# Agenda
# Brownfield Redevelopment Authority Board of Directors

City of Kalamazoo

**Thursday, August 15, 2024 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 on June 20, 2024

**D. PUBLIC COMMENTS**

**E. DIRECTOR COMMENTS**

**F. NEW BUSINESS**

1. Adoption of a Resolution Approving Reimbursement Request #2 for 215 E Michigan Avenue in the Amount of $51,642.
   (ACTION: Motion to adopt a Resolution Approving Reimbursement Request #2 for 215 E Michigan Avenue in the Amount of $51,642).

2. Adoption of a Resolution Accepting an EGLE Brownfield Grant Agreement and Authorizing the Board Chair to Sign
   (ACTION: Motion to adopt a Resolution accepting an EGLE Brownfield Grant Agreement and authorize the board chair to sign).

3. Adoption of a Resolution Approving the Purchase and Sale Agreement with Zone 32 Phase II, LLC, and Authorizing the Vice Chair to Sign.

   (ACTION: Motion to adopt a Resolution approving the Purchase and Sale Agreement with Zone 32 Phase II, LLC and authorize the Vice Chair to sign).

**G. UNFINISHED BUSINESS**

**H. COMMUNICATIONS AND ANNOUNCEMENTS**

**I. STAFF REPORTS AND UPDATES**

1. Quarterly Budget Report - Fund 242 Local Brownfield Revolving Fund

   (No Action)

2. Quarterly Budget Report - Fund 243 Brownfield Operating Budget

   (No Action)

**J. ADJOURNMENT**

**CITY OF KALAMAZOO**
**BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MEETING**
**Thursday, June 20, 2024**
**Community Planning and Economic Development**
**245 N. Rose Street, Kalamazoo, MI 49007**

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**MEMBERS PRESENT:** Jason Novotny; Sharon Ferraro; Nathan Bolton; Lucas Middleton; Rachel Bair; Michael Gurnee

**MEMBERS ABSENT**: Kevan Hess; Kyle Gulau; Torean Greeley; Alonzo Wilson; Andrew Schipper

**CITY COMMISSIONERS/CITY STAFF PRESENT**: Jamie McCarthy (Sustainable Development Coordinator); PJ Thuringer (Economic Development Supervisor); Jessica Wood (Attorney, Dickinson Wright); Logan Mulholland (Fishbeck, Consultant); Jared Chambers (Business Specialist); Jerrid Burdue (EDC Liaison/Neighborhood Business & Special Projects Coordinator); Heidi Gartley (Brownfield Project Assistant)

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Meeting was called to order at 9:12 AM by Chair Novotny.

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

**APPROVAL OF AGENDA**: Director Gurnee moved the approval of the agenda as presented; seconded by Director Middleton. Motion approved by voice vote unanimously.

**APPROVAL OF MINUTES**: Director Bolton moved approval of minutes from the meeting of May 16, 2024 and the BRA Special meeting of June 4, 2024 as presented; seconded by Director Middleton. Motion approved by voice vote unanimously.

## PUBLIC COMMENTS

None.

## DIRECTOR'S COMMENTS

Director Gurnee said thank you for the June 4th special meeting and discussion. He is looking forward to continuing the policy discussions.

## PUBLIC HEARING

1. Public hearing for the 12th Amendment to the City of Kalamazoo's Revised Brownfield Plan.
    a. Opening of the Public Hearing: The public hearing was opened at 9:14 AM.
    b. Presentation: Ms. McCarthy shared information on the amendments to the Revised Brownfield Plan, as found in the agenda packet. Three chapters have been completed and are ready to be closed out. One chapter requires an amendment to the amount of TIF capture due to clerical error.
    c. Public Comment Period: None.
    d. Board of Directors Comments: None.
    e. Closing of the Public Hearing: The public hearing was closed at 9:17 AM.

## NEW BUSINESS

1. Adoption of a Resolution Approving the Implementation of the 12th Amendment to the City of Kalamazoo's Revised Brownfield Plan and Recommending Adoption by City Commission.

**Director Gurnee moved adoption of Resolution Approving the Implementation of the 12th Amendment to the City of Kalamazoo's Revised Brownfield Plan and Recommending Adoption by City Commission; seconded by Director Middleton.**
**A roll call vote was taken, and the motion passed unanimously.**

2. Acceptance of a Revised Capture and Reimbursement Schedule for the Fourth Amendment to the Scattered Site Brownfield Plan.

Ms. McCarthy shared the City Assessor brought to staff's attention that the TIF tables listed millages that the BRA does not have authority to capture. These millages have not been captured, but it is brought to the BRA board to acknowledge and approve the change to the tables in the Plan.

**Director Ferraro moved Acceptance of a Revised Capture and Reimbursement Schedule for the Fourth Amendment to the Scattered Site Brownfield Plan; seconded by Director Gurnee.**
**A roll call vote was taken, and the motion passed unanimously.**

3. Adoption of a Resolution Approving Reimbursement Request #3 from Kalamazoo Neighborhood Housing Services in the Amount of $96,957.16.

Ms. McCarthy shared Fishbeck reviewed all of the items KNHS submitted.

Ms. Mulholland shared KNHS originally requested a larger amount, but some of the items were not found to be located in the right-of-way. They changed the amount to align with the statute.

**Director Middleton moved adoption of a Resolution Approving Reimbursement Request #3 from Kalamazoo Neighborhood Housing Services in the Amount of $96,957.16; seconded by Director Bolton.**
**A roll call vote was taken, and the motion passed unanimously.**

4. Adoption of a Resolution Approving Reimbursement Request #1 for 215 E Michigan Avenue in the Amount of $180,198.50.

Ms. Mulholland shared the amount is lower than the amount the developer requested. They are working with their contractors to determine whether or not other items are located in the right-of-way.

