge District, just outside of the Downtown



RIVER'S EDGE DEVELOPMENT SITE



COMMUNITY ASSET



CURRENT DEVELOPMENT PROJECTS



RECENT BROWNFIELD PROJECTS



Kalamazoo Mall



Fifth Third Building



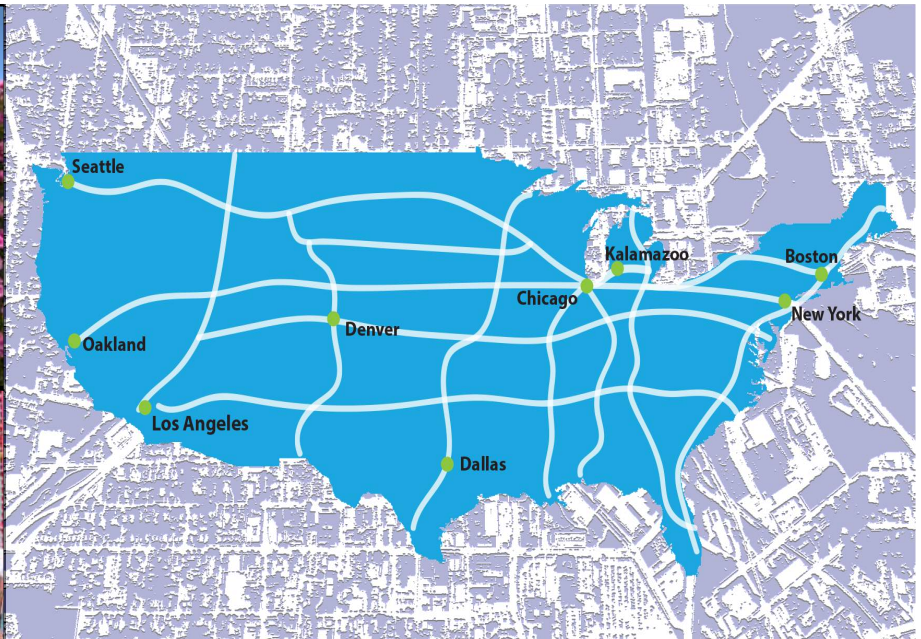
Ignertia Building



Bronson Park



Kalamazoo Mall



COMMUNITY PROFILE

Kalamazoo is known for the openness and uniqueness of its people and local culture, some of which has to do with being the home of three higher education institutions with some 30,000 students. In fact, over 40% of the Kalamazoo Metro area population has a college degree. Kalamazoo is home to one of the State's busiest farmer's markets, to an activist cycling community, and to subcultures that have developed around social justice poetry slams, live music, comedy, and performing arts.

Due to the presence of postsecondary institutions, as well as Bronson and Borgess Health systems, Kalamazoo has a substantial portion of its labor market in the Educational Services, Health Care, and Social Assistance industry sector. Over 30% of the City's workforce is in this sector, both the Kalamazoo City and Metro area have the highest share of its workforce in this sector.

Kalamazoo has also innovated two groundbreaking equity projects: The Kalamazoo Promise, providing up to 100 percent of tuition to any Michigan state college for graduates of Kalamazoo Public Schools, and The Foundation for Excellence, a new City program being funded by local donors to operate in perpetuity, with an aim to spend \$10 million per year on aspirational projects that contribute to dramatically reducing or eliminating generational poverty in the City. With a deep pool of scholarship resources acting as a catalyst, diverse individuals and organizations have responded in ways that are positive for Kalamazoo's economy, social fabric, and human capital.



View to the north of site



Norbridge Building

RIVER'S EDGE REVITALIZATION

The City adopted the Kalamazoo Riverfront Redevelopment Plan in April 2003. Since then, the River's Edge has been transforming from a defunct industrial area to one of the more popular destinations in the region. The area plan focuses on creating a lively and vibrant riverfront district with unique urban flavor and character. The Redevelopment Plan emphasizes creating high quality public streets, parks and open space as the framework for a dynamic urban environment. As a result of this plan, the City will complete (Fall 2017) the reconstruction of the Gull Road and Harrison Street intersection with a roundabout, adding on-street parking, street trees, benches, and lighting.

The Rivers Edge district of Kalamazoo is located adjacent to the Northeast of downtown and is undergoing an unprecedented revival into an eclectic mix of businesses, shops, restaurants and affordable apartments. Focused on hip urban design and lively people, the area is transforming from an industrial and warehousing district into a cultural, residential, live-work-play community all within walking distance to the heart of downtown Kalamazoo.

Featuring nearby access to the Kalamazoo River, outdoor parks and the Kalamazoo Valley River Trail (KVRT) system, the Rivers Edge district is far from ordinary but close to everything.



BROWNFIELD REDEVELOPMENT AUTHORITY



The City of Kalamazoo was one of the first cities in Michigan to create a Brownfield Redevelopment Authority (KBRA). Substantial redevelopment throughout Kalamazoo has been supported since the program's inception. The KBRA has facilitated the approval of over 66 different sites into the Brownfield Plan for Brownfield incentive-eligible redevelopment projects including residential, mixed-use, retail, office and commercial uses.



PROPERTY DESCRIPTION

The Property is the southeast portion of the highlighted area on the map above and consists of one parcel approximately 5 acres, exclusive of right of way. The Jack Coombs trail runs south along the property and the river, and will be excluded in the property sale. It is a part of the Kalamazoo Valley River Trail and is owned by the BRA, but maintained by the County. Proposals need to be for the entire site. However, submittals that propose building in phases will be considered. Development needs to be compatible with adjacent properties and encourage pedestrian access.

The Property is in the Riverfront Zoning Subarea 4. Subarea 4 is intended for mixed use and has reduced parking requirements for commercial uses. Additionally, street facing buildings in this area have no setback requirements and building heights up to 50 feet. Currently, there is a disconnect between the vision for the area and the current adopted zoning ordinance. Staff will work with the developer to achieve the desired outcomes of the project including re-zonings, variance requests, or special use permits if necessary for the project. Information for the Riverfront Overlay District as well as additional plans, studies, and maps are available through links on the Resources page.

SITE CONTEXT

The River's Edge area is in the middle of a renaissance. Developers building in this area are first and foremost interested in place-making, which requires creating unique living opportunities alongside cultural venues and nightlife, offering residents access to a hip social scene steps from their apartments. River's Edge is a progressive area of town where repurposing of obsolete buildings is beginning to drive a resurgence of community interest and neighborhood growth.

Recent downtown-area developments that have received KBRA incentives (see page 2 for locations):

- The Foundry (\$ 8 Million total investment)
- Walbridge Common (\$4.3 M total investment)
- Ignertia Building (\$1Million total investment)
- Norbridge Building (\$2 Million total investment)
- Arcadia Ales (\$7 Million total investment)
- People's Food Co-op (\$1 M total investment)
- MacKenzie's Bakery (\$1 M total investment)



DEVELOPMENT OBJECTIVES

The objective of the RFQ process is to select a private developer or development team that will develop the Property consistent with the vision for the River's Edge area of the Northside neighborhood contained in The Kalamazoo Riverfront Redevelopment Plan, which is available through a link on the Resources page. In summary, the development objectives for the Property include:

- Mixed-use development
- Architecture that is aesthetically and functionally compatible with surrounding development
- Building façade at the property lines, with any setback limited to outdoor dining or public plaza
- No fewer than two stories with building forms that reinforce view corridors to the river
- Predominately ground floor transparent glazing with a horizontal façade break from upper floors for street facing buildings
- Utilize on-street parking with no on-site parking located next to a street or public space
- Incorporate the public greenway and nearby Harrison and/or Verberg Parks.



Walbridge Common



MacKenzie's Café and Bakery

Downtown Context

Kalamazoo is a densely populated city with 75,000 residents and more than 325,000 in the metropolitan area. Kalamazoo is the sixth largest metropolitan area in Michigan and among the 150 largest in the country. It's large enough to support all the amenities and entertainment found in larger cities; and yet, you can be in the heart of farm country in 20 minutes, and Kalamazoo supports a thriving Farmers Market downtown May through November.

Major community destinations are within close proximity of the Property. Local festivals—featuring live music, arts and crafts, food and drinks—many of which are held at Arcadia Creek Festival Place downtown—attract crowds in the tens of thousands. The Kalamazoo Art Fair, held annually on the first weekend in June, is the second oldest community art fair in America and attracts 60,000 visitors over two days.

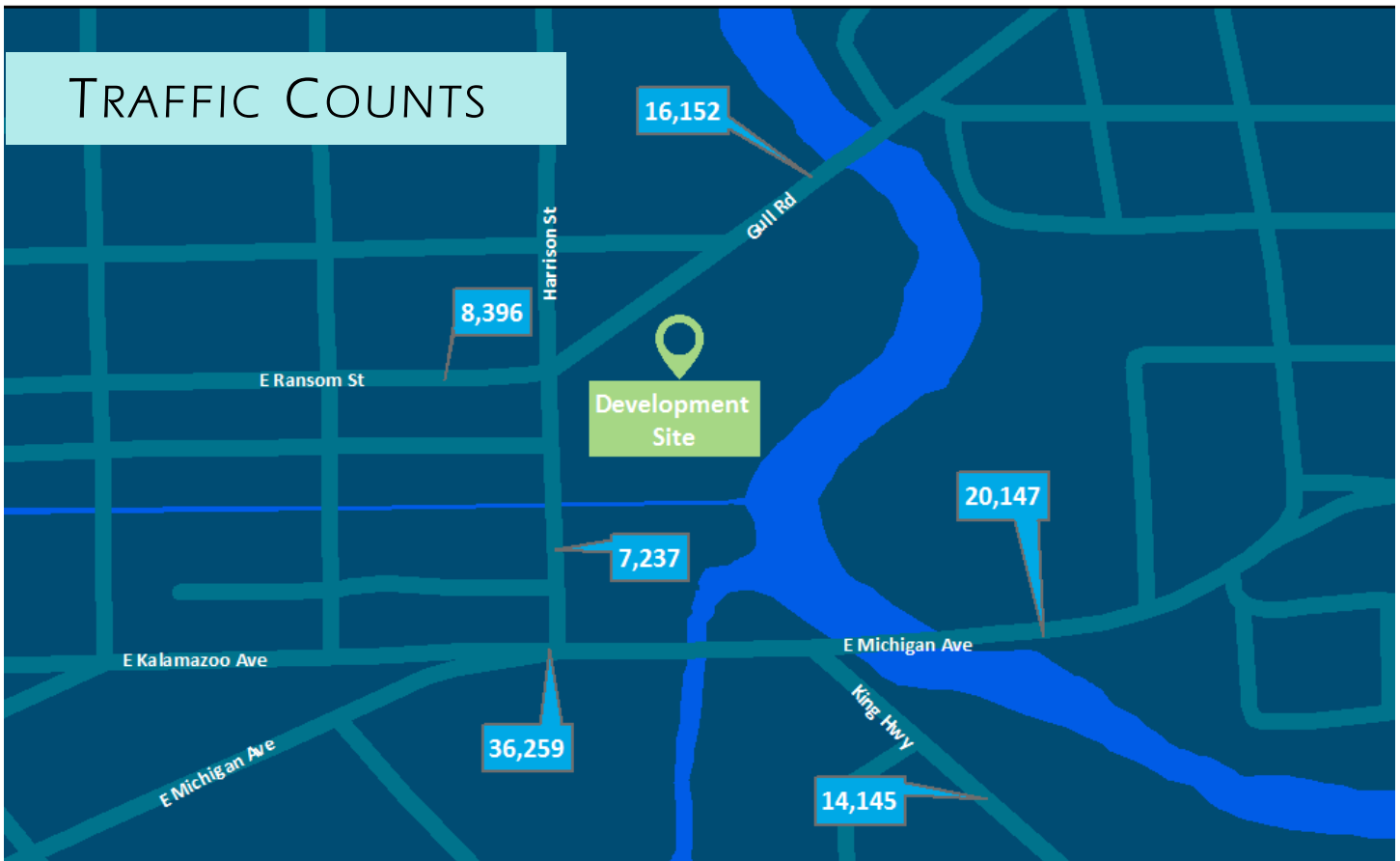
WMU's Miller Auditorium, the historic State Theater and a variety of local clubs offer a complete array of concerts featuring every kind of music and popular entertainment. Kalamazoo is a frequent stop for many of today's top comedians, musicians and other entertainers.

