

Agenda

Brownfield Redevelopment Authority

Board of Directors

City of Kalamazoo



Thursday, May 4, 2023

7:45 AM

CPED Main Conference Room - 245 N. Rose Street, Suite 100

A. CALL TO ORDER/ROLL CALL

B. ADOPTION OF FORMAL AGENDA

C. APPROVAL OF MINUTES

1. Approval of Minutes from the BRA Meeting of March 16, 2023

D. PUBLIC COMMENTS

E. DIRECTORS' COMMENTS

F. NEW BUSINESS

1. Public Hearing for the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing
2. Adoption of a Resolution Approving the Implementation of the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing
3. Approval of TIF Reimbursement Request #2 from Kalamazoo Neighborhood Housing Services for single family infill housing projects completed in Kalamazoo, Michigan
4. Approval of a Development Agreement with 19 Props, LLC for the Arcadia Lofts Project and Authorize the Chair to Sign

G. UNFINISHED BUSINESS

H. COMMUNICATIONS AND ANNOUNCEMENTS

I. STAFF REPORTS AND UPDATES

1. 2023 National Brownfields Conference
2. 530 S. Rose EGLE Grant Proposal (update)

J. ADJOURNMENT

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MEETING
Thursday, March 16, 2023
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007**

MEMBERS PRESENT: Nathan Bolton; Sharon Ferraro; Michael Gurnee; Kevan Hess; Andrew Schipper; Jason Novotny; Lucas Middleton; Torean Greeley; Rachel Bair

MEMBERS ABSENT: Qianna Decker; Kyle Gulau

CITY COMMISSIONERS/CITY STAFF PRESENT: Clyde Robinson (City Attorney); Jamie McCarthy (Sustainable Development Coordinator); PJ Thuringer (Economic Development Supervisor); David Stegink (Fishbeck, Consultant); Jared Chambers (Business Specialist); Beth Cheeseman (Executive Administrative Assistant); David Stegink (Fishbeck, Consultant)

Meeting was called to order at 8:02 AM by Director Hess.

MOTION TO EXCUSE ABSENT MEMBERS: Director Greeley moved to excuse absent members; seconded by Director Gurnee. Motion approved by voice vote unanimously.

Ms. McCarthy requested that items F2 and F3 be removed from the agenda. She said there is one millage on which staff and the developer are working through whether BRA can capture. Ms. McCarthy will plan to bring those items back to the Board the next month.

APPROVAL OF AGENDA: Director Schipper, moved the approval of the agenda as amended; seconded by Director Bolton. Motion approved by voice vote unanimously.

APPROVAL OF MINUTES: Director Gurnee moved the approval of the minutes from February 16, 2023; seconded by Director Ferraro. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTOR'S COMMENTS

Director Novotny reported that he would need to abstain from Item F5 due to ongoing involvement with the project. Director Schipper said it was the same for him and added that would need to abstain from Item F4 due to ongoing involvement with the project.

NEW BUSINESS

1. Approval of a Purchase Option Agreement for a portion of the parcel at 333 E. Alcott near Belford & Reed Streets and authorize the chair to sign.

Ms. McCarthy reported that this agreement is for an 18-month period. This LIHTC project went through the review process with MSHDA but didn't receive the award the first time. She stated that it is not uncommon to see projects go through that process more than once. Ms. McCarthy said they felt that 18 months would give the developer time to reapply for another round or two.

Mr. Matt Hollander shared that the project was called Kal Recovery I and II. He said this will be a 72-unit affordable housing project with a permanent supportive housing component. Mr. Hollander said the plan received conditional site plan approval and a PILOT from the City of Kalamazoo to develop 48 two- and three-bedroom apartments. There is a 6.64 acre parcel they will split off if they proceed with the project. Mr. Hollander said they submitted for LIHTC in the October round, but their application was pulled and not scored due to environmental issues. He said they have been working with Fishbeck to satisfy MSHDA's questions about cleanup that occurred in 2010. They plan to resubmit their application on April 3. Mr. Hollander was confident that all signs pointed to MSHDA accepting the application and scoring it. He explained that this is a very competitive process, but he feels they have a winning application. Mr. Hollander assured the Board that they are not going anywhere, but they will keep working on this project until it is done. He said it will be 100% affordable housing at or below 60% AMI. There will also be a 45 year regulatory agreement on property, so they can't change rents from their affordability status. They also have significant green construction goals with this project.

Director Bolton asked if the environmental review was part of MSHDA's scoring process. Mr. Hollander said it was a threshold review. MSHDA has a team that reviews Phase I and Phase II reports. He said the primary concern for this site was vapor intrusion. Mr. Hollander said they have a plan to deal with that issue. He believed that MSHDA got hung up on the former Superfund designation. A portion of the creek is still part of the federal Superfund site.

Director Gurnee commented that the Superfund designation was not going to change. He wondered if MSHDA seemed open to allowing this to move forward. Mr. Stegink, Fishbeck, said he thought so – that ultimately, MSHDA wanted to make sure people there are safe. They are working collaboratively to do that.

Director Hess asked if MSHDA was saying the mitigation efforts they were doing was sufficient - vapor intrusion is common. Mr. Hollander said that nothing they've proposed was out of character for this type of project. It really was the Superfund issue. He said if they are successful in the upcoming funding round, they will be opening after the upstream remediation of the Allied site.

Director Ferraro moved approval of a Purchase Option Agreement for a portion of the parcel at 333 E. Alcott near Belford & Reed Streets and authorize the chair to sign; seconded by Director Novotny.

A roll call vote was taken, and the motion passed unanimously.

4. Approval of the Second Amendment to the Purchase and Sale Agreement for property at 116 W. Cedar Street and authorize chair to sign.

Ms. McCarthy said this amendment would give the developer an additional 12 months to make application to the State for incentives and continue their work on design and site plan elements. She stated that the developer has put down a deposit of \$35,000. Purchase price at the time of closing will be \$315,000. Ms. McCarthy pointed out that the BRA is the current owner for the property and pays for long-term maintenance of that site. She said that significant remediation will have to happen to that property. Ms. McCarthy said this property qualifies for Brownfield. She noted that the developer has also acquired other property around that site.