**Director Ferraro moved adoption of a Resolution Approving Reimbursement Request #1 for 215 E Michigan Avenue in the Amount of $180,198.50; seconded by Director Gurnee.**
**A roll call vote was taken, and the motion passed unanimously.**

Chair Novotny shared he will be abstaining from items 5 and 6 due to his ongoing involvement with the project. Any signatures for those items will be done by the vice-chair.

5. Adoption of a Resolution Approving the Purchase and Sale Agreement with the Zone 32 Phase II, LLC, and Providing Authority for the Department Director to Approve Non-Substantive Changes and Authorizing the Vice-Chair to Sign the Agreement.

Ms. McCarthy shared information on the project, as found in the agenda packet.

**Director Ferraro moved adoption of a Resolution Approving the Purchase and Sale Agreement with the Zone 32 Phase II, LLC, and Providing Authority for the Department Director to Approve Non-Substantive Changes and Authorizing the Vice-Chair to Sign the Agreement; seconded by Director Bair.**
**A roll call vote was taken, and the motion passed unanimously. Director Novotny abstained.**

6. Adoption of a Resolution Approving the Third Amendment to the Brownfield Plan Development Agreement with Bogan Developments, LLC and Authorizing the Vice-Chair to Sign.

Ms. McCarthy explained the amendment regarding 50% TIF advance to the developer, as found in the agenda packet.

**Director Gurnee moved adoption of a Resolution Approving the Third Amendment to the Brownfield Plan Development Agreement with Bogan Developments, LLC and Authorizing the Vice-Chair to Sign; seconded by Director Bolton.**
**A roll call vote was taken, and the motion passed unanimously. Director Novotny abstained.**

7. Approval of the Fourth Amendment to the Purchase and Sale Agreement with 116 WEST CEDAR, LLC and BURDICK@CEDAR, LLC, extending the Investigation Period to September 28, 2024 and to authorize the Chair to sign the Fourth Amendment to the Purchase and Sale Agreement with such other provisions not materially adverse to the BRA approved as to form by legal counsel and as to consent by the Department Director serving as Attorney-In-Fact.

Ms. McCarthy updated the board on the developer's status with the project.

Mr. Curt Aardema, representative of AVB, said they have been working on this for a number of years. He explained some of the challenges they faced and that they came up with another concept that is housing-focused. They have done work with the county's housing study, as well as market studies. He said it will be focused on the missing-middle housing and urban design to be a bridge for the downtown core and the Vine neighborhood. They are looking at roughly three stories. They want to create something that is exciting and appealing and adds to the downtown environment. Their thought is to tie it with the 400 Rose development as a complementary design and link the two communities together. Mr. Aardema said they appreciate the flexibility. They kind of reached a point where they thought they weren't going to be able to do anything, but are now excited that they think there is something they can continue to do. They are focused on downtown's growth and development. He said it is a challenging, contaminated site, and the City has been very helpful in working through some creative ideas to address that as well. He said they need more time to work on it, and he is happy to answer any questions.

**Director Middleton moved approval of the Fourth Amendment to the Purchase and Sale Agreement with 116 WEST CEDAR, LLC and BURDICK@CEDAR, LLC, extending the Investigation Period to September 28, 2024 and to authorize the Chair to sign the Fourth Amendment to the Purchase and Sale Agreement with such other provisions not materially adverse to the BRA approved as to form by legal counsel and as to consent by the Department Director serving as Attorney-In-Fact; seconded by Director Gurnee.**
**A roll call vote was taken, and the motion passed unanimously.**

8. Adoption of a Resolution Committing up to $100,000 in Local Brownfield Revolving Funds as Grant Match for an EGLE Environmental Justice Impact Grant.

Ms. McCarthy shared the city has been keeping an eye on a new EGLE funding source. The grants are open right now and due July 15. One category is for remediation of contaminated property. She said 116 W Cedar was a property that came up when they were looking at sites in the City that would qualify. She said the grant cap is up to half a million dollars. Staff asked AVB for estimated costs of abatement and demolition. AVB supplied that value, and it would leave a gap from the grant, if awarded. They are looking for a commitment from the board that they would build into their 2025 budget. The grant recipients will be awarded by September of 2024. She said it will be a huge lift for the future redevelopment of this site and a benefit to the community.

Director Ferraro said she thinks this is especially appropriate because this is a City building. This is good redevelopment.

Director Bair asked about how the timing of the grant interacts with the Purchase and Sale Agreement from the previous item on the agenda. Ms. McCarthy said they would want to sync up the timing and work closely with the developer.

Director Bair asked if the BRA would retain ownership of the property until demolition is complete.

Ms. McCarthy shared the extension of the Purchase and Sale Agreement gives time to understand if they get a grant in September. In September, they can revisit if they have money to take the building down or if they will be selling the property with a building on it.

Chair Novotny asked if the grant is a pass-through or if the City would be the receiver. Mr. Burdue and Ms. McCarthy shared the grant would have to go to the City of Kalamazoo.

Mr. Burdue shared they have letters of support from the DDA and DEGA. They are looking to receive letters of support from Edison and Vine neighborhoods.

**Director Bair moved adoption of a Resolution Committing up to $100,000 in Local Brownfield Revolving Funds as Grant Match for an EGLE Environmental Justice Impact Grant; seconded by Director Middleton. A roll call vote was taken, and the motion passed unanimously.**

9. Adoption of a Resolution Approving the Purchase and Sale Agreement for the Property at 708 Ampersee and Authorizing the Chair to Sign.