The Kalamazoo River Valley Trail (KRVT) is a 22 mile (plans to connect to 140 miles) completed paved asphalt trail that runs along the property. Less than a mile from the development site is the Kal-Haven Trail, a 33.5 mile long linear multi-use trail that links Kalamazoo to South Haven, a Lake Michigan resort area.

Art Hop is a program of the Arts Council of Greater Kalamazoo - an evening of art exhibits and events, one of the great things to do in Kalamazoo. It's a free event held on the first Friday of every month. The Homer Stryker Field and Mayors' Riverfront Park are located less than 3/4 mile south of the Property (connected by the Kalamazoo River Valley Trail) and home to the Kalamazoo Growlers and Kalamazoo Football Club attracting over 100,000 spectators annually.



TRAFFIC COUNTS



The daily traffic counts surrounding the property are shown above. The Property is marked on the map with a green pinpoint. Gull Road, Michigan Avenue, and King Highway serve as the three main corridors for commuters traveling into the downtown. Two new pieces of transportation infrastructure, the roundabout at Harrison Street, Ransom Street and Gull Road & a light at Harrison Street and Michigan Avenue, have started construction and are expected to be completed by end of Fall 2017. The River's Edge Roundabout (under construction) is shown below.

Development Site looking to the northeast



PROPOSAL CONTENT AND FORMAT

A. **Executive Summary**

Provide a concise summary of the overall proposal.

B. **Development Team**

Detail and describe the proposed development team, including to the extent possible the master developer, architect, landscape architect, financial partners, and construction contractor. Demonstrate a track record of successfully financing, developing, completing and managing comparable projects.

- Identify the key individuals, companies and organizational structure of proposer.
- Identify roles and responsibilities of all proposal team members.
- Cite proposer's experience with other successful development projects; include roles and responsibilities for these projects' team members.

C. **Financial Capacity**

Provide clear and compelling information to demonstrate proposer's financial capacity to execute and complete the project successfully.

- Describe a clear strategy to fund all project costs.
- Specify and clearly describe all sources, types and amounts of equity, financing, grants and other funding sources for the proposed project.

D. **Business Plan**

Include an initial project budget and uses. Demonstrate the proposed project's viability by including, to the extent possible, the following:

- Initial development schedule with major milestones that addresses planning, design, plan review, permits, construction and occupancy
- Proposed tenants/buyers/operators for the completed project.
- Development costs, including all site acquisition, construction costs, soft costs, and contingencies.
- Identify any gaps in the pro forma preventing the project from obtaining the target rate of return.
- Provide reasonable assumptions for all costs and revenues.

E. **Level of Return and Benefit to the City**

Describe the economic, fiscal, employment (construction and permanent), and other tangible public benefits generated by the proposal. Qualitative public benefits such as social or recreational/health goals may be included as support to well-defined quantitative benefits.

F. **Public Involvement Plan**

Describe the extent to which the team will engage the public in the design, implementation, and building phases of the project.

G. Consistency with Adopted Plans and Development Objectives

Explain how the proposal is consistent with Kalamazoo Riverfront Redevelopment Plan.

- Detail how the proposal is consistent with the Development Objectives described above.
- Describe the project including:
 - Gross square footage of project and each proposed use.
 - Number of parking spaces and location
 - Building height (feet and stories).
 - Cost estimates for individual project components.
 - Provide a conceptual site plan and building elevations (color recommended).
 - Identify any applicable phasing on the drawings.
 - Describe the utilization of the site, and if all or only portions of the site will be incorporated.
 - Describe how the project will exist in context with adjacent buildings, public amenities and other uses.

All costs incurred in the preparation of this proposal are the responsibility of the proposer. The City reserves the right to issue supplemental information or guidelines relating to the RFQ during the proposal preparation period, or to make modifications to the RFQ. All proposals shall be considered firm offers for a period of 180 days following the due date. Once submitted, proposals may not be changed without consent of the City. Six (6) printed proposals and a PDF version on a flash drive or DVD shall be submitted by 5:00 P.M., September 28, 2017, to:

Sara Jo Shipley, Redevelopment Project Manager
City of Kalamazoo
City Hall
241 West South Street
Kalamazoo, MI 49007

PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on August 7, 2017, at 1:30 p.m. in the Community Room of the 2nd floor of City Hall, 241 W. South St, Kalamazoo, Michigan. Potential proposers are strongly encouraged to attend the pre-proposal conference to learn more about the Property, the development objectives, and the proposal evaluation process. Immediately following the pre-proposal conference in City Hall, potential proposers are invited to a site visit to learn more about the context of the Property.

PROPOSAL EVALUATION & INTERVIEWS

Final selection will be made following a review and ranking of proposals received. The City reserves the right to interview and receive a formal presentation from only those development teams whose proposals best match the evaluation criteria. The City intends to select proposers for interviews on or around October 4, 2017. Interviews are anticipated to occur the week of October 16, 2017.

The City's objective is to select the development team best qualified to undertake the tasks identified. Priority will be given to development proposals that; highlight and incorporate the riverfront, incorporate the public greenway as a "green street" with multi-modal bike/pedestrian connection; bring unique mixed-use to the area; and have a substantive public outreach plan. The proposals will be evaluated on the basis of several factors, including:

1. Qualifications of the development team
2. Proposer's financial capacity to execute and complete the project successfully
3. Project viability, including operation and management of the project after construction
4. Level of return and benefit to the city
5. Consistency with adopted plans and development objectives
6. Project timeline

NEGOTIATIONS AND SELECTION PROCESS

Upon receipt of an evaluation panel's recommendation, the City may invite one or more development teams to submit a final development proposal for further evaluation. Teams that submit a best and final proposal will be required to participate in a public open house. At the public open house, each team will be required to share information about their project including renderings, elevations, site plans, project timeline, and a short synopsis of the project, including any request for City assistance. The public will be able to ask questions and will be provided comment cards that will be collected and shared with the evaluation panel. The City anticipates that final development proposals will be due October 18, 2017, with selection of the best final proposal to be completed by November 15, 2017. Upon selection of the best final proposal, the City will negotiate final business terms with the selected development team. The commencement of negotiations does not commit the City to accept any or all of the terms of the proposal, and negotiations may be terminated by the City at any time, in which case the City reserves the right to enter into negotiations with other proposers. These negotiations may result in minor or material changes to the proposal, including both the business terms and the project. Successful negotiations will result in an award recommendation. Agreements addressing business terms and performance benchmarks will be entered into between the parties. The City reserves the right to reject, in whole or in part, any or all proposals.

If deemed appropriate to achieve the goals for development of the Property, the City reserves the right to make no selection and re-issue an RFQ. The terms and conditions of any development agreement resulting from this RFQ process are subject to approval by the BRA Board.

RESOURCES

Recent Planning/Visioning Efforts & Studies:

[2003 Kalamazoo Riverfront Redevelopment Plan](#)

[2008 Traffic Analysis](#)

[2010 Kalamazoo Master Plan](#)

[2011 River's Edge Corridor Plan](#)

[2011 Tracy Cross & Associates Analysis of Market Potential for Residential Development—Arcadia Commons West and Rivers Edge](#)

[2014-2018 Parks and Recreation Master Plan](#)

[2014 Michigan Municipal League Place Plan](#)

[2015 Analysis of Residential Market Potential](#)

[2016 Appraisal](#)

[2017 Gibbs Downtown Kalamazoo Retail Market Analysis \(draft\)](#)

[Due Care Plan](#)

[Traffic Counts](#)

Development Incentives:

Negotiable Land Price

State and Local Brownfield Tax Increment Financing

Federal New Market Tax Credits

Michigan Community Revitalization Program



INQUIRIES:

Sara Jo Shipley, Redevelopment Project Manager
City of Kalamazoo
(269) 337-8082
shipleys@kalamazoo-city.org

Site Development Opportunity

Davis Creek Business Park - A Certified Business Park

Location: 2805 E. Cork Street

Description:

Take this opportunity to develop with the City of Kalamazoo's award-winning Brownfield Redevelopment Authority (BRA). Davis Creek Business Park is the City's first business park with roots in sustainability. The development standards apply principles, knowledge and technology of sustainable design. As a mixed-use BRA project, this site offers fiscal opportunities such as a variety of economic development tools and brownfield resources.