Mr. Rich McDonald, Hinman Company, and Mr. Greg Dobson, AVB, were present to speak about the project. Mr. McDonald assured Board members that they have had regular meetings with the City and MEDC to make sure they meet each other's goals in terms of what could happen with this site. He said their support was necessary for things to go to the next level. This project was being incorporated with other properties they own and control in the area – including some possible investment in the State Theater. Mr. McDonald said they are working on it, but it involves a lot of pieces and is complicated.

Director Hess wondered if they had any idea when the conceptual pieces of design would come together. He'd like them to keep the Board updated. Mr. McDonald said they are planning on sharing information and going to the next level with the State for the financial design. They want to have the financial design in place before they share the conceptual details.

Director Novotny asked if anyone had come to staff asking about these parcels (other than these developers). Ms. McCarthy said she often gets inquiries from local businesspeople who are looking for a building. The questions have mostly been regarding 501 N. Westnedge. She said they wouldn't put a first time developer into 116 Cedar because it is a complicated site. Mr. Thuringer agreed that inquiries typically come from small business owners looking for an existing building.

Director Hess asked when the last time was that they got remediation cost estimates. Ms. McCarthy thought the information they had was five years old. Mr. McDonald said they got some estimates about a year ago and the cost was much higher than the previous information.

Director Bolton moved approval of the Second Amendment to the Purchase and Sale Agreement for property at 116 W. Cedar Street and authorize chair to sign; seconded by Director Gurnee.

A roll call vote was taken, and the motion passed. Director Schipper abstained.

5. Approval of the First Amendment to the Brownfield Plan Development Agreement with Bogan Developments, LLC for the redevelopment project at 315 E. Frank Street and authorize chair to sign.

Ms. McCarthy explained that staff was preparing a first reimbursement payment from the State to Bogan Developments. Mr. Bogan received input from his tax attorneys and asked for the BRA to pay Sun Title as the fiduciary agent for him. Ms. McCarthy said the payment structure is part of the development agreement, and they needed to clarify payments in the amendment. She said EGLE didn't have any concerns about the payment change. Ms. McCarthy said the proposed amendment states that grant reimbursement payments will be made to Sun Title Agency and the annual TIF payments will be made to Bogan Developments, LLC.

Director Middleton moved approval of the First Amendment to the Brownfield Plan Development Agreement with Bogan Developments, LLC for the redevelopment project at 315 E. Frank Street and authorize chair to sign; seconded by Director Bair.

A roll call vote was taken, and the motion passed. Directors Novotny and Schipper abstained.

6. Approval of a Purchase Option Agreement for parcels at 700 River Street and 812 Gull Street for the Home Start Initiative housing project and authorize the chair to sign.

Ms. McCarthy said that Ms. Michelle Johnson has been meeting with the City regularly. She said Home Start was in a pre-site plan phase to understand design and construction costs. They have made their deposit on both parcels.

Ms. McCarthy said that Ms. Johnson did engagement work for these properties and found that affordable housing was of most interest to people. Her group has been working on a land trust model and home ownership opportunities. Ms. McCarthy said the project would be for single-family housing at 700 River Street. The property at 812 Gull Street would be more of an amenity space. She said Ms. Johnson had gotten county millage support for the project. Ms. McCarthy said they were working on the gap. Staff recommended a 12-month option for Home Start to show more progress with design and financing.

Director Hess noted these properties were in a flood plain. He wondered if that would affect the status for State and Federal funding. Ms. McCarthy said they have been working with the State and an environmental consultant. She didn't think they were seeking federal dollars.

Director Gurnee moved approval of a Purchase Option Agreement for parcels at 700 River Street and 812 Gull Street for the Home Start Initiative housing project and authorize the chair to sign; seconded by Director Bair.

Director Bair thought this was an exciting new model.

A roll call vote was taken, and the motion passed.

7. Approval of an award and 1-year contract to Dickinson Wright for legal services not-to-exceed total of \$120,000 and recommend acceptance by City Commission.

Ms. McCarthy reported that this was the same item that was on the EDC agenda. The BRA budgeted a larger amount for 2023 than the EDC knowing there will be more BRA work for an attorney. These funds will come from revenues the BRA gets from BRA Plan Admin fees and from application fees.

Director Hess thanked Director Middleton for being on the committee.

Attorney Robinson said there is no need to go to City Commission. They are entitled to hire their own council by statute.

Director Schipper moved approval of an award and 1-year contract to Dickinson Wright for legal services not-to-exceed total of \$120,000; seconded by Director Greeley.

Director Middleton clarified there is no recommendation to the City Commission. They are entitled to hire the own council. Ms. McCarthy said they had feedback from purchasing that it should go to City Commission because the City Manager will sign. Attorney Robinson said there is no need. The EDC/BRA have the right to hire legal counsel by statute.

A roll call vote was taken, and the motion passed unanimously.

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

Director Gurnee asked for a refresher on the interest policy when they bring 215 E. Michigan back to the Board.

ADJOURNMENT: 8:36 a.m.

Beth Cheeseman
Recording Clerk

Chair Signature

Printed Name/Title



BRA Board of Directors Staff Report

City of Kalamazoo

TO: Brownfield Redevelopment Authority Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

DATE: May 4, 2023

SUBJECT: Public Hearing for the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing

SUMMARY:

The 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing includes the following amendments:

- Add additional eligible property: Kalamazoo Neighborhood Housing Services (KNHS) is purchasing property from the Kalamazoo County Land Bank for development of eight new single family homes within the City of Kalamazoo
 - 729, 1024, and 1107 Clinton
 - 407 Phelps
 - 1403 Krom
 - 1708 and 1804 N Rose
 - 1205 Summit
- Remove one parcel as eligible property (2349 Shelter Pointe): This parcel was originally included due to subsurface demolition debris located on the property and high costs for specialized foundations and/or removal and disposal. The Developer no longer intends on developing the parcel for residential housing and no Tax Increment Revenues have been realized from the property. Associated eligible activities (\$87,000, plus any contingency) have also been removed from the plan.
- Add additional eligible activities: Approximately \$105,805 in eligible activities is anticipated with the construction of new homes under this amendment; this includes activities such as demolition, lead and asbestos abatement, infrastructure improvements, site preparation, plan preparation, and contingency. It is anticipated the BRA will reimburse KNHS and City of Kalamazoo for documented expenses that will be detailed under a subsequent Development and Reimbursement Agreement that will be presented to the BRA in May 2023.