Ms. McCarthy shared information on the sale, as found in the agenda packet.

**Director Middleton moved adoption of a Resolution Approving the Purchase and Sale Agreement for the Property at 708 Ampersee and Authorizing the Chair to Sign; seconded by Director Bolton.**
**A roll call vote was taken, and the motion passed unanimously.**

## UNFINISHED BUSINESS

None.

## COMMUNICATIONS AND ANNOUNCEMENTS

None.

## STAFF REPORTS AND UPDATES

1. Letter from State Rep. Rogers' Office

Ms. McCarthy shared the BRA received a letter congratulating them on their involvement in the Arcadia Lofts recent approval through the Michigan Strategic Fund.

2. City Commission Brownfield Plan Approval – Brewster Hotel

Ms. McCarthy shared that staff, and the developer gave a presentation at the Committee of the Whole meeting. They can watch it online if interested. She said they had some positive feedback from Commissioners, especially on a project in the Milwood neighborhood.

3. No July Brownfield Meetings

Ms. McCarthy reminded the board there will also be no committee meetings in July.

4. Policy Report-Out

Ms. McCarthy said they did a briefing on the July Special meeting during committee meetings to get the board members who were not present up-to-speed. She thinks there were good continued discussions in the committees that re-iterated to staff what the board was looking for from the policy. Staff needs to look at MSHDA's guidance on what they are expecting of plans. They are going to take the last bit of the contract with Mr. Ryan Kilpatrick to have him run some proforma analysis again and see if there are any sort of recommendations or guidance he might come up with on any type of sweet-spot for workforce housing inclusion or rental rate recommendations.

**ADJOURNMENT**: The meeting was adjourned at 9:59 A.M. by Chair Novotny.

| | | |
|---|---|---|
| Heidi Gartley<br>Recording Clerk | Chair Signature | Printed Name/Chair |

2960 Interstate Parkway
Kalamazoo, Michigan 49048

269.342.1100 | fishbeck.com

# Memo

**TO:** City of Kalamazoo Brownfield Redevelopment Authority

**FROM:** Logan Mulholland, Brownfield Project Analyst

**DATE:** August 2, 2024 **PROJECT NO.:** 241037

**RE:** Review of Reimbursement Request #2, 215 E Michigan Avenue (Barrio Taco)

Fishbeck was requested to review the Reimbursement Request #2 pertaining to the project located at 215 E Michigan Avenue, also known as Barrio Taco, included in the 215 E. Michigan Avenue Brownfield Plan adopted by the City of Kalamazoo on July 5, 2023. Additionally, a Michigan Economic Development Corporation (MEDC) Work Plan was approved for the project on October 31, 2023.

The 215 E. Michigan Avenue Brownfield Plan anticipated available tax increment revenues as early as the 2024 taxes. The Brownfield Plan and Development and Reimbursement Agreement allows for the capture of up to $263,923. Previously, $180,198.50 in eligible activities were approved for reimbursement. The Developer has submitted a secondary reimbursement request of $51,642. This amount, combined with the first request, is within the limits of the Brownfield Plan, MEDC Work Plan, and the Development and Reimbursement Agreement.

Fishbeck finds that all the requested reimbursements are for eligible site preparation and public infrastructure improvements included in the Brownfield Plan and Work Plan. All costs were incurred after the adoption of the Brownfield Plan.

Fishbeck finds that documentation of the reimbursement request included invoices with dates and descriptions of the eligible activity and partial lien waivers.

Based on our review, Fishbeck finds a total of $51,642 to be eligible for reimbursement. We recommend that BRA Staff advise the BRA Board that the reimbursement request is approvable.

A spreadsheet detailing the reimbursement request is included in Appendix 1. If you have any questions or require additional information, please contact me at 269.544.6966 or lmulholland@fishbeck.com.

By email

# Appendix 1

PROJECT TITLE: 215 E. Michigan (Barrio Taco)
PROJECT ADDRESS: 215 E. Michigan
DATE OF BROWNFIELD PLAN: 7/5/2023
PREPARED BY: LLM
DATE PREPARED: 6/12/2024, 8/1/2024
CONTINGENCY: 15 % *(not to exceed 15%)*