Property Features:

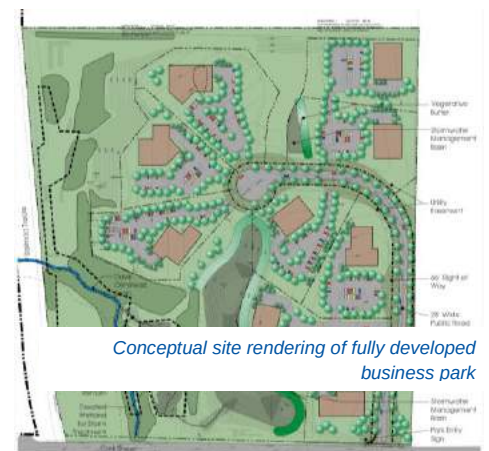
- 18.5 acre park; three development pods of four to seven acres
- Michigan Certified Business Park
- Close proximity to I-94, US-131, Kalamazoo-Battle Creek International Airport, public transportation route, and downtown Kalamazoo
- Site-wide stormwater handling system
- Sanitary sewer
- Municipal water
- Electric, gas, and telephone service
- Telecommunication conduit
- Pedestrian sidewalk and trail way amenities

Incentives:

- Potential Tax Increment Financing (TIF) for eligible activities
- State liability protection through Baseline Environmental Assessment process
- Competitive and flexible land costs
- Potential gap financing for projects through the City's Economic Development Corporation



Entrance off Cork Street



Conceptual site rendering of fully developed business park



**Sale of this or any property owned by the Brownfield Redevelopment Authority is subject to negotiation and approval of a Redevelopment and Purchase Agreement.*



Community:

Located midway between Detroit and Chicago at the intersection of I-94 and US-131 and 40 minutes from the beaches of Lake Michigan, Kalamazoo offers both small town ease and big city amenities – including a vibrant downtown and rich cultural opportunities. The City's population is 75,000; the metropolitan area's is over 335,000.

The economy is healthy and diverse, with industries including: pharmaceuticals, life sciences, plastics, medical equipment, fabricated metals, financial services, and healthcare.

It's the Education City – five colleges, including Western Michigan University, educate more than 58,000 students. Home to the "Kalamazoo Promise". The Kalamazoo Promise is a pledge to pay up to 100 percent of tuition at any of Michigan's state colleges or universities for graduates of Kalamazoo Public Schools.

From Forbes

Kalamazoo-Portage, MI Metropolitan Statistical Area

Unemployment: 3.9%

Job Growth: 2%

College Attainment: 34.7%

Cost of living is 9% below the national average!

City of Kalamazoo Economic Development Division

241 West South Street

Kalamazoo, MI 49007

Phone 269.337.8082

Fax 269.337.8429

COKEconomicdevelopment@kalamazoocity.org

www.kzoobiz.org



Location of Davis Creek Business Park



Looking north from stormwater handling system toward the back of the development



**Sale of this or any property owned by the Brownfield Redevelopment Authority is subject to negotiation and approval of a Redevelopment and Purchase Agreement.*

brownfield success



case study of Depot Building

427 East Michigan Avenue

City of Kalamazoo
Kalamazoo County, MI



The Developers

Established in 1988, PlazaCorp Realty Advisors, Inc. is a leading developer in the City of Kalamazoo and greater southwest Michigan region. They have invested hundreds of millions of dollars into the region through property acquisitions and redevelopment projects. From major downtown developments to neighborhood enterprises, PlazaCorp's portfolio grows more diverse every year. Their latest completed project is the Depot Building. Located in a once neglected section of downtown, and formerly characterized by active and shuttered industrial and warehouse facilities and vacant land tracts, the east end of downtown is becoming a hub for redevelopment.

Project Background

427 East Michigan Avenue was built in the mid-1920s and originally served as a freight office for Grand Trunk Western Railroad. The head house facing East Michigan provided a space for passengers and offices for the clerks who did the paper work for shipments leaving or coming to Kalamazoo. The large back part of the building was a freight house. The building is a long and narrow wood and brick building that has served as the home of a used furniture store, a guitar shop and other businesses over the years.

The Depot's basis for brownfield incentives was due to its listing as a "facility". PlazaCorp's agreement with the Brownfield Redevelopment Authority (BRA) included a capital investment of \$2.9 million and

created between

20-30 Full-Time jobs. In return, the BRA will provide up to \$89,230 from captured tax increment revenues over 10 years to assist with the costs of the asbestos removal, demolition work, and site preparation. Additionally, the project received a \$484,435 Michigan Community Revitalization Program performance-based grant, as authorized by the Michigan Strategic Fund.

PlazaCorp began renovation on this building during the second half of 2015, shoring up the existing wood and brick building, as well as adding a new deck and square footage along the western wall. Many of the building components, floors, paving bricks, hardware, and rolling freight doors have all been retained or reused. Two main commercial tenants, HopCat and Maru Sushi & Grill, will occupy 12,000 sq. ft. of the building and the remaining will be leased for office use.

Address:	427 E. Michigan Ave., Kalamazoo, MI
Building Size:	13,733 square feet
Former Use:	Freight House
Current Use:	Commercial / Office Mixed Use

By the Numbers:

BRA Assistance:	Approximately \$89,000 incentive with Tax Increment Financing
Tenants:	HopCat, Maru Sushi & Grill, Cherry Tree Financial
Total Investment:	\$3.6 Million
Jobs Created:	20-30 Full-Time Equivalent

Project Partners:

Brownfield Redevelopment Authority of the City of Kalamazoo
MI Economic Development Corporation/ MI Strategic Fund
PlazaCorp Realty Advisors, Inc.

Kalamazoo Fast Facts

The City of Kalamazoo is located in the Southwest region of Michigan, and is the seat of Kalamazoo County. Kalamazoo benefits from its central location among many transportation corridors and major economic and cultural hubs, as seen below.



Kalamazoo is home to a **diverse, young, and well-educated** population. In addition, Kalamazoo has **affordable, convenient** living options while still offering all the benefits of a thriving urban core and downtown.

Kalamazoo was named the 3rd most affordable urban area nationwide (out of 260 areas) in the 2016 national cost of living index.

Learn more at:
kalamazoocity.org

Kalamazoo Fast Facts	City of Kalamazoo	State of Michigan
Total Population	76,040	9,922,576
% of Population Under 35	✓ 61%	45%
% of Population with a College Degree	✓ 47%	37%
Mean Travel Time to Work (in Minutes)	✓ 20	25
Median Rent	✓ \$670	\$803
Cost of Living Index*	✓ 79.7	-

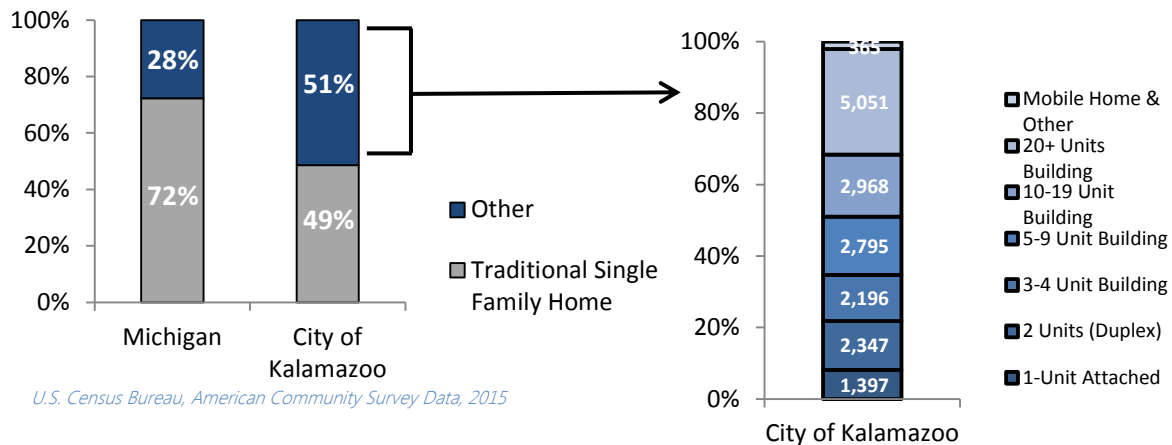
*Table 1: U.S. Census Bureau, American Community Survey Data, 2015
 Based on Council for Community and Economic Research 2016 cost of living index. A score of 100 is the US average



Kalamazoo Housing Snapshot

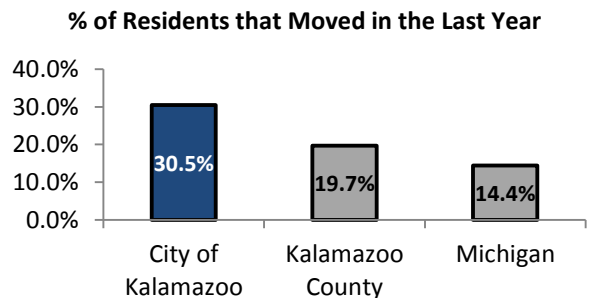
A mix of housing options

Kalamazoo has a significant portion of its housing stock in types other than traditional detached single-family homes. Over 51% of Kalamazoo's housing is in this "Other" type, compared with only 28% statewide. Kalamazoo offers over 17,000 of these units, including duplexes, smaller apartment buildings, and larger multi-family apartments.



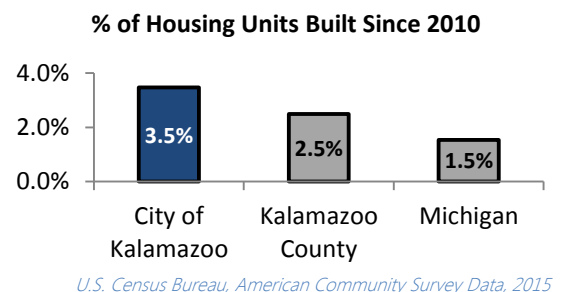
A mobile market

Kalamazoo represents a "mobile" market, with over 30% of Kalamazoo residents having moved within the last year. Of these 22,963 Kalamazoo residents who moved last year, 13,413 of them (58%) simply moved within Kalamazoo County.



A growing market

Kalamazoo has seen a recent resurgence in new residential construction. Since 2010, 1,157 housing units have been built in the City, accounting for 3.5% of the City's total housing stock, compared to similar growth of 2.5% in Kalamazoo County and 1.5% in Michigan as a whole.



Greater Kalamazoo Business Resources Organization Information

Mission

Connecting Greater Kalamazoo entrepreneurs to local resources.

Vision

Create a healthy eco-system for business to thrive.

Goals

- Create a process to breakdown obstacles facing small business and start-ups.
- Deepen relationships with key partners.
- Increase awareness of resources available to assist small and start-up businesses.
- Maximize the resources of our members/partners and minimize duplication of services and events.

Organization Partners

BUY LOCAL GREATER KALAMAZOO

A nonprofit professional association for local independent businesses and nonprofit organizations in the greater Kalamazoo area. BLGK provides community education, offers marketing assistance, B2B networking opportunities and an avenue to affordably reach the community to grow their business.

CAN-DO KITCHEN

Can-Do Kitchenworks to build foundations and remove barriers to food business ownership. They offer public workshops and a 12-week Can-Do Camp program about financial management, pricing, social media, branding, food photography, retail buyers, food licensing, packaging, and more. The Can-Do Kitchen is a low-risk, supportive environment that leads new food business owners through launch, growth and graduation.