BACKGROUND:

The BRA and City Commission adopted the original Scattered Site Infill Housing Brownfield Plan in 2020. The plan has been amended over time to add eligible property and activities that represent individual single family housing projects. Staff regularly reviews the revised brownfield plan and recommends amendments in coordination with partners leading the Kalamazoo Attainable Housing Project. Staff are recommending a 4th amendment to add eight new parcels, remove one parcel, and add eligible activity costs for new construction beginning in 2023.

FISCAL IMPACT:

The BRA will capture TIR and reimburse developer for approximately 10 years under this amended plan and 5 years to the Local Brownfield Revolving Fund. It is estimated the BRA will receive \$121,038 in administrative fees to cover costs to administer and report on the plan. In addition, it is estimated BRA will capture approximately \$485,253 to the LBRF.

RECOMMENDATION:

No Action Needed.



BRA Board of Directors Staff Report

City of Kalamazoo

TO: Brownfield Redevelopment Authority Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

DATE: May 4, 2023

SUBJECT: Adoption of a Resolution Approving the Implementation of the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing

SUMMARY:

A summary of the amendments to the Revised Plan were presented during the Public Hearing held earlier in this meeting. Through the adoption of this Resolution, BRA finds that the 4th Amendment to the Revised Plan serves public purposes and meets other requirements under Act 381, including:

1. It meets all requirements of Section 13 of Act 381,
2. The proposed method of financing the costs of eligible activities of Revised Plan is feasible, and the Authority has the ability to arrange the necessary financing,
3. The costs of the eligible activities proposed by such amendment are reasonable and necessary to carry out the purposes of Act 381, and
4. The amount of captured taxable value estimated to result from Revised Plan is reasonable.

BACKGROUND:

Under Resolution No. 08-16, the City Commission delegated to the BRA the public hearing process regarding any Brownfield Plans, including proposed 4th Amendment to the Revised Brownfield Plan. A public hearing was held by the BRA on April 20, 2023, on the 4th Amendment to the Revised Plan; notice of the public hearing was given to all taxing authorities levying ad valorem or specific taxes against any property affected by the Plan, as required by Act 381.

FISCAL IMPACT:

RECOMMENDATION:

It is recommended the BRA adopt a Resolution approving the implementation of the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing and recommend adoption by the City Commission.

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY**

**A RESOLUTION APPROVING THE IMPLEMENTATION OF
THE FOURTH AMENDMENT TO THE REVISED
BROWNFIELD PLAN FOR
SCATTERED SITES IN KALAMAZOO,
MICHIGAN
AND RECOMMENDING ADOPTION BY
THE CITY COMMISSION**

Minutes of a regular meeting of the City of Kalamazoo Brownfield Redevelopment Authority (“BRA”) held on April 20, 2023 at 7:30 a.m., local time, at the City Offices at 245 N. Rose Street, Suite 100, Kalamazoo, Michigan.

PRESENT: _____

ABSENT: _____

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

RECITALS:

A. The City has created the City of Kalamazoo Brownfield Redevelopment Authority (the “Authority”), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended (“Act 381”).

B. Under Resolution No. 08-16, the City Commission delegated the public hearing process to the Authority regarding any future proposed Act 381 Brownfield Plan, including the proposed Revised Brownfield Plan for Scattered Site Infill Housing in Kalamazoo, Michigan.

C. A public hearing was held by the Authority on April 20, 2023, on the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing; notice of the public hearing was given to all taxing authorities levying ad valorem or specific taxes against any parcels within the Brownfield Plan, as required by Act 381.

D. Following the public hearing on the Revised Scattered Site Infill Housing Plan, the Authority, in consideration of any comments heard at the public hearing or written communications received at or prior to the public hearing, determines that the Brownfield Plan constitutes a public purpose in that:

- a. It meets all requirements of Section 13 of Act 381.

- b. The proposed method of financing the costs of eligible activities of the Revised Brownfield Plan is feasible, and the Authority has the authority to arrange the necessary financing.
- c. The description of eligible activities and their estimated costs are reasonable and necessary to carry out the purposes of Act 381, and
- d. The amount of captured taxable value estimated to result from all parcels included in the Revised Brownfield Plan is reasonable.

THEREFORE, IT IS RESOLVED THAT:

The City of Kalamazoo Brownfield Redevelopment Authority approves the implementation of the 4th Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing in Kalamazoo, Michigan and recommends the City Commission adopt a resolution approving this Brownfield Plan.

AYES:

NAYS:

ABSTAIN:

RESOLUTION DECLARED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the Brownfield Redevelopment Authority at a regular meeting held on April 20, 2023. Public notice was given and the meeting was conducted in compliance with the Michigan Open Meetings Act. Minutes of the meeting will be available as required by the Act.

Elizabeth Cheeseman
Recording Secretary

Site No.	Date Added to Plan	Address	Parcel ID	Parcel Size (acres)	Initial Taxable Value	Tax Reverted Property Specific Tax?	Eligible Property Qualification	Legal Description
1	7/20/2020 Removed 4/20/2023	2349 Shelter Pte	06-30-295-001	0.563	\$16,609		"Blighted"; property has substantial buried subsurface demolition debris present so that the property is unfit for its intended use. [MCL 125.2652(c)vii]	Kalamazoo County Condominium Subdivision Plan No. 197 Shelter Pointe Condominiums according to the master deed recorded 2006-016782, First Amendment recorded 2009-007420 Unit 1.
2	7/20/2020	110 Burr Oak St	06-22-196-002	0.091	\$10,190	2022-2023	"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	14484 BLEYKERS ADDITION W 48.42 FT OF E 118.92 FT OF LOT 124 EXC N 1 R.
3	7/20/2020	1015 Albert Ave	06-14-209-097	0.133	\$30,260		"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	23548 HAZARDS SUBDIVISION OF SECTION 14; The North 44 feet of Lot 97.
4	7/20/2020	124 Burr Oak St	06-22-195-003	0.094	\$8,947		"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	14502 BLEYKERS ADDITION E 3R OF S 5R OF LOT 127.
5	7/20/2020	1100 S Rose St	06-22-308-003	1.693	\$0		"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	NEWELLS ADDITION The North 16 Rods of Lot 12, excluding the North 132ft. The East 1 Rods of the South 8 Rods of the North 16 Rods of Lot 13. The North 16 Rods of Lot 9, excluding the North 132ft. The North 16 Rods of the East 1/2 of Lot 10, excluding the North 132ft. The West 1/2 of the North 16.5 Rods of Lot 10, excluding the North 132ft. The North 16 Rods of Lot 11, excluding the North 132ft. Excluding that part of foregoing described land which lies Easterly of the following described line: Commencing at the northeast corner thereof; thence West parallel to the south line of Wall Street 14ft more-or-less for the point of beginning of this excluding; thence Southerly parallel to the relocated center line of South Rose Street to a point 19ft more-or-less West of the southeast corner of the foregoing described land for the place of ending. Also NEWELLS ADDITION The South 44ft of the North 176ft of the West 7 Rods of the East 8 Rods of Lot 13. Also NEWELLS ADDITION The North 8 Rods of Lot 9, excluding that portion lying easterly of the West right-of-way line of South Rose Street as relocated. The East 1/2 of the North 8 Rods of Lot 10.