fishbeck
Engineers | Architects | Scientists | Constructors

## Brownfield Plan Approved Estimated Costs

| | | Category Total | Total |
|---|---|---|---|
| **1.00** | **Baseline Environmental Assessment (BEA) - Statutorily Approved** | | |
| 1.01 | Phase I and II Environmental Site Assessments | $15,000.00 | **$15,000.00** |
| 1.02 | Baseline Environmental Assessment | $0.00 | **$0.00** |
| 1.03 | Asbestos, Lead and Mold Surveys | $6,100.00 | **$6,100.00** |
| 1.04 | Pre-Demolition Survey | $0.00 | **$0.00** |
| | **Sub-Total** | $21,100.00 | **$21,100.00** |
| | | **$21,100.00** | **$21,100.00** |
| | | Category Total | Total |
| **5.00** | **Public Infrastructure Improvements** | | |
| 5.01 | Streets, roads | $0.00 | **$0.00** |
| 5.02 | Sidewalks | $0.00 | **$0.00** |
| 5.03 | Bike paths | $0.00 | **$0.00** |
| 5.04 | Bridges | $0.00 | **$0.00** |
| 5.05 | Lighting | $0.00 | **$0.00** |
| 5.06 | Signage | $0.00 | **$0.00** |
| 5.07 | Storm sewers | $0.00 | **$0.00** |
| 5.08 | Water mains | $0.00 | **$0.00** |
| 5.09 | Curb and gutter | $5,000.00 | **$5,000.00** |
| | **Sub-Total** | $5,000.00 | **$5,000.00** |
| | | **$5,000.00** | **$5,000.00** |
| | | Category Total | Total |
| **6.00** | **Lead and Asbestos Abatement** | | |
| 6.01 | Pre-Demolition Survey | $0.00 | **$0.00** |
| 6.02 | Abatement including disposal and air monitoring | $78,000.00 | **$78,000.00** |
| | **Sub-Total** | $78,000.00 | **$78,000.00** |
| | | **$78,000.00** | **$78,000.00** |
| | | Category Total Total | Total |
| **7.00** | **Building Demolition** | | |
| 7.01 | Pre-Demolition Audit or Survey | $12,000.00 | **$12,000.00** |
| 7.02 | Building Demolition/Deconstruction | $40,000.00 | **$40,000.00** |
| 7.03 | Foundation and basement removals | $0.00 | **$13,320.00** |
| 7.04 | Dewatering during foundation and basement removals | $0.00 | **$25,050.00** |
| 7.05 | Sheeting/Shoring | $0.00 | **$10,987.50** |
| 7.06 | Backfill | $0.00 | **$0.00** |
| 7.07 | Compaction | $0.00 | **$0.00** |
| 7.08 | Rough Grading | $0.00 | **$0.00** |
| | **Sub-Total** | $52,000.00 | **$52,000.00** |
| | | **$52,000.00** | **$52,000.00** |
| | | Category Total | Total |
| **8.00** | **Site Demolition** | | |
| 8.01 | Removal of abandoned utilities | $0.00 | **$0.00** |
| 8.02 | Underground storage tank removal | $0.00 | **$0.00** |
| 8.03 | Parking lot removal | $0.00 | **$0.00** |
| 8.04 | Road removal | $0.00 | **$0.00** |
| 8.05 | Curbs, gutter removal | $0.00 | **$0.00** |
| 8.06 | Rail spurs removal | $0.00 | **$0.00** |
| 8.07 | Sidewalks, bike paths removal | $0.00 | **$0.00** |
| 8.08 | Other Site Demolition (Describe) | $2,000.00 | **$2,000.00** |
| 8.09 | Disposal, Recycling | $0.00 | **$0.00** |
| 8.10 | Fill, Compaction, Rough Grading | $0.00 | **$0.00** |
| 8.11 | Soft Costs (Engineering, Design, Survey, Legal, other Professional) | $0.00 | **$0.00** |
| | **Sub-Total** | $2,000.00 | **$2,000.00** |
| | | **$2,000.00** | **$2,000.00** |
| | | Category Total | Total |
| **9.00** | **Site Preparation** | | |
| 9.01 | Clearing and Grubbing | $0.00 | **$0.00** |
| 9.02 | Compaction & Sub-base Preparation | $0.00 | **$0.00** |
| 9.03 | Cut & Fill Operations | $0.00 | **$0.00** |
| 9.04 | Dewatering | $0.00 | **$0.00** |
| 9.05 | Dredging in Waterways | $0.00 | **$0.00** |
| 9.06 | Excavation for Unstable Material | $0.00 | **$0.00** |
| 9.07 | Fill | $0.00 | **$0.00** |
| 9.08 | Foundation Work to address Special Soil Concerns | $0.00 | **$0.00** |
| 9.09 | Geotechnical Engineering | $5,000.00 | **$5,000.00** |
| 9.10 | Grading | $0.00 | **$0.00** |
| 9.11 | Land Balancing | $0.00 | **$0.00** |
| 9.12 | Relocation of Active Utilities | $0.00 | **$0.00** |
| 9.13 | Retaining Walls | $0.00 | **$0.00** |
| 9.14 | Solid Waste Disposal | $0.00 | **$0.00** |
| 9.15 | Staking | $5,000.00 | **$5,000.00** |
| 9.16 | Temporary Construction Access and/or Roads | $0.00 | **$0.00** |
| 9.17 | Temporary Erosion Control | $0.00 | **$0.00** |
| 9.18 | Temporary Facility | $7,500.00 | **$7,500.00** |
| 9.19 | Temporary Sheeting/Shoring | $0.00 | **$0.00** |
| 9.20 | Temporary Site Control | $2,000.00 | **$2,000.00** |
| 9.21 | Temporary Traffic Control | $0.00 | **$0.00** |
| 9.22 | Specific and Unique Activities | $0.00 | **$0.00** |
| 9.23 | Soft Costs (Engineering, Design, Survey, Legal, other Professional) | $0.00 | **$0.00** |
| | **Sub-Total** | $19,500.00 | **$19,500.00** |
| | | **$19,500.00** | **$19,500.00** |
| | | Category Total | Total |
| **10.00** | **Development of Brownfield Plan and/or Work Plan** | | |
| 10.01 | Development of Brownfield Plan | $20,000.00 | **$20,000.00** |
| 10.02 | Development of Act 381 Work Plan | $0.00 | **$0.00** |
| 10.03 | Work Plan and/or Brownfield Plan Implementation | $0.00 | **$0.00** |
| | **Sub-Total** | $20,000.00 | **$20,000.00** |
| | | **$20,000.00** | **$20,000.00** |
| | | Category Total | Total |
| | **Contingency** | | |
| | **Sub-Total** | $23,475.00 | **$23,475.00** |
| | | **$23,475.00** | **$23,475.00** |
| **Total Potential Brownfield Plan Eligible Costs*** | | | **$263,923.00** |