City of Kalamazoo- Economic Development Department

This department offers a wide range of programs and services that allow other economic development practitioners and private sector developers to leverage quality development projects. Their experienced and innovative staff is committed to helping you simplify the process of growing, expanding or developing your business.

FETZER CENTER/WMU Connect

The Fetzer Center offers a full-service conference and catering center located on Western's campus. It can accommodate meetings and social events for 2 to 280 people. WMU Connect offers free and low cost networking for local businesses.

James Lipsey

James is a native of Kalamazoo and Entrepreneur that believes in helping establish pathways to success through entrepreneurship and S.T.E.M. James is the website creator for GKBR and is actively involved with the KII and other nonprofits in the community.

Kzoo Makers

Kzoo Makers is a project of the Kalamazoo Innovation Initiative (KII), a 501(c)3 non profit organization. They are a group of local artists, crafters, engineers, makers, and thinkers who work together to provide tools, workspaces, and learning resources to our members and to general public.

Local Initiatives Support Corporation (LISC)

LISC is a national non-profit CDFI, which invests in low to moderate income neighborhoods to create neighborhoods of choice and opportunity for residents. In Kalamazoo, they provide financing and technical assistance to nonprofit and for-profit entities to create living wage employment opportunities for core city residents.

Organization Partners Cont.

SCORE - Southwest Michigan

An all volunteer organization of Entrepreneurs, Executives and High Level Managers who want to give back to the community by providing free and confidential business advice to 1) those individuals who want to start a company 2) those individuals who want to grow their company 3) those individuals struggling with their company 4) those individuals who just need some sound business advice.

SMALL BUSINESS DEVELOPMENT CENTER (SBDC)

The SBDC enhances Michigan's economic wellbeing by providing counseling, training and research for new ventures, existing small businesses and advanced technology companies. Our regional office at WMU provides entrepreneurs and business owners with convenient access to counseling and training throughout SW Michigan.

W.E. Upjohn Institute - MI Works Southwest

The Michigan Works! Association was established in 1987 to provide services and support to Michigan's workforce development system. Through the association, members can access timely, relevant professional development opportunities and ensure high-quality programs for all customers.

Southwest Michigan First- Small Business Division

They are here to support, educate and grow small business in Southwest Michigan. They provide networking programs, educational opportunities and advocacy for public policy issues that will impact your business and our community for the better.

Southwest Michigan PTAC

PTAC helps businesses sell their products and services to the federal, state, and local government agencies. This assistance includes the following at no charge to your business: vendor registrations; finding bidding opportunities; bid proposal support; training/networking/matchmaking events; understanding acquisition regulations; individual counseling; competition research; subcontracting; and contract administration.

Startup Grind Kalamazoo

The mission of Startup Grind is to educate, connect and inspire entrepreneurs everywhere. The main event is a monthly fireside chat with a local speaker, creating an intimate atmosphere to mingle and learn. They are one of 200 chapters worldwide.

WMU STARTING GATE

Starting Gate is a student business accelerator that gives students rich and valuable resources to develop their startup companies. The accelerator is open 24/7 to all WMU students through a competitive application process in which students must demonstrate a promising idea for a product or service, which can be launched within a short period of time.

WMU BUSINESS CONNECTION

WMU's Business Connection is a University office dedicated to strategically match Western's resources to the needs of the local business community. By working together with the numerous resources available on campus, the office serves as a "one-stop shop" for companies that want to engage with the University.

WMed Innovation Center

The Innovation Center on the medical school's Parkview Campus is a 69,000-square-foot, purpose-built incubator and accelerator created to support life science, technology, and engineering ventures of all kinds, from the earliest startups to maturing companies.



Presented By Greater Kalamazoo Business Resources
GreaterKalamazooBusinessResources.org

Starting a business is one of the most rewarding ventures a person can pursue, but it can be a daunting task to complete alone. Luckily, there is help available in the Kalamazoo region for all stages of a business. Utilize the table below to connect with the resources to ensure your business will be a success.

ORGANIZATIONS & CONTACT INFORMATION

Access to Capital	Business Strategy & Planning	Education	Facilities	Gov't Contracts	Mentoring	Networking, Sales & Marketing	Research & Development	Workforce
						✓		Buy Local Greater Kalamazoo buylocalkalamazoo.org
	✓	✓	✓					Can-Do Kitchen candokitchen.org
✓								City of Kalamazoo- Economic Development kalamazoocity.org
							✓	Downtown Kalamazoo Incorporated downtownkalamazoo.org
			✓			✓		FETZER CENTER/WMU Connect fetzercenter.com
		✓					✓	Kalamazoo Business Library kpl.gov/central
							✓	Kalamazoo County Health Department kalcounty.com/hcs
✓								Kalamazoo Brownfield Redevelopment kalamazoocity.org/brownfields
✓	✓	✓					✓	Kalamazoo County Land Bank kalamazoolandbank.org
		✓					✓	Kalamazoo Public Library/Law Library kpl.gov
			✓					KVCC - The Groves kvccgrovescenter.com
		✓	✓		✓		✓	Kzoo Makers kzoomakers.org
✓							✓	Local Initiatives Support Corporation liscsmallbusiness.org
							✓	Michigan Electronic Library mel.org
✓	✓	✓					✓	MI Small Business Development Center SBDCMichigan.org
							✓	Michigan Works! Southwest michiganworkssouthwest.org
			✓				✓	Portage Public Library pdl.lib.mi.us
				✓				Procurement Technical Assistance Center aptac-us.org
					✓			SCORE - Kalamazoo kalamazoo.score.org
✓	✓					✓	✓	Southwest Michigan First- Small Biz Div. southwestmichiganfirst.com
		✓			✓			Startup Grind startupgrind.com/kalamazoo
								The Bureau jointhebureau.com
✓	✓	✓	✓		✓		✓	WMed Innovation Center kazoosmic.com
	✓	✓	✓				✓	WMU Business Connection wmich.edu/businessconnection
	✓	✓	✓		✓			WMU Starting Gate Accelerator wmich.edu/startinggate
✓								ABLE Lending ablelending.com
✓								Angel Capital Education Foundation angelcapitalassociation.org
					✓			Creative Many Michigan creativemany.org
✓								First Angels firstangelsja.com
✓								Good Food Fund migooodfoodfund.org
								Grand Rapids Opportunities for Women growbusiness.org
✓								Grand Rapids Inventors Network grinventors.org
			✓					GVSU - Van Andel Global Trade Center gvsu.edu/vagtc
							✓	MI Department of Agriculture michigan.gov/mdard
✓	✓				✓	✓	✓	MI Economic Development Corporation michiganadvantage.org
		✓						MI Good Food Charter michiganfood.org
	✓	✓					✓	MI Manufacturing Technology Center mmtc.org
		✓				✓		MI Minority Supplier Development Council mmbdc.com
✓	✓						✓	MSU Product Center productcenter.msu.edu
✓								MI Venture Capital Association michiganvca.org
✓								Michigan's Women's Foundation miwvf.org
✓								Northern Initiatives northerninitiatives.org
	✓							State of Michigan Dept. of Treasury michigan.gov/treasury/
	✓							State of Michigan - LARA michigan.gov/lara

Community Organizations

Regional and State Resources

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Public Participation Plan

THE CITY OF KALAMAZOO



imagine
kalamazoo
2025

CONTENTS

I. Goals & Objectives 3

III. Key Stakeholders..... 4

IV. Public Participation Toolkit..... 5

 Overview

 Internal Tools

 Outreach Strategies

 Engagement Tools

V. Outreach 9

VI. Communicating Outcomes & Social Accountability 11

VII. Evaluation & Improvement..... 11

VIII. Conclusion..... 11

II. State Regulations12

 Open Meetings Act

 Planning Enabling Act (PA 33 OF 2008)

IX. Appendices14

Goals & Guiding Principles

Commitment to Public Participation

"Public Participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process."

- International Association of Public Participation, Core Values

Kalamazoo is a vibrant, diverse, and active community, and its Public Participation Plan must reflect this. The City of Kalamazoo recognizes the importance of prioritizing *meaningful engagement* with citizens in all decisions that affect their lives - across all departments, and throughout the lifetime of all policies, projects, and processes. Effective public participation is a means of building and strengthening relationships; it represents a commitment to honoring the public's contributions and, to the greatest extent possible, giving citizens influence over the decision-making process.

This document aims to create a clear, streamlined, and predictable public participation process. It serves as both an overarching visioning document and a "one-stop shop" for engagement standards, tools, and graphics. Effective community engagement requires a shared understanding between citizens and City staff. This Public Participation Plan is both a resource guide for the City and an overview of the engagement process for community members. This increases accountability on both ends – City staff have an agreed-upon path to follow, and the community has a standard to expect from the City.

With this commitment, we aim to:

Create a shared vision/future direction based on authentic community engagement (2014 Strategic Priority #3).

The development of a comprehensive public participation strategy sits at the core of all of the City's visioning efforts. Imagine Kalamazoo 2025 (IK 2025) was created to meaningfully engage our community in decisions that shape our collective future. IK 2025 refers to the process to develop a new Strategic Vision and Master Plan update; however, the City also envisions utilizing Imagine Kalamazoo 2025 as an approach to guide future public participation.

Ensure that City actions align with public participation input to the greatest extent possible. Community engagement cannot exist in a vacuum – the City has a duty to ensure that outreach is followed by action. Public participation input should directly inform City actions, and citizens should have influence over decisions that impact their lives.

Recognize public participation as integral to decision-making across all City departments. Engagement in public participation cannot, and shall not, be limited to any specific department—to be effective, City projects of all types must be informed by community voice. It is our aim that this Public Participation Plan, particularly in conjunction with Imagine Kalamazoo 2025, can inform decision-making processes across departments, serving as both a record of public participation successes and a resource for further developments.

Actively engage in public participation throughout the planning process. The City of Kalamazoo views public

participation as integral to each phase of a project's development, from beginning planning stages to final implementation and maintenance. Consistent public participation efforts can also help to mitigate tensions that may arise in between the various stages of project development. Our Public Participation Plan outlines a variety of engagement tools that can be used throughout the lifetime of a project.

Support innovative and continuous development of public participation tools that support our diverse community.

Public participation tools shall be suited to the community and its needs. The City of Kalamazoo recognizes that no single public participation technique or tool can effectively reach all members of our community – we are committed to the consistent development and re-evaluation of our models of engagement. Our Public Participation Plan holds innovation and creativity as key to successful outreach programs that serve and support all members of the Kalamazoo community.