6	5/20/2021	515 Egleston Ave	06-22-480-101	0.176	\$0	2022-2026	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	SOUTH SIDE IMPROVEMENT COMPANY'S ADDITION, Liber 5 of Plats Page 39; Lot 101. Also the East 3ft of the North 50ft of Lot 102.
7	5/20/2021	1114 Egleston Ave	06-23-364-412	0.143	\$0	2022-2026	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	22400 REVISED PLAT OF HAYS PARK LOT 412.
8	5/20/2021	538 W Paterson St	06-09-498-002	0.075	\$0	2022-2026	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	18908 DUDGEON & COBBS SUB-DIVISION OR ADD ON SEC 10 & 9 E 2 R OF S 6 R OF LOT 7.
9	5/20/2021	114 Burr Oak St	06-22-196-101 <i>Inactive PID #: 06-22-196-001</i>	0.074	\$30,683*		Adjacent and contiguous to 110 Burr Oak St	Section 22-2-11 BLEYKER'S ADDITION, Liber 1 of Plats, Page 49; Beginning at a point on the north line of Burr Oak Street North 89° 00' 33" West 118.92 feet from the southeast corner of Lot 124 of said Addition; thence North 89° 00' 33" West 39.16 feet along the north line of Burr Oak Street; thence North 00° 58' 52" East 82.03 feet to a point 1 Rod South 00° 58' 52" West of the north line of said Lot 124; thence South 89° 02' 29" East 39.13 feet parallel with the north line of said Lot 124 to a point 118.92 feet Westerly of the east line of said Lot 124; thence South 00° 57' 23" West 82.06 feet parallel with the east line of Lot 124 to the north line of Burr Oak Street and the point of beginning. Parcel contains approximately 0.074 acres.
10	5/20/2021	738 Harrison St	06-15-275-008	0.099	\$0		[MCL 125.2652(c)v.] Municipally owned Tax Foreclosed property in 1994.	3914 Commencing on the East line of Harrison Street 22.75 Rods North of the north line of East North Street; thence East 7 Rods; thence North 2.25 Rods; thence West 7 Rods; thence South 2.25 Rods to beginning.

*Split on 01/15/2023 with 06-22-196-001 into 06-22-195-008, 06-22-195-007, 06-22-196-101. Initial TV to be reconfigured.

11	5/20/2021	1010 N Rose St	06-15-140-021	0.268	\$0	2022-2026	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	18510 DUDGEON & COBBS REVISED PLAT LOT 21
12	5/20/2021	1014 N Rose St	06-15-135-020	0.134	\$0	2022-2026	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	18508 DUDGEON & COBBS REVISED PLAT S 1/2 OF LOT 20
13	5/20/2021	707 Staples Ave	06-16-261-004	0.081	\$0	2022-2026	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	4328 COM ON W LI STAPLES AVE89 FT N OF N LI NORTH ST W PAR WITH SD N LI 4 R N 1 FT W 1 R N PAR WITH STAPLES AVE 42 FT TH E PAR WITH NORTH ST5 R TO W LI STAPLES AVE S ALG SD W LI 43 FT TO BEG
14	8/1/2021	120 Burr Oak St	06-22-195-008 <i>Inactive PID # 06-22-195-004</i>	0.125	\$33,115*		"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	14496 BLEYKERS ADDITION; The South 5 Rods of Lot 126. Split on 01/15/2023 with 06-22-196-001 into 06-22-195-008, 06-22-195-007, 06-22-196-101
15	8/1/2021	116 Burr Oak St	06-22-195-007	0.074			"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	Section 22-2-11 BLEYKER'S ADDITION, Liber 1 of Plats, Page 49; Beginning at the southwest corner of Lot 126, said point being on the north line of Burr Oak Street being North 89° 00' 33" West 236.40 feet from the southeast corner of Lot 124 of said Addition; thence North 01° 01' 23" East 81.99 feet along the west line of Lot 126 to a point 1 Rod South 01° 01' 23" West of the northeast corner of Lot 127 of said Addition; thence South 89° 02' 29" East 39.13 feet parallel with the north line of said Lot 126; thence South 01° 00' 06" West 82.01 feet to the north line of Burr Oak Street; thence North 89° 00' 33" West 39.16 feet along the north line of Burr Oak Street to the southwest corner of said Lot 126 and the point of beginning. Parcel contains approximately 0.074 acres.

*Split on 01/15/2023 with 06-22-196-001 into 06-22-195-008, 06-22-195-007, 06-22-196-101. Initial TV to be reconfigured.

16	8/1/2021	1333 Summit Ave	06-16-180-102	0.142	\$0	2023-2027	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	13221 ASSESSORS B PLAT, Liber 15 of Plats Page 12; Lot 102
17	8/1/2021	3408 Hoover	06-32-109-065	0.141	\$0		"Blighted." The property was declared a public nuisance by the City. [MCL 125.2652(c)i]	G59-63 ASSESSORS PLAT OF OAKLAND PARK LOT 65
18	8/1/2021	3524 Lowden St	06-32-117-126	0.145	\$0	2023-2027	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	G59-119 ASSESSORS PLAT OF OAKLAND PARK LOT 126
19	8/1/2021	3531 Lowden St	06-32-123-097	0.145	\$0	2023-2027	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	G59-95 ASSESSORS PLAT OF OAKLAND PARK LOT 97
20	4/20/2023	729 Clinton Ave	06-22-488-018	0.172	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	42004 SOUTH SIDE IMPROVEMENT COMPANYS ADDITION LOT 18
21	4/20/2023	1024 Clinton Ave	06-23-368-539	0.098	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	22648 REVISED PLAT OF HAYS PARK, Liber 7 of Plats Page 15; Lot 539
22	4/20/2023	1107 Clinton Ave	06-23-363-457	0.143	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	22482 REVISED PLAT OF HAYS PARK LOT 457