*Reimbursement Agreement limits reimbursement to: $ 263,923.00

## Actual Costs Incurred

| Brownfield Plan Category | Date of Invoice | Invoiced Amt | Invoice # | Contractor | Note: | Local Only | Local and School | Proof of Payment |
|---|---|---|---|---|---|---|---|---|
| 1.01 | 3/11/2022 | $2,200.00 | 39035 | ASTI | | | X | Invoice marked paid |
| 1.01 | 5/13/2022 | $12,100.00 | 39304 | ASTI | | | X | Invoice marked paid |
| 1.03 | 1/31/2022 | $6,100.00 | 19559 | BDN | | | X | Invoice marked paid, Check 6899 |
| | | $20,400.00 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| 5.09 | 10/31/2023 | $22,490.00 | AIA #7 | CSM Group, Inc. (Earley & Associates, Inc.) | Site Concrete | | X | Partial Lien Waiver |
| | | $22,490.00 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| 6.02 | 2/28/2023 | $86,272.00 | 22015-01 | CSM | Demolition/Abatement | | X | Partial Lien Waiver |
| | | $86,272.00 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| 7.02 | 5/31/2023 | $ 7,420.00 | LQ01785462 | CSM (GFL Environmental) | Demolition | | X | Partial Lien Waiver |
| 7.02 | 6/30/2023 | $ 13,320.00 | LQ01829413 | CSM (GFL Environmental) | Demolition | | X | Partial Lien Waiver |
| 7.02 | 7/31/2023 | $ 25,050.00 | LQ01861980 | CSM (GFL Environmental) | Demolition | | X | Partial Lien Waiver |
| 7.02 | 8/29/2023 | $ 10,987.50 | LQ01899597 | CSM (GFL Environmental) | Demolition | | X | Partial Lien Waiver |
| | | $56,777.50 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| 8.08 | 5/19/2023 | $3,074.00 | App #1 | James E. Fulton & Sons, Inc. | Approach Removal | | X | Partial Lien Waiver |
| | | $3,074.00 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| 9.09 | 10/31/2023 | $1,245.00 | AIA #7 | CSM | Materials Testing | | X | Partial Lien Waiver |
| 9.13 | 10/31/2023 | $7,989.00 | AIA #7 | CSM | Dumpsters | | X | Partial Lien Waiver |
| 9.18 | 10/31/2023 | $2,378.00 | AIA #7 | CSM | Temp Facility (Toilets) | | X | Partial Lien Waiver |
| 9.20 | 10/31/2023 | $5,780.00 | AIA #7 | CSM | Project Signage | | X | Partial Lien Waiver |
| 9.20 | 10/31/2023 | $2,231.00 | AIA #7 | CSM (Hazelhoff Builders) | Temp Wall CO #2 | | X | Partial Lien Waiver |
| 9.20 | 10/31/2023 | $6,855.00 | AIA #7 | CSM (Hazelhoff Builders) | Temp Wall CO #12 | | X | Partial Lien Waiver |
| 9.20 | 10/31/2023 | $2,674.00 | AIA #7 | CSM (Buist Electric) | Temp Lighting CO #23 | | X | Partial Lien Waiver |
| | | $29,152.00 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| 10.01 | 1/11/2023 | $420.00 | 1859883 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 2/8/2023 | $2,707.00 | 1863560 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 3/22/2023 | $2,280.00 | 1867266 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 4/5/2023 | $2,275.50 | 1871174 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 5/6/2023 | $1,521.00 | 1875086 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 6/30/2023 | $1,745.50 | 1878749 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 8/29/2023 | $1,623.50 | 1888016 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 9/26/2023 | $722.00 | 1891919 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 10/7/2023 | $243.00 | 1896223 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| 10.01 | 11/7/2023 | $137.50 | 1901371 | Michigan Growth Advisors | BF Plan / Work Plan | | X | Email Confirmation |
| | | $13,675.00 | | | | | | |
| **Brownfield Plan Category** | **Date of Invoice** | **Invoiced Amt** | **Invoice #** | **Contractor** | **Note:** | **Local Only** | **Local and School** | **Proof of Payment** |
| | | $0.00 | | | | | | |
| $ 263,923.00 | | $ 231,840.50 | | | | $ - | $231,840.50 | |

Reimbursement Request #1: $180,198.50
Current Reimbursement Request #2: $51,642.00

**CITY OF KALAMAZOO BROWNFIELD REDEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING AND AUTHORIZING REIMBURSEMENT OF ELIGIBLE ACTIVITIES WITH AVAILABLE TAX INCREMENT REVENUES PURSUANT TO DEVELOPMENT AND REIMBURSEMENT AGREEMENT**

Boardmember _____________, supported by Boardmember ____________, moved the adoption of the following resolution:

WHEREAS:

1. The Authority and 215 EM Partners, LLC (the “Developer”) entered into a binding agreement dated June 15, 2023 (the “Agreement”) concerning the procedure and requirements for the reimbursement of available tax increment revenues for certain eligible activities related to the redevelopment of qualifying eligible property located at 215 E Michigan Avenue, Kalamazoo, Michigan, all pursuant to an Act 381 Brownfield Plan; and

2. On August 1, 2024, as required by the Agreement, the Developer submitted a request for reimbursement of eligible costs, along with a written statement, detailed invoices, and other documentation establishing that it has incurred costs eligible for reimbursement.

3. The Authority, with the assistance of its staff and brownfield consultant, and following a review procedure as set forth in the Agreement, have reviewed the Developer’s request and supporting documentation and has determined that costs in an amount not exceeding $51,642 are eligible for reimbursement.