Report back to the community and improve upon our Public Participation Plan. Successful public participation processes are transparent and cyclical, with the City continuously seeking feedback and improving on methods and policies. The City of Kalamazoo is dedicated to developing a system of social accountability to track outcomes and report back to the community.

DRAFT

Key Stakeholders

In the implementation of all projects, regardless of size or scope, the City of Kalamazoo recognizes the importance of conducting a stakeholder inventory to consider the intended audience, those likely to be most impacted in positive and/or negative ways, and those who are key groups/leaders involved in a particular topic or area. The following list is meant to serve as a starting reference for City staff as they consider their points of contact for a given project. Departments shall keep community contact lists, actively populating and updating these lists as contacts are made. These key stakeholders can offer important points of view throughout the planning process, and serve as vital resources and distribution aids. Key stakeholders include, but are not limited to:

- Chamber of Commerce
- Community organizations
- Economic development-oriented organizations
- Entrepreneurs
- Major employers
- Neighborhood associations/points of contact
- Neighboring municipalities
- Potential investors
- Public employees
- Real estate professionals
- Religious groups
- Senior groups
- Social services organizations
- Students (K-12, Kalamazoo College, Kalamazoo Valley Community College, Western Michigan University)
- Transportation- and corridor-oriented organizations
- Young professionals

Public Participation Tools & Strategies

Overview

The City of Kalamazoo utilizes a diverse range of engagement methods and internal procedures. Though the following list is extensive, it is not exhaustive – we strive for continuous innovation, making use of tools ranging from traditional announcements to newly-developed online platforms. A separate Public Participation Toolkit (see Appendix B) provides a comprehensive "how-to" guide to the proper choice and implementation of engagement tools. Both this document and the Toolkit are designed to be used across departments and throughout the development and lifetime of projects, regardless of size or scope.

A key aim of the Public Participation Plan is to identify and engage groups that are traditionally underrepresented in community outreach efforts. We believe that effective public participation must include people of all races / ethnicities, gender identities, economic statuses, sexual orientations, and ages. Geographic diversity is equally important; each of Kalamazoo's neighborhoods has distinct characteristics and a shared sense of community. Each can contribute a unique point of view to City discussions. We believe that it is important for our Public Participation Toolkit to include methods that can reach residents from all of these neighborhoods – as well as the many non-residents who come to Kalamazoo for work, school, worship, entertainment, and socialization.

In order to accomplish these goals, our public participation strategy incorporates methods that facilitate strong relationships and honest conversations within neighborhoods and existing community spaces, as well as with traditionally underrepresented groups. This includes the utilization of existing community-organized meetings and privacy-sensitive tools like living walls, with a priority on repetitive contact and person-to-person outreach. The City has also made efforts to make materials and meetings accessible to all people; this includes producing materials/ conducting meetings in Spanish and American Sign Language.

Imagine Kalamazoo

Imagine Kalamazoo 2025 (IK 2025) is a comprehensive community visioning initiative that has informed the Strategic Vision and Master Plan update. IK 2025 served as a unifying public participation strategy to be used across City departments. From fall of 2015 through summer of 2017, IK 2025 made 3,802 points of contact through innovative and community-focused engagement methods.

There are 6 phases to IK 2025:

- Imagine It, a broad data-gathering phase to identify key strategic vision themes.
- Plan It, in which specific community desires relating to the strategic vision themes are identified.
- Design It, a phase focused on the evaluation and categorization of goals and the exploration of potential resources, partnerships, and actionable work plans.
- Discuss It, an internal evaluation of actionable items for policy, program, and project timelines.
- Draft It, the presentation of the Strategic Vision and Master Plan to the community for additional input and clarifications. IK 2025 will continue to shape plans over the next years.

- Adopt It, a phase where public meetings will be held to inform the public about the document/plan/strategy.

More information about IK 2025 can be found at www.imaginekalamazoo.com.

Procedures

The following procedures guide City of Kalamazoo staff in determining the appropriate public participation strategy for any and all initiatives. Engagement is not one-size-fits-all; careful consideration is necessary in order to achieve maximum positive impact. Illustrations of these procedures can be found in Appendix A.

PUBLIC PARTICIPATION DECISION TREE- The Public Participation Decision Tree is a tool designed to guide City staff towards a given project's most appropriate depth of engagement: internal, inform, consult, collaborate, or co-lead/empower. The chart allows City staff to consider both the benefits and drawbacks of various levels of engagement, encouraging transparency and collaboration while making responsible use of City resources. The City of Kalamazoo's full Public Participation Toolkit Matrix is categorized by these engagement depth markers, making it easy to identify appropriate participation strategies.

IMPACT SCALE GRID- The Impact/Scale Grid is a categorization tool that considers how the size and scope of a particular project might inform the type and depth of engagement that should be pursued. This grid is particularly important given the City's dedication to utilizing public participation tools in the implementation of projects of all types, from high-impact, large-geography efforts like Master Plan updates to low-impact, small-geography efforts like minor street improvements. These categorizations are helpful when considering the reach of a project and what public participation tools might be most effective. For example, Type I (low-impact, small-geography) and Type II (low-impact, large-geography) projects require 1-way, informative participation, while Type III (high-impact, small-geography) and Type IV (high-impact, large-geography) require 2-way consulting, collaboration, and or/co-leadership. Ultimately, a higher impact level must correspond to an increase in stakeholder involvement.

COMMUNITY ENGAGEMENT SPECTRUM- The timeline of a project's public participation strategy must be considered along with its depth and breadth. The Community Engagement Spectrum is a tool for visualizing the life cycle of a public participation plan – and the changes that must be made to that plan as a project progresses. Though it is necessary for the depth of community engagement to lessen as a project progresses, continuous public participation efforts are nonetheless vital. This chart is helpful in creating a public participation timeline for a given project.

Community-Focused Outreach

When developing public participation strategies, the *where* is just as important as the *what*. In order to achieve meaningful engagement with a broad range of the Kalamazoo community, the City of Kalamazoo must build trust and meet residents where they are. We believe in prioritizing outreach at existing community-organized meetings and events when possible. This does not mean that the bulk of event organization should be put on outside organizations, but rather that the City should make public participation easier on residents by taking advantage of existing events and partnerships. This includes City staff attendance of a wide range of gatherings, from citywide

festivals and events like Art Hop to small, issue-focused meetings hosted by community organizations. Engagement at these events can utilize a variety of other public participation tools, including living walls, surveys, and workgroup discussions.

Meetings organized by City departments also represent opportunities to thoughtfully engage community members. Town halls, neighborhood meetings, and focus groups are meeting types that can facilitate community participation by making engagement interactive, allowing activities to be better tailored to the potential attendees, and reducing travel distances. Successful meetings of any type require significant planning and outreach to ensure attendance. For this reason, community partnerships are vital – neighborhood associations, community organizations, schools, and religious institutions can all assist with outreach. Partnership within the City is also important – communication between departments is key to prevent redundancy and meeting fatigue.

If used effectively, community-focused outreach can be wide-reaching and inclusive; it presents an opportunity to connect with community members who may not be aware of City initiatives or who may not have the ability to attend City-wide meetings. Similarly, it illustrates the City's willingness to reach out and engage directly with community members. This public participation method has long-term benefits, as it encourages relationship-building between the City and the community.

Engagement Tools

The City of Kalamazoo has experience with an extensive range of public participation tools, and is constantly seeking out new and innovative methods. The following list expands upon a selection of particularly common and/or valuable tools; for the full Public Participation Toolkit, please see Appendix B.

ANNOUNCEMENTS - The City of Kalamazoo uses a variety of basic announcement formats for one-way communications and advertisement of meetings and events. This includes the use of newspaper and website postings, flyers, neighborhood newsletters, press releases, social media posts, television and radio announcements, mailings, and attachments to utility bills. When relevant, community organizations and other partners shall be utilized as a key resource for announcement distribution. Neighborhood-specific resources, such as Little Free Libraries, can also be useful points of contact.

SURVEYS - Surveys can provide in-depth and topic-specific input from a wide range of individuals. They are particularly useful data-gathering tools during the early planning stages of a project. In addition to being delivered by mail or telephone, it is increasingly easy for surveys to be conducted using computers and online technology; this includes email surveys, social media surveys, and surveys completed in-person on a tablet or computer. The City of Kalamazoo Community Planning & Development Department successfully utilized surveys during the "Imagine It!," "Plan It!," and "Design It!" phases of Imagine Kalamazoo 2025, both as a standalone public participation tool and as a companion tool to living walls for participants who wanted to give more detailed feedback.

UNIVERSITY PARTNERSHIP - Kalamazoo is fortunate to be home to three strong institutions of higher learning: Western Michigan University, Kalamazoo College, and Kalamazoo Valley Community College. Because of this, the

City is uniquely positioned to take advantage of university partnerships as a public participation tool. Such efforts can include City presentations at university events, joint research opportunities, and town hall meetings on university campuses.

In the winter of 2016, the Community Planning & Development Department undertook a collaborative project with the Kalamazoo College "Social Research for Social Change" class. In this, students who were studying applications of action research worked to pilot public participation models for the City and refine the language of the definitions produced by the initial Priority-Based Budgeting process. This successful undertaking expanded the network of involved participants, spawned the development of new and creative models of community engagement, such as living walls, and created an environment of mutual benefit for City staff and College students/faculty.

LIVING WALLS - A living wall is a flexible and interactive tool, consisting of a large poster on which community participants can write or draw out their responses to a given prompt. These posters can be used as an engagement exercise during meetings or events, or displayed in public spaces for a longer period of time. This instrument can be used with or without an in-person facilitator and is intuitive, adaptable, and transparent. The City of Kalamazoo has successfully utilized living walls in a variety of settings including large events (Art Hop), small group dialogues (neighborhood meetings, workgroups), community organization buildings (YWCA, religious institutions), and public spaces (libraries, coffee shops, farmers' markets).

Living walls are useful instruments, both for gaining insight into public concerns and for creating a physical space for discussion and collaboration between community members. Unlike in a traditional survey, the data submitted to living walls is visible to other participants, creating a unique sense of transparency and increased involvement in and ownership over the process. The posters serve as a community gathering space where participants can reflect on their own experiences as well as others' responses. This instrument is best suited for the initial planning and data-gathering phase of a project, as responses are more open-ended than in other public participation tools.

MEETINGS ON THE GO – Meetings on the Go are packets of information that serve as a guide for community members who are hosting their own meetings about a City initiative. They are ideal for use with community groups, clubs, neighborhood associations, or social groups, and are easily adaptable to various group sizes and types. The City of Kalamazoo successfully utilized Meetings on the Go during the "Imagine it!" phase of Imagine Kalamazoo 2025.