23	4/20/2023	407 Phelps Ave	06-14-405-002	0.169	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	32882 PHELPS ADDITION S 3R OF E 9R OF LOT 4.
24	4/20/2023	1403 Krom Ave	06-10-382-001	0.200	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	17782 ADDITION OF DEWING & PARKER; Lot 1 in Block B.
25	4/20/2023	1708 N Rose St	06-10-340-001	0.194	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	UPJOHN LAND COMPANY'S ADDITION LOTS 24 & 25, BLK 6.
26	4/20/2023	1804 N Rose St	06-10-335-014	0.100	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	47726 UPJOHN LAND COMPANY'S ADDITION; Lot 14 in Block 1
27	4/20/2023	1205 Summit Ave	06-16-182-001	0.200	\$0	2024-2028	"Blighted." The property is owned by a land bank fast track authority. [MCL 125.2652(c)vi]	13239 ASSESSORS B PLAT W 66 FT OF THE N 132 FT LOT 117



BRA Board of Directors Staff Report

City of Kalamazoo

TO: Brownfield Redevelopment Authority Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

DATE: May 4, 2023

SUBJECT: Approval of TIF Reimbursement Request #2 from Kalamazoo Neighborhood Housing Services for single family infill housing projects completed in Kalamazoo, Michigan

SUMMARY:

Based on their review, Fishbeck finds a total of \$104,963.15 to be eligible for reimbursement. The attached memorandum from Fishbeck provides details on the back-up documentation that qualifies these costs for reimbursement. The amount is within the limits provided in the Revised Brownfield Plan.

BACKGROUND:

On behalf of the BRA, Fishbeck reviewed all documentation submitted by Kalamazoo Neighborhood Housing Services (KNHS) for completeness and compliance with Act 381, as amended. The eligible activity costs were connected to new single family homes built at 207 and 211 Wall Street, 1010, 1014, 1106, and 1100 S. Rose Street, and 515 and 1114 Egleston as detailed in the 3rd Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing.

FISCAL IMPACT:

RECOMMENDATION:

It is recommended that the BRA approve the TIF Reimbursement Request #2 from Kalamazoo Neighborhood Housing Services.

Memo

TO: Jamie McCarthy – City of Kalamazoo

FROM: Logan Mulholland

DATE: March 30, 2023

PROJECT NO.: E220108

RE: Review of Reimbursement Request #2, Kalamazoo Neighborhood Housing Services

Fishbeck was requested to review Reimbursement Request #2 pertaining to the Kalamazoo Neighborhood Housing Services (KNHS) development of the properties at 207 & 211 Wall Street, 1010, 1014, 1106, & 1100 S Rose Street, and 515 & 1114 Egleston, included in the Scattered Site Infill Housing Brownfield Plan, Amendment #3.

The Scattered Site Infill Housing Brownfield Plan, as amended, anticipated available tax increment revenues as early as the 2022 taxes and allows for the capture of up to \$466,448, a large portion of which is allocated to projects completed by KNHS. The Developer requested reimbursement of \$122,752 in eligible costs. This amount is within the limits of the Brownfield Plan. All costs were incurred after the adoption of the Brownfield Plan.

Fishbeck finds that all the requested reimbursements are for eligible costs included in the Brownfield Plan. Further, the costs incurred and sought for reimbursement are within estimates of eligible costs identified in the Plan, with the following exceptions and alterations:

- The original reimbursement request submitted for 1010 N Rose Street site preparation activities was \$11,110. After reviewing the submitted documentation, it has been determined that the excavation, disposal, and fill totals \$6,850. Furthermore, the property had a tree that required removal, which totaled \$2,900, and a temporary facility/restroom, which totaled \$600. Both are eligible site preparation activities under the Act 381 Statute. The total site preparation cost included in the request for reimbursement has been updated to \$10,350.
- The original reimbursement request submitted for 1014 N Rose Street excavation, treatment, transport, and disposal totaled \$8,000. After reviewing the submitted documentation, it has been determined that the excavation, disposal, and fill totals \$9,400, including \$8,700 for excavation and \$700 for waste removal.
- The original reimbursement request submitted for 1010 N Rose Street included \$1,000 for reimbursement of sidewalks in the right of way. After reviewing the documentation provided, the total cost for the sidewalks and right-of-way curb and approach removal totals \$2,072.
- The original reimbursement request submitted for 1010 N Rose Street included \$1,550 for reimbursement of surveying services. After reviewing the documentation provided, the total cost for Wightman surveying services totals \$1,500.
- The original reimbursement request submitted for 1106 S Rose Street included \$25,194 for electrical relocation costs. After communications with the contractor and developer, it was determined that the

quoted cost was submitted for reimbursement. The actual cost was lower than estimated and has been updated to \$22,205.

- The original reimbursement request submitted for 211 Wall Street included \$1,000 for reimbursement of sidewalks in the right of way. Sidewalks and driveways were billed together on the sworn statement which totaled \$7,395. After communications with the contractor, it was determined that the amount of cost attributable to the sidewalks in the right of way totals \$550.
- The tables submitted for reimbursement included a 15% contingency calculation. Contingencies are utilized for submitted costs that were reasonably higher than the amount estimated in the plan and is a flat 15% calculation in the Brownfield Plan. The tables are calculating the contingency on the actual costs submitted, and it is assumed that this was inadvertently included in the request as no documentation was provided for these line items. Therefore, the \$16,012 contingency calculation has been removed.

Fishbeck finds that documentation of the reimbursement request included invoices with dates and descriptions of the eligible activity and lien waivers or other forms of proof of payment. While lien waivers are favored, the other form of demonstrating payments included a Sworn Statement from the Contractor and an approved credit card use form.

Based on our review, Fishbeck finds a total of \$104,963.15 to be eligible for reimbursement. We believe the absence of lien waivers from certain contractors is adequately compensated by other documentation and recommend that BRA Staff advise the BRA Board that the reimbursement request is approvable with the exceptions and alterations mentioned above.

A spreadsheet titled “KNHS Final Reimbursement Request” detailing the reimbursement request, inclusive of the changes and additions mentioned above is included as Attachment 1. A spreadsheet titled “KNHS Original Reimbursement Request” detailing the original reimbursement request is included as Attachment 2, with the removed costs highlighted. The reimbursement request with the updated backup documentation is attached as well. If you have any questions or require additional information, please contact me at 269.544.6966 or lmulholland@fishbeck.com.