RESOLVED:

1. That the Executive Director of the Authority or his or her designee is hereby authorized and directed to reimburse eligible costs with available tax increment revenues generated from 215 E Michigan Avenue in an amount not to exceed $51,642, all pursuant to the terms and conditions of the Agreement, and

2. That all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

YEAS: Boardmembers ____________________________________________

NAYS: Boardmembers ____________________________________________

ABSTAIN: Boardmembers ____________________________________________

ABSENT: Boardmembers ____________________________________________

**RESOLUTION DECLARED ADOPTED.**

Dated: August 15, 2024

__________________________________
Kyle Gulau, Secretary

**CERTIFICATION**

I, the undersigned duly qualified and acting Secretary of the City of Kalamazoo Brownfield Redevelopment Authority, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of the Brownfield Redevelopment Authority at a meeting held on August 15, 2024, and that public notice of said meeting was given pursuant to, and in accordance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: August 15, 2024

__________________________________
Kyle Gulau, Secretary

# 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, BRA Staff Liaison

**DATE:** August 15, 2024

**SUBJECT:** Adoption of a Resolution Accepting an EGLE Brownfield Grant Agreement and Authorizing the Board Chair to Sign

**RECOMMENDATION:**

It is recommended the Brownfield Redevelopment Authority adopt the Resolution accepting the EGLE Brownfield Grant Agreement and authorize the board chair to sign.

**BACKGROUND:**

When working toward the Brownfield Plan,the Authority agreed to assist and support Developer in seeking state incentives. To that end, Developer and Authority applied for a Brownfield Grant ("Project Proposal") from the Michigan Brownfield Redevelopment Program established under the auspices of the State of Michigan Department of Environment, Great Lakes & Energy ("EGLE"). The Authority was awarded a grant from EGLE (the "EGLE Grant") in the amount of $1,000,000, inclusive of Authority administration cost of $30,000, to facilitate assessment, due care planning, and contaminated soil removal and disposal, and to address other environmental conditions associated with the redevelopment of the property located at 5135 and 5147 Portage Road, Kalamazoo, MI 49001 (the "Property").

Under this award, the Authority will award up to $970,000 of the EGLE Grant proceeds to Developer for reimbursement of eligible costs to further the redevelopment of the Property, which is currently a surface parking lot and vacant former restaurant, into a four-story hotel, as further detailed in the original Project Proposal. The Authority will receive up to $30,000 to cover its administration cost, which is outlined in the attached EGLE Grant Agreement.

**FISCAL IMPACT:**

The BRA will receive up to $1,000,000 over a 2-year grant period on a reimbursement basis for brownfield eligible activities for the project. The cost of administration up to $30,000 will be covered by the grant.

**CITY OF KALAMAZOO**
**BROWNFIELD REDEVELOPMENT AUTHORITY**

# A RESOLUTION APPROVING A GRANT AGREEMENT BETWEEN MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY AND THE BROWNFIELD REDEVELOPMENT AUTHORITY FOR BREWSTER HOTEL, KALAMAZOO, MICHIGAN

Minutes of a regular meeting of the Board of Directors of the City of Kalamazoo Brownfield Redevelopment Authority, held on August 15, 2024, at 7:45 a.m., local time at 245 N. Rose Street, Ste. 100 in Kalamazoo, Michigan.

PRESENT: ____________________________________________________

ABSENT: _____________________________________________________

The following resolution was offered by Member ____________ and supported by Member __________________.

RECITALS:

A. The City of Kalamazoo Brownfield Redevelopment Authority ("AUTHORITY") was awarded a Brownfield Redevelopment Grant ("Grant") from the Michigan Department of Environment, Great Lakes, and Energy ("EGLE") to support 5135 Portage Road LLC (Developer) in the development of a new hotel redevelopment project. The vacant restaurant and former gas station parcel is identified as Parcel No. 10-02-215-006 and 10-02-215-005.

B. The Authority anticipates the award of a Grant from EGLE in the amount up to $1,000,000, inclusive of administration costs of $30,000, to facilitate site assessment, due care planning, demolition, and contaminated fill removal and disposal and to address other environmental conditions associated with the redevelopment of a former restaurant building and fueling and service station located at 5135 and 5147 Portage Road, Kalamazoo, MI 49001, within the Milwood Neighborhood (the "Property").

C. The Authority will, in turn, award up to $970,000 of the EGLE Grant proceeds (the "Grant Proceeds") to Developer for reimbursement of eligible costs in order to further the redevelopment the Property, which is currently a surface parking lot and vacant building, into a four-story hotel project, as further detailed in the Project Proposal and Budget Table (the "Project"). The administration cost is payable to the Authority, which will act as Grant Administrator, as permitted by the EGLE Grant Agreement.

D. The Grant is consistent with the goals and objectives of BRA, under the powers granted to it under Act 381, in redeveloping contaminated sites.

THEREFORE, IT IS RESOLVED:

1. The BRA Board of Directors authorizes its Chairperson to sign and submit Grant Agreement to EGLE as part of the Brownfield Redevelopment Grant application and its supporting documentation. This authorization includes, without limitation, the ability to negotiate and execute the EGLE Agreements relating to the acceptance and use of the Grant; and to negotiate and execute any contracts or other documents necessary to implement the provisions and intent of this resolution on behalf of the BRA.

2. If the Grant is awarded and accepted by EGLE, BRA staff is directed to administer and oversee the work undertaken for the Due Care Activities - subject to the provisions of the Agreement and EGLE Agreement and in compliance with EGLE rules and regulations – to ensure such Grant funds are properly allocated for the purposes set forth in the EGLE Grant application, including signing and submitting all required reports.