Like living walls, Meetings on the Go encourage a sense of community ownership over the planning process. Because City staff members are not needed to facilitate these meetings, they present an opportunity to gain in-depth insight from key stakeholders without requiring a great deal of City resources. They are also useful for engaging groups, such as privacy-sensitive community organizations, that may be hesitant to attend City-run meetings.

OPEN TOWN HALL – Open Town Hall is an online engagement platform that is accessible through the Imagine Kalamazoo website. Open Town Hall allows community members to participate in discussions even if they cannot attend an in-person meeting. Participants can choose to share their input publicly, and can view others' feedback in a variety of formats, including word clouds and maps. Open Town Hall allows City staff to gain insight from a wide variety of community members, and allows community members to read and learn from others' comments.

Vision Alignment

The work of the past informs the vision of the future. It is important for the City to honor prior and existing plans in shaping future plans and projects – this helps to ensure follow-through and honor past community input. Public participation is not merely project-by-project; every individual comment and goal helps to build a broader vision of Kalamazoo.

In order to achieve this goal, the City must have a clear structure for evaluating the ways in which different plans speak to one another. The 10:5:1 Vision Alignment framework was established at the onset of Imagine Kalamazoo 2025 to guide the process and shape future efforts. In this strategy, 10-year visioning documents guide 5-year plans and policies, while 5-year plans and policies identify and shape the 1-year actions necessary to implement Strategic Vision goals. When a substantial portion of the 5-year plans are complete, it will be time to look at the City's Strategic Vision and Master Plan to evaluate the direction that will guide City actions and allocations for the next ten years.

The Strategic Vision and the Master Plan are updated every 10 years. Plans updated every 5 years include the Housing and Urban Development (HUD) Consolidated Plan, the City Fiscal Plan, the Capital Improvement Plan, the Parks and Recreation Plan, and the Transportation Improvement Plan. 1-year plans include the City Commission strategic calendar for work sessions, all board and commission calendars, the annual budget, and departmental and operations plans. All of these directional plans are supported by the public participation and priority-based budgeting processes.

Past & Existing Plans

Many different plans inform the work of the City of Kalamazoo. Public participation timelines and procedures for these plans are dependent on size and scope; the procedural tools described previously guide the action of City staff. Across the board, however, the City is dedicated to establishing a timeline to set expectations, implementing appropriate engagement tools, reporting out on meetings, and updating the public on progress.

All development plans require review by City staff. For plans that are low in controversy, approval may be completed administratively by staff. Depending on the nature of the project, it may be reviewed by the City Site Plan Review Committee. This would provide an opportunity for the neighborhood where the project is located to review and comment on it. Even if considered low in controversy, the project may still require a public review and approval process if a rezoning, variance, or historic review is needed.

A high-controversy development plan will likely require review and input from citizens, business owners, organizational leaders, and other interested entities. Proactive citizen notification and educational efforts will be conducted to help provide an understanding of the benefits of the project, and may eliminate or reduce controversy. Mailings, web site information, community/neighborhood meetings, use of the news media, and other methods will be utilized to keep citizens informed about the project and help prevent misinformation and misunderstanding. Public meetings will be used to disseminate information, answer questions, and help work through the issues of concern along with creating solutions.

Communicating Outcomes & Social Accountability

The City of Kalamazoo is dedicated to sharing public participation outcomes with the community in a timely and thorough manner. It is essential that participants are briefed on how their input shaped the decision-making process. This promotes transparency and community ownership over a given project, and also provides valuable information for residents who may not have had the chance to participate in initial project phases. Reporting outcomes and debriefing is also greatly beneficial for the City – with the benefit of hindsight, this is an opportunity to receive meaningful feedback on public participation efforts as a whole.

Every plan, policy, and project should include a clear strategy for communicating outcomes. Though it may change somewhat over the course of action, it is critical that this strategy is established up front; community members should be able to get a sense of where their feedback will go next and how it will be implemented into the final product. While it is important for the City to continually seek feedback from community members, public participation is effective only if this feedback is used in a productive way. City staff must be intentional when implementing public participation strategies for projects that have already been set in motion.

For all Master Plan projects, a timeline and current status report will be available on the IK website. In addition to traditional announcement methods, online public participation tools such as Facebook Live will be used to share key progress benchmarks with the public. Upon completion of a project, an appropriate celebration will be held (ribbon-cutting, posting of an Imagine Kalamazoo sign, social media post, newspaper announcement, etc.).

Evaluation & Improvement

Continuous evaluation and improvement are vital to the City of Kalamazoo's Public Participation Plan. This document is designed to serve as merely a starting reference; it will be reviewed annually and updated as needed, with recommendations from across City departments being taken into consideration. Additionally, the City of Kalamazoo values community input on public participation methods themselves – insight gained through surveys, letters/emails, and verbal feedback will all be incorporated into the Public Participation Plan.

The City of Kalamazoo recognizes the importance of both positive and negative critique of various models of engagement. We consider the trial of an unsuccessful public participation method to be not a failure, but rather an opportunity for growth. As such, our Public Participation Toolkit will only grow; potential downfalls of a given tool will be listed alongside its potential merits.

Conclusion

Successful public participation efforts can open doors, fostering clear and open communication between community members and the City. In recognizing this, the City of Kalamazoo strives to create a culture that prioritizes effective and innovative public participation for all projects, across all departments. It is our hope that this Public Participation Plan can serve as a constantly-evolving collaborative tool and record of public participation efforts.

State Regulations

In accordance with State of Michigan legislation, certain minimum requirements of public participation must be met. The City of Kalamazoo's Public Participation Plan not only abides by this legislation, but also strives to go above and beyond it, incorporating community voice in all projects across all departments. State legislation regarding public participation is detailed below:

Open Meetings Act

The Michigan Open Meetings Act was created to ensure government transparency and accountability to citizens. It requires certain meetings of public bodies to be open to the public, timely public notice of these meetings, and the keeping of minutes at these meetings.

The entirety of the act can be accessed through the State Department or at the following web address: <http://www.legislature.mi.gov/documents/mcl/pdf/mcl-act-267-of-1976.pdf>

In accordance with PA 267 of 1976, the City of Kalamazoo will hold meetings in the City Hall building located at 241 West South Street, which is accessible to the public.

The public will be notified within 10 days of the first meeting of a public body in each calendar or fiscal year; the body will publicly post a list stating the dates, times, and places of all its regular meetings at City Hall.

If there is a change in schedule, within three days of the meeting in which the change is made, the public body will post a notice stating the new dates, times, and places of regular meetings.

For special and irregular meetings, public bodies will post a notice indicating the date, time, and place at least 18 hours before the meetings.

Note: A regular meeting of a public body which is recessed for more than 35 hours can only be reconvened if a notice is posted 18 hours in advance.

Public bodies will hold emergency sessions without a written notice or time constraints if the public health, safety or welfare is severely threatened and if two-thirds of the body's members vote to hold the emergency meeting.

Planning Enabling Act (PA 33 OF 2008)

The Michigan Planning Enabling Act serves to codify laws regarding county, city, and village planning.

The entirety of the act can be accessed through the State Department or at the following web address:

[http://www.legislature.mi.gov/\(S\(xj3g1jal1er4tq45ve4x5vuz\)\)/documents/mcl/pdf/mcl-act-33-of-2008.pdf](http://www.legislature.mi.gov/(S(xj3g1jal1er4tq45ve4x5vuz))/documents/mcl/pdf/mcl-act-33-of-2008.pdf)

In accordance with PA 33 of 2008, the necessary parties will be notified via first class mail, personal delivery or electronic mail a notice explaining the Planning Commission's intent to plan and requesting the recipient's cooperation and comment.

Before approving a proposed master plan, a Planning Commission will hold not fewer than one public hearing on the proposed master plan. The hearing will be held after the expiration of the deadline for comment as outlined in the act.

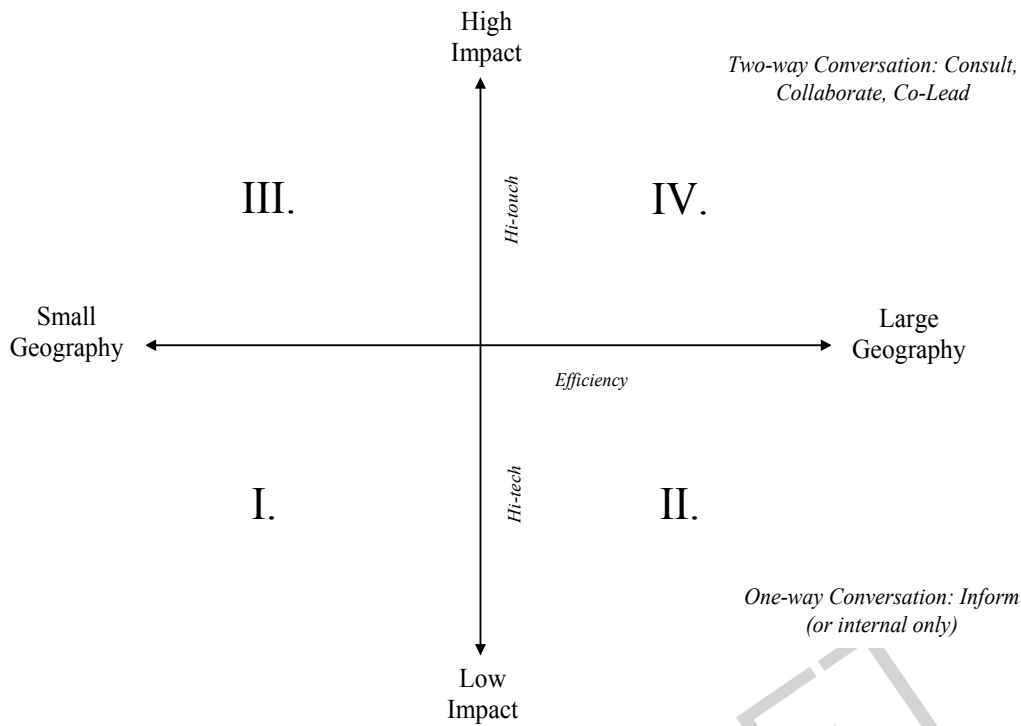
The Planning Commission will give notice of the time and place of the public hearing not less than 15 days before the hearing by publication in a newspaper of general circulation within Ferndale.

The Planning Commission will also submit notice of the public hearing by first class mail, personal delivery or electronic mail to the previously listed entities for review.

After the adoption of the master plan, the Planning Commission may publish and distribute copies of the master plan or of any report, and employ other means of publicity and education.