By email

Attachment 1

KNHS Final Reimbursement Request

PROJECT TITLE:

PROJECT ADDRESS:

DATE OF BROWNFIELD PLAN:

PREPARED BY:

DATE PREPARED:

CONTINGENCY:

Scattered Site Infill Housing

110 Burr Oak, 124 Burr Oak, 1015 Albert

5/20/21, amended 7/21, amended 7/22

LLM

2/13/2023

15 %

(not to exceed 15%)



Brownfield Plan/Act 381 Work Plan Approved Estimated Costs

	Category Total	Total	Comments
1.00 Baseline Environmental Assessment (BEA) - Statutorily Approved			
1.01 Phase I and II Environmental Site Assessments	\$0	\$0	
1.02 Baseline Environmental Assessment	\$0	\$0	
1.03 Asbestos, Lead and Mold Surveys	\$3,900	\$3,900	1100 S Rose
1.04 Pre-Demolition Survey	\$0	\$0	
Sub-Total	\$3,900	\$3,900	
Contingency (15)%	\$585	\$585	
	\$4,485	\$4,485	
	Category Total	Total	Comments
5.00 Public Infrastructure Improvements			
5.01 Streets, roads	\$0	\$0	
5.02 Sidewalks	\$1,300	\$1,300	110 Burr Oak Sidewalks and approaches in ROW
Sidewalks	\$1,300	\$1,300	124 Burr Oak Sidewalks and approaches in ROW
Sidewalks	\$1,300	\$1,300	1015 Albert Sidewalks and approaches in ROW
Sidewalks	\$2,500	\$2,500	1100 S Rose Sidewalks and approaches in ROW
Sidewalks	\$1,000	\$1,000	515 Egleston Sidewalks and approaches in ROW
Sidewalks	\$1,000	\$1,000	1114 Egleston Sidewalks and approaches in ROW
Sidewalks	\$1,000	\$1,000	1010 N Rose Sidewalks and approaches in ROW
Sidewalks	\$1,000	\$1,000	1014 N Rose Sidewalks and approaches in ROW
5.03 Bike paths	\$0	\$0	
5.04 Bridges	\$0	\$0	
5.05 Lighting	\$0	\$0	
5.06 Signage	\$0	\$0	
5.07 Storm sewers	\$0	\$0	
5.08 Water mains	\$17,482	\$17,482	1106 S Rose Watermain
5.09 Curb and gutter	\$0	\$0	
5.10 Sanitary sewer mains	\$0	\$0	
5.11 Landscaping	\$0	\$0	
5.12 Marinas	\$0	\$0	
5.13 Boardwalks	\$0	\$0	
5.14 Park/Seating areas	\$0	\$0	
5.15 Public rail lines	\$0	\$0	
5.16 Vertical, Underground or Integrated Parking Structure	\$0	\$0	
5.17 Urban Storm Water Management Systems (Traditional)	\$0	\$0	
5.18 Urban Storm Water Management Systems (Low Impact Design)	\$0	\$0	
5.19 Publicly Owned Utilities	\$0	\$0	
5.20 Transit-Oriented Development or Property	\$0	\$0	
5.21 Soft Costs (Engineering, Design, Survey, Legal, other Professional)	\$0	\$0	
Sub-Total	\$27,882	\$27,882	
Contingency (15)%	\$4,182	\$4,182	
	\$32,064	\$32,064	
	Category Total	Total	Comments
7.00 Building Demolition			
7.01 Pre-Demolition Audit or Survey	\$0	\$0	
7.02 Building Demolition/Deconstruction	\$21,900	\$21,900	1100 S Rose Building and Site Demo
7.03 Foundation and basement removals	\$0	\$0	
7.04 Dewatering during foundation and basement removals	\$0	\$0	
7.05 Sheeting/Shoring	\$0	\$0	
7.06 Backfill	\$0	\$0	
7.07 Compaction	\$0	\$0	
7.08 Rough grading	\$0	\$0	
Sub-Total	\$21,900	\$21,900	
Contingency (15)%	\$3,285	\$3,285	
	\$25,185	\$25,185	

Actual Costs Incurred

Brownfield Plan \$	BF Category	Date of Request	Invoiced Amt	Invoice #	Contractor	Note:	Local Only	Proof of Payment	Reimbursement Approved
Add actual costs by line item here									
\$3,900	1.03								
\$4,485			\$0.00						
Brownfield Plan \$	BF Category	Date of Request	Invoiced Amt	Invoice #	Contractor	Note:	Local Only	Proof of Payment	Reimbursement Approved
Add actual costs by line item here									
\$1,300	5.02	Jan-22	\$1,200.00	No. 13	Osborne Construction	110 Burr Oak Approches in ROW	X	Full Lien	X
\$1,300	5.02	Jan-22	\$850.00	Job 314	D & M Concrete	124 Sidewalks and Approaches in ROW	X	Full Lien	X
\$1,300	5.02	Jan-22	\$1,200.00	No. 13	Osborne Construction	1015 Albert Approches in ROW	X	Full Lien	X
\$2,500	5.02	Feb-23	\$550.00	Sworn Statement	Jeffrey Michael Contracting	211 Wall St (1100 S Rose) Sidewalks/ROW	X	Sworn Statement	
\$1,000	5.02	Feb-23	\$1,000.00	Sworn Statement	LCH/Gonzales Concrete	515 Egleston, Sidewalks/ROW	X	Lien	
\$1,000	5.02	Feb-23	\$1,000.00	Sworn Statement	LCH/Gonzales Concrete	1114 Egleston, Sidewalks/ROW	X	Sworn Statement	
\$1,000	5.02	Feb-23	\$480.00	Sworn Statement	Valley Vision Construction & Developm	1010 N Rose City Walk Replc/Remov/Cut	X	Sworn Statement	
		Feb-23	\$1,592.00	Sworn Statement	Valley Vision Construction & Developm	1010 N Rose Curb Cut, Approach w Removal	X	Sworn Statement	
\$1,000	5.02	Feb-23	\$1,000.00	Sworn Statement	Hunt for Home Construction, LLC/Gon	1014 N Rose City Walks	X	Sworn Statement	
\$17,482	5.08	Feb-23	\$17,481.15		Osborne Construction	1106 S Rose, 203 Wall St (1100 S Rose) Watermain	X	Lien	
\$32,064			\$26,353.15						
Brownfield Plan \$	BF Category	Date of Request	Invoiced Amt	Invoice #	Contractor	Note:	Local Only	Proof of Payment	Reimbursement Approved
Add actual costs by line item here									
\$21,900	7.02								
\$25,185			\$0.00						