3. The use of the Grant funds is consistent with the obligations of the parties who have signed the Agreement and the Project is further consistent with current zoning designations and with the Master Plan for the City of Kalamazoo.

**AYES**, Directors ____________________________________________________

**NAYS**, Directors ____________________________________________________

**RESOLUTION DECLARED ADOPTED.**

<u>CERTIFICATION</u>

I certify that (i) the above is a true and complete copy of a resolution adopted by the Board of Directors of the City of Kalamazoo Brownfield Redevelopment Authority at a regular meeting held on August 15, 2024; the meeting was conducted and public notice of it was given to and in full compliance with the Michigan Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976); and minutes of the meeting were kept will be available as required by the Act.

_________________________
Kyle Gulau
Secretary

# BROWNFIELD GRANT AGREEMENT

# BETWEEN THE

# MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

# AND THE CITY OF KALAMAZOO BROWNFIELD REDEVELOPMENT AUTHORITY

This Grant Agreement ("Agreement") is made between the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Remediation and Redevelopment Division ("State"), and city of Kalamazoo Brownfield Redevelopment Authority ("Grantee").

The purpose of this Agreement is to provide funding in exchange for work to be performed for the project named below. The State is authorized to provide grant assistance pursuant to Clean Michigan Initiative Implementation, Public Act 196, of Act 451 of 1994 as amended. This Agreement is subject to the terms and conditions specified herein.

## PROJECT INFORMATION:

Project Name: Brewster's Redevelopment

Location Code: 7M44

Amount of grant: $1,000,000

Tracking Code: 2024-2555

Start Date: **Date executed by the State**

End Date: **Two Years after Start Date**

## GRANTEE CONTACT INFORMATION:

Name/Title: Jamie McCarthy, Staff Liaison

Organization: City of Kalamazoo Brownfield Redevelopment Authority

Address: 241 West South Street

City, State, ZIP: Kalamazoo, Michigan 49007

Phone Number: 269-337-8789

E-Mail Address: mccarthyj@kalamazoocity.org

Federal ID Number: 38-6004627

SIGMA Vendor Number: CV0047780

**STATE'S CONTACT INFORMATION:**

Name/Title: Douglas Koop, Brownfield Coordinator

Division/Bureau/Office: Remediation and Redevelopment Division

Address: 525 West Allegan Street

City, State, ZIP: Lansing, Michigan 48933

Phone Number: 517-245-5054

E-Mail Address: KoopD@Michigan.gov

The individuals signing below certify by their signatures that they are authorized to sign this Agreement on behalf of their agencies and that the parties will fulfill the terms of this Agreement, including any attached appendices, as set forth herein.

**FOR THE GRANTEE:**

| DRAFT - DRAFT - DRAFT | Jason Novotny/Chair | |
|---|---|---|
| Signature | Name/Title | Date |

**FOR THE STATE:**

| | Mike Neller, Director | |
|---|---|---|
| Signature | Name/Title | Date |

## I. PROJECT SCOPE

This Agreement and its appendices constitute the entire Agreement between the State and the Grantee and may be modified only by written agreement between the State and the Grantee.

(A) The scope of this project is limited to the activities specified in Appendix A and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the project identified in Appendix A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

## II. AGREEMENT PERIOD

Upon signature by the State, the Agreement shall be effective from the Start Date until the End Date on page 1. The State shall have no responsibility to provide funding to the Grantee for project work performed except between the Start Date and the End Date specified on page 1. Expenditures made by the Grantee prior to the Start Date or after the End Date of this Agreement are not eligible for payment under this Agreement.

## III. CHANGES

Any changes to this Agreement other than budget line item revisions 20 percent or less of the total Agreement amount shall be requested by the Grantee or the State in writing and implemented only upon approval in writing by the State. The State reserves the right to deny requests for changes to the Agreement or to the appendices. No changes can be implemented without approval by the State.

## IV. GRANTEE DELIVERABLES AND REPORTING REQUIREMENTS

The Grantee shall submit deliverables and follow reporting requirements specified in Appendix A of this Agreement.

(A) The Grantee must complete and submit quarterly progress reports according to a form and format prescribed by the State and must include supporting documentation of eligible project expenses. These reports shall be due according to the following*:*

| Reporting Period | Due Date |
|---|---|
| January 1 – March 31 | April 30 |
| April 1 – June 30 | July 31 |
| July 1 – September 30 | Before October 15***** |
| October 1 – December 31 | January 31 |

*****Due to the State's year-end closing procedures, there will be an accelerated due date for the report covering July 1 – September 30. Advance notification regarding the due date for the quarter ending

September 30 will be sent to the Grantee. If the Grantee is unable to submit a report in early October for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year.

The forms provided by the State shall be submitted to the State's contact at the address on page 1. All required supporting documentation for expenses must be included with the report as outlined in Appendix A.

(B) The Grantee shall provide a final project report in a format prescribed by the State. The Grantee shall submit the final status report, including all supporting documentation for expenses, along with the final project report and any other outstanding products within 30 days from the End Date of the Agreement.

(C) The Grantee must provide electronic copies of all products and deliverables in accordance with Appendix A.

(D) All products shall acknowledge that the project was supported in whole or in part by EGLE, per the guidelines provided by the program.

(E) If 15 percent (15%) or more of the grant amount is expended in a single quarter, payment requests may be submitted once monthly during that quarter.

## V. GRANTEE RESPONSIBILITIES

(A) The Grantee agrees to abide by all applicable local, state, and federal laws, rules, ordinances, and regulations in the performance of this grant.