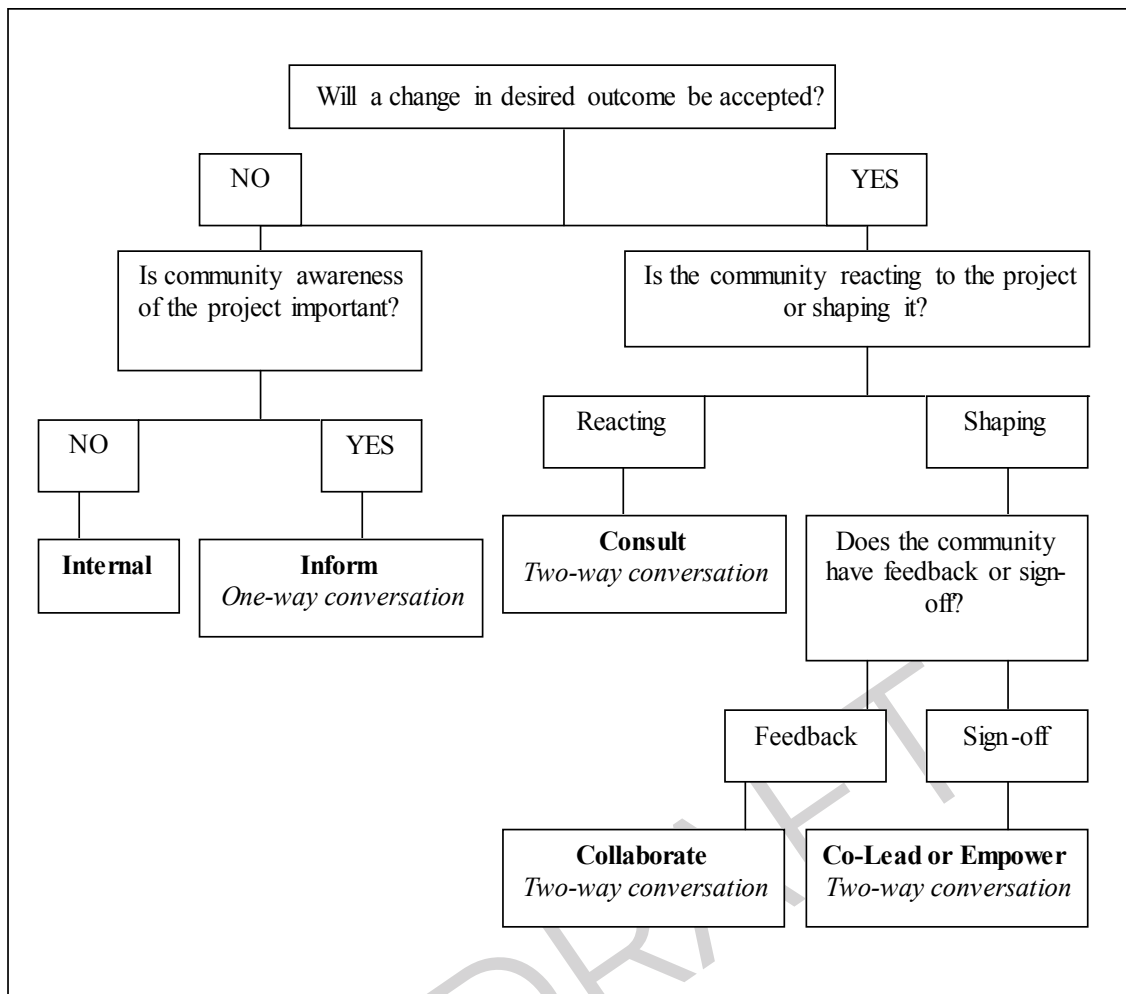
Appendix A

IMPACT SCALE GRID:

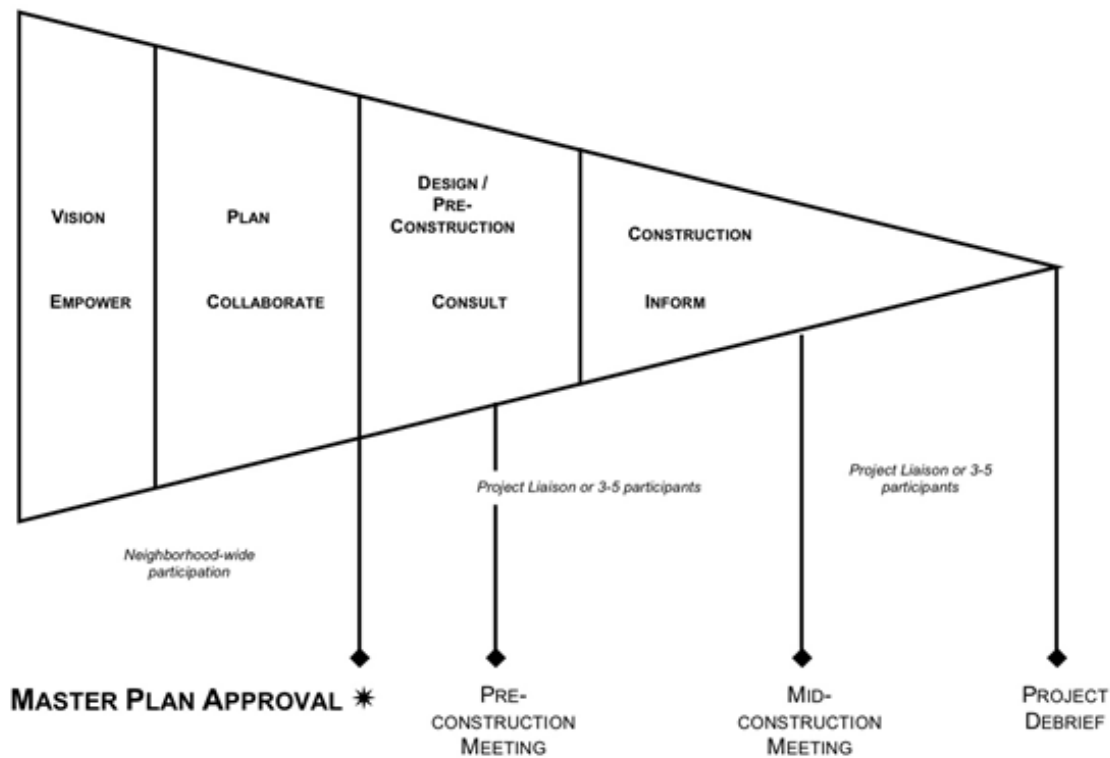


Type	Classification	Project Example	Level of Participation	Methods
I	Low impact, Small Geography	Street vacation	1 way – Inform	Nghd newsletter, nghd email blast, social media
II	Low impact, Large Geography	Citywide hydrant flushing schedule	1 way – Inform	E-blasts, website, social media
III	High impact, Small Geography	Downtown Design Guideline Expansion	2 way – Consult, Collaborate or Co-lead	Neighborhood meeting, door-to-door canvassing
IV	High impact, Large Geography	Master Plan update	2 way – Consult, Collaborate or Co-lead	Imagine Kalamazoo website, Town Hall meeting, focus groups

PPP DECISION TREE:

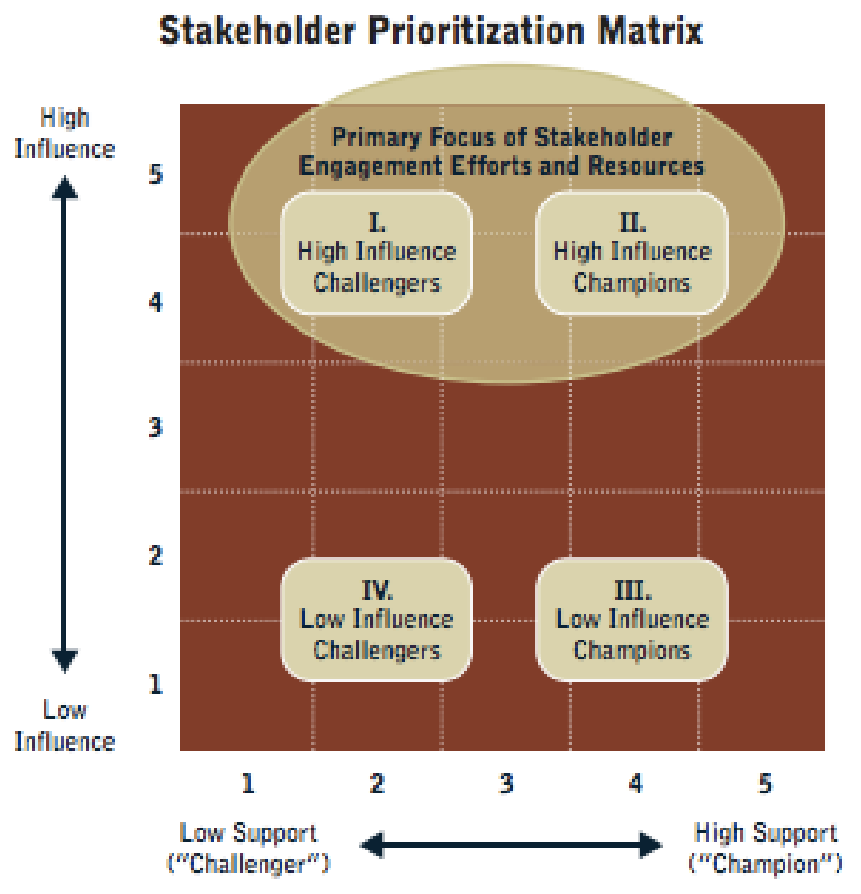


COMMUNITY ENGAGEMENT SPECTRUM:



COMMUNITY ENGAGEMENT SPECTRUM:

EXHIBIT 2



LIVING WALL:



What do you hope Kalamazoo looks like in 2025?

The City of Kalamazoo, through a public participation process, has identified the areas below as essential components of a safe, well-planned, economically and environmentally sustainable city. Use the sticky notes provided to share your ideas of what a city characterized by each of these components would look like. Feel free to use comments, questions, doodles, and visions. Your input will be used to shape the priorities and desired outcomes of the City's budgets. For more information, contact the Community Planning & Development Department at (269) 337-0044.