Attachment 2

KNHS Original Reimbursement Request

DATE PREPARED:

Dana Smith



Potentially Eligible Activities

	Units	Quantity	\$/Unit	2 Story 515 Egleston	2 Story 1114 Egleston	2 story 1010 N Rose	2 Story 1014 N. Rose	Duplex/garage ADU 1106 S. Rose	Category Total	Total	Comments
3.00 Department Specific Activities											
3.01 Evaluations and Investigations (beyond AAI or Due Care)									\$0	\$0	
3.02 Implementing LRUR									\$0	\$0	
3.03 Lead, mold, asbestos abatement (significant or imminent health hazard)									\$0	\$0	
3.04 Demolition that is response activity									\$0	\$0	
3.05 Site Demolition that is a response activity									\$0	\$0	
3.06 Excavation, Treatment, Transport, Disposal or Contaminated Soil				\$8,350	\$7,830	\$11,110	\$8,000	\$2,750	\$38,040	\$38,040	
3.07 Sheeting or Shoring for removals requiring 301, 303, 325 permits									\$0	\$0	
3.08 Fill (backfill of environmental removals)								\$1,070	\$1,070	\$1,070	
3.09 Pumping, treatment, transportation and disposal of contaminated groundwater									\$0	\$0	
3.10 Engineering Controls (SSDS, barriers, etc.)									\$0	\$0	
3.11 Interim Response									\$0	\$0	
3.12 Remedial Action									\$0	\$0	
3.13 Container Removal									\$0	\$0	
3.14 Industrial Cleaning									\$0	\$0	
3.15 Disposal of Solid Waste Remaining on site									\$0	\$0	
3.16 Dust Control related to Construction Activities									\$0	\$0	
3.17 Other DEQ-Specific Activities									\$0	\$0	
3.18 Specialized Foundations									\$0	\$0	
3.19 Removal and Closures of USTs									\$0	\$0	
3.20 Removal or Disposal of Contaminated Lake or River Sediments									\$0	\$0	
3.21 Unanticipated Response Activities									\$0	\$0	
3.22 Soft Costs									\$0	\$0	
Sub-Total									\$39,110	\$39,110	
Contingency 15%									\$5,867	\$5,867	
									\$44,977	\$44,977	
	Units	Quantity	\$/Unit	2 Story 515 Egleston	2 Story 1114 Egleston	2 story 1010 N Rose	2 Story 1014 N. Rose	Duplex/garage ADU 1106 S. Rose	Category Total	Total	Comments
4.00 Environmental Insurance											
4.01 Liability Insurance									\$0	\$0	
4.02 Other Insurance									\$0	\$0	
Sub-Total									\$0	\$0	
Contingency 15%									\$0	\$0	
									\$0	\$0	

	Units	Quantity	\$/Unit	2 Story 515 Egleston	2 Story 1114 Egleston	2 story 1010 N Rose	2 Story 1014 N. Rose	Duplex/garage ADU 1106 S. Rose	Category Total	Total	Comments
9.00 Site Preparation											
9.01 Clearing and Grubbing									\$0	\$0	
9.02 Compaction & Sub-base Preparation									\$0	\$0	
9.03 Cut & Fill Operations									\$0	\$0	
9.04 Dewatering									\$0	\$0	
9.05 Dredging in Waterways									\$0	\$0	
9.06 Excavation for Unstable Material									\$0	\$0	
9.07 Fill									\$0	\$0	
9.08 Foundation Work to address Special Soil Concerns									\$0	\$0	
9.09 Geotechnical Engineering									\$0	\$0	
9.10 Grading									\$0	\$0	
9.11 Land Balancing									\$0	\$0	
9.12 Relocation of Active Utilities								\$25,194	\$25,194	\$25,194	Consumer's Energy actual costs for electric hook up, relocation
9.13 Retaining Walls									\$0	\$0	
9.14 Solid Waste Disposal									\$0	\$0	
9.15 Staking				\$2,175	\$2,375	\$1,550	\$1,950		\$8,050	\$8,050	
9.16 Temporary Construction Access and/or Roads									\$0	\$0	
9.17 Temporary Erosion Control									\$0	\$0	
9.18 Temporary Facility									\$0	\$0	
9.19 Temporary Sheet piling/Shoring									\$0	\$0	
9.20 Temporary Site Control									\$0	\$0	
9.21 Temporary Traffic Control									\$0	\$0	
9.22 Specific and Unique Activities									\$0	\$0	
9.23 Soft Costs (Engineering, Design, Survey, Legal, other Professional)									\$0	\$0	
Sub-Total									\$33,244	\$33,244	
Contingency 15%									\$4,987	\$4,987	
									\$38,231	\$38,231	
	Units	Quantity	\$/Unit	2 Story 515 Egleston	2 Story 1114 Egleston	2 story 1010 N Rose	2 Story 1014 N. Rose	Duplex/garage ADU 1106 S. Rose	Category Total	Total	Comments
10.00 Development of Work Plan											
10.01 Development of Brownfield Plan									\$0	\$0	
10.02 Development of Act 381 Work Plan									\$0	\$0	
10.03 Work Plan and/or Brownfield Plan Implementation									\$0	\$0	
Sub-Total									\$0	\$0	
Contingency 15%									\$0	\$0	
									\$0	\$0	

PROJECT TITLE: *Scattered Site*
 KAHF Infill Housing 2022
 PROJECT No.:
 CLIENT: *KNHS*
 DATE PREPARED: *2/5/2023*