Well-Planned Community	Economic Vitality	Environmental sustainability	Effective Mobility & Transportation	safe Community	good Governance	Recreational, Educational, and Cultural Opportunities

Appendix B



Public Participation Toolkit

SECTION 1: INFORM

TECHNIQUE	THINK IT THROUGH	WHAT CAN GO RIGHT?	WHAT CAN GO WRONG?
Bill Stuffers: Small informational flyers distributed alongside utility bills	Well-suited for advertising community events and meetings.	Widespread distribution; cost effective and makes use of existing mailing systems	Mailing entity may be unclear to the reader.
Briefings: Short, one-way City presentations at existing community meetings and events (civic clubs, nonprofit organizations, etc.)	It is important to consider your audience and present at a wide range of meetings. What groups might present an opportunity to reach out to underrepresented populations?	Can be an effective way to make contact in the community and build interest in City projects. Requires time from City staff, but similar presentations can be used for different groups.	Can be easy to fall into a routine of meeting with only a select few groups. Project stakeholders may not be target audience.
Flyers : Handouts announcing City meetings, events, and other initiatives.	Neighborhood associations, community organizations, and local businesses can be ideal distribution points.	Simple, cost-effective way to get your message across. Includes community members who may not have access to internet, television, etc. Distribution presents an opportunity to connect with community partners and engage them in the process.	Limited information can be conveyed.
Neighborhood Newsletters: Inclusion of City information in neighborhood newsletters (physical or online).	Well-suited for reaching out to particular neighborhoods.	Cost effective, makes use of existing mailing systems. Opportunity to connect with neighborhood residents in the way that they have identified as working best for them (physical mailing, social media, etc.). Fosters contact with active community members.	Mailing entity may be unclear to the reader. Information may only reach those who are already actively engaged with the neighborhood.
Press Releases:	Well-suited for distributing information about major project developments and milestones, technical or legal information.	Opportunity to distribute precise information; press release language is often used directly in articles. Easy to track, provides accountability.	Low media response rate. Limited readership.

SECTION 1: INFORM

TECHNIQUE	THINK IT THROUGH	WHAT CAN GO RIGHT?	WHAT CAN GO WRONG?
Printed Public Information Materials: Includes newsletters, brochures, issue papers, and fact sheets.	Use concise, accessible language. Make materials visually interesting and consistent. Uniform use of City logos and color schemes make materials recognizable to the community. Always include contact information for community members to give feedback. Consider distribution. Who might be left out? Include social media and website information for readers to access further information.	Opportunity to connect with a wide range of community members. Fosters accountability; documents the planning process.	Limited distribution networks can leave some populations out of the conversation. Limited information can be conveyed. Readership can be limited.
Social Media Posts: Includes Facebook & Twitter.	Use a variety of post formats, including text, photos, videos, polls, and events. Create Facebook events for all City gatherings to increase attendance. Reply promptly to community enquiries and comments.	Economical and instant method of reaching out to a broad population. Encourages community involvement and City accountability; allows community members to visibly comment on City posts.	Those without internet access are left out. Major community events can create a flood of comments that can be difficult to respond to.
Television, Radio, & Newspaper Postings:	Consider the best days of the week, times of day, and sections or channels to reach intended audience.	Widespread distribution.	Can be expensive. Limited information can be conveyed. Information may not always be watched/listened to/read thoroughly.
Website Posts:	Use concise, accessible language. Share links to social media pages. Make materials visually appealing and user-friendly.	Economical and instant. Encourages accountability; easy to look back on the progression of a project.	Community members are fairly unlikely to visit websites unless there is a particular reason to do so (this is why sharing links is vital). Those without internet access are left out.

SECTION 2: CONSULT / COLLABORATE:

TECHNIQUE	THINK IT THROUGH	WHAT CAN GO RIGHT?	WHAT CAN GO WRONG?
Focus Groups: In-person, small-group meetings.	Planning ahead is important — how will the questions that you ask now help your project moving forward?	Provides traceable data. Reaches broad, representative population.	Can be expensive and time consuming.
Living Walls: Interactive posters, on which community participants can write or draw out responses to a given prompt.	Can be used as an engagement exercise during meetings or events, or displayed in public spaces for a longer period of time.	Adaptable, intuitive, and transparent. Can create a space for engagement between participants and a sense of ownership over the process. Opportunity to reach individuals and groups for whom privacy is a concern; living walls can be dropped off at an organization and used internally.	Limited information can be conveyed. Cannot follow up with individual respondents. Prompts and responses are generally quite broad; best for initial planning and data-gathering.
Neighborhood Meetings: Meetings hosted in and/or about a particular neighborhood or region.	Reach out to churches, community organizations, neighborhood associations, and property developers (apartment buildings, etc.) to advertise meetings.	Shows effort on behalf of the City; opportunity to meet community members in a setting that is convenient and familiar. Helpful for gathering neighborhood-specific data.	Takes a great deal of outreach and planning to implement successfully.
Mailed Surveys: Surveys/questionnaires mailed randomly to a sample population.	For statistically valid results, should be developed and conducted by an outside group.	Opportunity for statistically valid results from a wide sample of the population.	Can be costly to implement, both in time and resources. Response rate often low. Can be a slow process. Once the survey has been set in motion, there is little room for change.
Online Surveys: Surveys/questionnaires distributed online, including through Open Town Hall.	It is important to be intentional with survey questions and distribution. Think about accessibility: will community members without internet access have the opportunity to give feedback on these issues? Reach out to community partners to assist in distribution. Do not make surveys too long.	Can be more cost-effective and reach a broader population more quickly than other types of surveys.	Distribution can be uneven, and results can be easily skewed. Leaves out those without internet access.

SECTION 3: CO-LEAD / EMPOWER

TECHNIQUE	THINK IT THROUGH	WHAT CAN GO RIGHT?	WHAT CAN GO WRONG?
Community-Organized Meetings: Outreach and engagement at existing community-organized meetings and events.	Opportunities for engagement include Art Hop, farmers' markets, neighborhood association meetings, and community organization meetings.	Opportunity to meet community members in a setting that is convenient and familiar. Increases sense of community ownership over the planning process. Opportunity to connect with community members who might not attend City-organized meetings.	Important to be respectful of community boundaries; ensure that the City is not "stepping on toes" and barging in without invitation.
Meetings On the Go: Packets of information distributed to community members who are hosting their own meetings about a City initiative.	Ideal for use with community groups, clubs, neighborhood associations, or social groups. Easily adaptable to various group sizes and types.	Increases sense of community ownership over the planning process. Flexible and require minimal City resources; City staff not needed to facilitate. Can be useful for engaging groups, such as privacy-sensitive community organizations, that might be hesitant to attend City-led meetings.	Can be difficult to ensure that information from the meetings gets accurately reported back to the City. Conversation topics may stray from initial agenda.
Town Hall Meetings: Open community meeting with space for back-and-forth interaction.	Consider other public participation tools that might be useful as part of a town hall — living walls, surveys, etc.	Increases sense of community ownership over the planning process. Flexible and adaptable; can be used with a variety of other public participation tools depending on topic/audience.	A great deal of outreach and effort is required to achieve strong attendance.
University Partnership: Collaborative efforts between City departments and Kalamazoo colleges/universities.	Can include City presentations at university events, joint research opportunities, and town hall-style meetings on university campuses.	Collaboration can be a mutually beneficial tool. Universities often have access to time, resources (particularly computer programs), and skills that the City may not. For students, partnership can present a professional development/research opportunity.	Successful collaboration requires time and effort on behalf of all parties. City needs do not always align well with university calendars.

SECTION 4: COMMUNICATING OUTCOMES

TECHNIQUE	THINK IT THROUGH	WHAT CAN GO RIGHT?	WHAT CAN GO WRONG?
Post-Surveys: Surveys/questionnaires given to stakeholders after the completion of a project.	Consider the best way to get in touch with your stakeholders—mail, email, and in-person surveys are all options. Be intentional with the questions that you ask— try to focus on things that the City can have an active response to. “Would you like to see similar projects in the future?” is more productive than “Do you like this project?”	If well-designed, can provide incredibly valuable input on how successful a project was and ways to improve in the future. Can serve as a community builder by reminding community members of the work that has already been done and re-connecting them with the City.	Response rates can be low. Can be difficult to get in touch with past participants. If questions are not phrased well, you can get input that is impossible to act on.
Celebration Ceremonies: Includes ribbon-cuttings, festivals, and other special events to celebrate the completion of a project.	Include community partners to increase visibility, build relationships, and, in some cases, share costs. Consider how other public participation tools can improve your celebration. When appropriate, can include post-surveys and/or information about new and upcoming projects.	Opportunity to celebrate successes and increase visibility of a project. Often draws positive attention from the press. Celebration ceremonies that are open to the public are often very popular.	Can be costly in terms of time and resources.
Press Releases:	Well-suited for distributing information about major project developments and milestones, technical or legal information.	Opportunity to distribute precise information; press release language is often used directly in articles. Easy to track, provides accountability.	Low media response rate. Limited readership.
Neighborhood Newsletters: Inclusion of City information in neighborhood newsletters (physical or online).	Well-suited for reaching out to particular neighborhoods.	Cost effective, makes use of existing mailing systems. Opportunity to connect with neighborhood residents in the way that they have identified as working best for them (physical mailing, social media, etc.). Fosters contact with active community members.	Mailing entity may be unclear to the reader. Information may only reach those who are already actively engaged with the neighborhood.

SECTION 4: COMMUNICATING OUTCOMES

TECHNIQUE	THINK IT THROUGH	WHAT CAN GO RIGHT?	WHAT CAN GO WRONG?
Social Media Posts: Includes Facebook & Twitter.	Use a variety of post formats, including text, photos, videos, polls, and events. Reply promptly to community enquiries and comments.	Economical and instant method of reaching out to a broad population. Encourages community involvement and City accountability; allows community members to visibly comment on City posts.	Those without internet access are left out. Major community events can create a flood of comments that can be difficult to respond to.
Television, Radio, & Newspaper Postings:	Consider the best days of the week, times of day, and sections or channels to reach intended audience.	Widespread distribution.	Can be expensive. Limited information can be conveyed. Information may not always be watched/listened to/read thoroughly.
Website Posts:	Use concise, accessible language. Share links to social media pages. Make materials visually appealing and user-friendly.	Economical and instant. Encourages accountability; easy to look back on the progression of a project.	Community members are fairly unlikely to visit websites unless there is a particular reason to do so (this is why sharing links is vital). Those without internet access are left out.
Signage: Signs placed at a project site to indicate completion. Includes temporary wire yard signs as well as semi-permanent/permanent signs.	Use appropriate logos/icons and text to promote City initiatives like Imagine Kalamazoo 2025. If relevant, include community partners' logos. Consider the duration that the sign will be up. Make a plan about who will take down the sign.	A practical method for physical development projects. Excellent way to reach stakeholders—those who see the sign are users of the space. Can help community members to understand a project's connection with the City; increases transparency. Can be a branding/marketing opportunity in multiple ways—can show off City logos, and also can appeal to potential partners.	Requires design and printing by an outside company; can be expensive. Vandalism is a concern.

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