Ana Smith



Potentially Eligible Activities

	Units	Quantity	\$/Unit	1100 S. ROSE PARCEL: 2 Story: 211 Wall	Category Total	Total	Comments
1.00 Baseline Environmental Assessment (BEA) - Statutorily Approved							
1.01 Phase I and II Environmental Site Assessments					\$0	\$0	
1.02 Baseline Environmental Assessment					\$0	\$0	
1.03 Asbestos, Lead and Mold Surveys					\$0	\$0	
1.04 Pre-Demolition Survey					\$0	\$0	
Sub-Total					\$0	\$0	
Contingency 0%					\$0	\$0	
					\$0	\$0	
	Units	Quantity	\$/Unit	2 Story 211 Wall	Category Total	Total	Comments
2.00 Due Care - Statutorily Approved							
2.01 Investigation and Assessments					\$0	\$0	
2.02 Development of a Plan for Response Activities or Due Care Documentation					\$0	\$0	
Sub-Total					\$0	\$0	
Contingency 0%					\$0	\$0	
					\$0	\$0	

	Units	Quantity	\$/Unit	2 Story 211 Wall	Category Total	Total	Comments
3.00 Department Specific Activities							
3.01 Evaluations and Investigations (beyond AAI or Due Care)					\$0	\$0	
3.02 Implementing LRUR					\$0	\$0	
3.03 Lead, mold, asbestos abatement (significant or imminent health hazard)					\$0	\$0	
3.04 Demolition that is response activity					\$0	\$0	
3.05 Site Demolition that is a response activity					\$0	\$0	
3.06 Excavation, Treatment, Transport, Disposal or Contaminated Soil				\$10,080	\$10,080	\$10,080	
3.07 Sheet piling or Shoring for removals requiring 301, 303, 325 permits					\$0	\$0	
3.08 Fill (backfill of environmental removals)					\$0	\$0	
3.09 Pumping, treatment, transportation and disposal of contaminated groundwater					\$0	\$0	
3.10 Engineering Controls (SSDS, barriers, etc.)					\$0	\$0	
3.11 Interim Response					\$0	\$0	
3.12 Remedial Action					\$0	\$0	
3.13 Container Removal					\$0	\$0	
3.14 Industrial Cleaning					\$0	\$0	
3.15 Disposal of Solid Waste Remaining on site					\$0	\$0	
3.16 Dust Control related to Construction Activities					\$0	\$0	
3.17 Other DEQ-Specific Activities					\$0	\$0	
3.18 Specialized Foundations					\$0	\$0	
3.19 Removal and Closures of USTs					\$0	\$0	
3.20 Removal or Disposal of Contaminated Lake or River Sediments					\$0	\$0	
3.21 Unanticipated Response Activities					\$0	\$0	
3.22 Soft Costs					\$0	\$0	
Sub-Total					\$10,080	\$10,080	
Contingency 15%					\$1,512	\$1,512	
					\$11,592	\$11,592	
	Units	Quantity	\$/Unit	2 Story 211 Wall	Category Total	Total	Comments
4.00 Environmental Insurance							
4.01 Liability Insurance					\$0	\$0	
4.02 Other Insurance					\$0	\$0	
Sub-Total					\$0	\$0	
Contingency 15%					\$0	\$0	
					\$0	\$0	

	Units	Quantity	\$/Unit	2 Story 211 Wall	Category Total	Total	Comments
5.00 Public Infrastructure Improvements							
5.01 Streets, roads					\$0	\$0	
5.02 Sidewalks				\$1,000	\$1,000	\$1,000	including ROW
5.03 Bike paths					\$0	\$0	
5.04 Bridges					\$0	\$0	
5.05 Lighting					\$0	\$0	
5.06 Signage					\$0	\$0	
5.07 Storm sewers					\$0	\$0	
5.08 Water mains					\$0	\$0	
5.09 Curb and gutter					\$0	\$0	
5.10 Sanitary sewer mains					\$0	\$0	
5.11 Landscaping					\$0	\$0	
5.12 Marinas					\$0	\$0	
5.13 Boardwalks					\$0	\$0	
5.14 Park/Seating areas					\$0	\$0	
5.15 Public rail lines					\$0	\$0	
5.16 Vertical, Underground or Integrated Parking Structure					\$0	\$0	
5.17 Urban Storm Water Management Systems (Traditional)					\$0	\$0	
5.18 Urban Storm Water Management Systems (Low Impact Design)					\$0	\$0	
5.19 Publicly Owned Utilities					\$0	\$0	
5.20 Transit-Oriented Development or Property					\$0	\$0	
5.21 Soft Costs (Engineering, Design, Survey, Legal, other Professional)					\$0	\$0	
Sub-Total					\$1,000	\$1,000	
Contingency 15%					\$150	\$150	
					\$1,150	\$1,150	
	Units	Quantity	\$/Unit	2 Story 211 Wall	Category Total	Total	Comments
6.00 Lead and Asbestos Abatement							
6.01 Pre-Demolition Survey					\$0	\$0	
6.02 Abatement including disposal and air monitoring					\$0	\$0	
Sub-Total					\$0	\$0	
Contingency 15%					\$0	\$0	
					\$0	\$0	

Dana Smith



BRA Board of Directors Staff Report

City of Kalamazoo

TO: Brownfield Redevelopment Authority Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

DATE: May 4, 2023

SUBJECT: Approval of a Development Agreement with 19 Props, LLC for the Arcadia Lofts Project and Authorize the Chair to Sign

SUMMARY:

The terms for the Development Agreement for Arcadia Lofts adaptive reuse project include:

- \$25 million total capital investment
- Creation of 79 new apartment units
- 40% of units will be offered at workforce housing rental rates affordable to individuals earning between 80-120% of Area Median Income
- Creation of 25 FTE jobs, paying average of \$20/hour
- Ground breaking within 6 months and project completion with 24 months (of agreement signing)
- TIF reimbursement to developer = not to exceed \$780,875
- Reimbursement period = up to 10 years
- Project is seeking Act 381 Work Plan through MEDC for school tax capture

BACKGROUND:

In January 2023, the BRA approved the implementation of a Brownfield Redevelopment Plan for the adaptive reuse and construction project at Arcadia Lofts. The project will convert existing office space to commercial restaurant space on the first floor and 79 new apartments. The apartments will be a mix of market and workforce housing rental rates. Located along Arcadia Creek in downtown Kalamazoo, the project includes improving outdoor amenity space for both the public and residents. The project aligns with goals in the City's master plan for new housing units, walkability, and inviting public spaces. The DEGA agreed in a meeting in Fall 2022 to forgo tax capture to allow the BRA to capture for up to 15 years.

FISCAL IMPACT:

RECOMMENDATION:

It is recommended the BRA approve the Development Agreement with 19 Props, LLC for TIF reimbursement of eligible activity costs for the Arcadia Lofts redevelopment project and authorize the chair to sign.