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this grant is not a guarantee of permit approval by the State.

(C) The Grantee shall be solely responsible to pay all applicable taxes and fees, if any, that arise from the Grantee's receipt or execution of this grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services submitted to the State under this Agreement. The Grantee shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in drawings, designs, specifications, reports, or other services.

(E) The State's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The State's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) The Grantee acknowledges that it is a crime to knowingly and willingly file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the grant.

## VI. <u>USE OF MATERIAL</u>

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the State funded all or a portion of its development.

The State, and federal awarding agency, if applicable, retains a royalty-free, nonexclusive and irrevocable right to reproduce, publish, and use in whole or in part, and authorize others to do so, any copyrightable material or research data submitted under this grant whether or not the material is copyrighted by the Grantee or another person. The Grantee will only submit materials that the State can use in accordance with this paragraph.

## VII. <u>ASSIGNABILITY</u>

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

## VIII. <u>SUBCONTRACTS</u>

The State reserves the right to deny the use of any consultant, contractor, associate, or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

## IX. <u>NON-DISCRIMINATION</u>

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual’s ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

## X. <u>UNFAIR LABOR PRACTICES</u>

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq*.

## XI. LIABILITY

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, or any employee or agent of the Grantee acting within the scope of their employment or agency.

(B) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

## XII. CONFLICT OF INTEREST

No government employee, or member of the legislative, judicial, or executive branches, or member of the Grantee's Board of Directors, its employees, partner agencies, or their families shall benefit financially from any part of this Agreement.

## XIII. ANTI-LOBBYING

If all or a portion of this Agreement is funded with federal funds, then in accordance with 2 CFR 200, as appropriate, the Grantee shall comply with the Anti-Lobbying Act, which prohibits the use of all project funds regardless of source, to engage in lobbying the state or federal government or in litigation against the State. Further, the Grantee shall require that the language of this assurance be included in the award documents of all subawards at all tiers.

If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "'Lobbying' means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

## XIV. DEBARMENT AND SUSPENSION

By signing this Agreement, the Grantee certifies that it has checked the federal debarment/suspension list at www.SAM.gov to verify that its agents, and its subcontractors:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.

(2) Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

(3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).

(4) Have not within a three-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.

(5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

## XV. AUDIT AND ACCESS TO RECORDS

The State reserves the right to conduct a programmatic and financial audit of the project, and the State may withhold payment until the audit is satisfactorily completed. The Grantee will be required to maintain all pertinent records and evidence pertaining to this Agreement, including grant and any required matching funds, in accordance with generally accepted accounting principles and other procedures specified by the State. The State or any of its duly authorized representatives must have access, upon reasonable notice, to such books, records, documents, and other evidence for the purpose of inspection, audit, and copying. The Grantee will provide proper facilities for such access and inspection. All records must be maintained for a minimum of five years after the final payment has been issued to the Grantee by the State.

## XVI. INSURANCE

(A) The Grantee must maintain insurance or self-insurance that will protect it from claims that may arise from the Grantee’s actions under this Agreement.

(B) The Grantee must comply with applicable workers’ compensation laws while engaging in activities authorized under this Agreement.

## XVII. OTHER SOURCES OF FUNDING

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement must not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings, or to immediately refund to the State, the total amount representing such duplication of funding.

## XVIII. COMPENSATION

(A) A breakdown of costs allowed under this Agreement is identified in Appendix A. The State will pay the Grantee a total amount not to exceed the amount on page 1 of this Agreement, in accordance with Appendix A, and only for expenses incurred and paid. All other costs necessary to complete the project are the sole responsibility of the Grantee.

(B) Expenses incurred by the Grantee prior to the Start Date or after the End Date of this Agreement are not allowed under the Agreement, unless otherwise specified in Appendix A.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

(E) Payments under this Agreement may be processed by Electronic Funds Transfer (EFT). The Grantee may register to receive payments by EFT at the SIGMA Vendor Self Service web site (https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService).

(F) An amount equal to ten percent (10%) of the grant award will be withheld by the State until the project is completed in accordance with Section XIX, Closeout, and Appendix A.

## XIX. CLOSEOUT

(A) A determination of project completion, which may include a site inspection and an audit, shall be made by the State after the Grantee has met any match obligations, satisfactorily completed the activities, and provided products and deliverables described in Appendix A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments in excess of the costs allowed by this Agreement.

## XX. CANCELLATION

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, other lack of funding, upon request by the Grantee, or upon mutual agreement by the State and Grantee. The State may honor requests for just and equitable compensation to the Grantee for all satisfactory and eligible work completed under this Agreement up until 30 days after written notice, upon which time all outstanding reports and documents are due to the State and the State will no longer be liable to pay the grantee for any further charges to the grant.

## XXI. TERMINATION

(A) This Agreement may be terminated by the State as follows.

(1) Upon 30 days written notice to the Grantee:

a. If the Grantee fails to comply with the terms and conditions of the Agreement, or with the requirements of the authorizing legislation cited on page 1, or the rules promulgated thereunder, or other applicable law or rules.
b. If the Grantee knowingly and willingly presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.

c. If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.
d. If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.
e. During the 30-day written notice period, the State shall withhold payment for any findings under subparagraphs a through d above, and the Grantee will immediately cease charging to the grant and stop earning match for the project (if applicable).

(2) Immediately and without further liability to the State if the Grantee, or any agent of the Grantee, or any agent of any subcontract is:

a. Convicted of a criminal offense incident to the application for or performance of a State, public, or private contract or subcontract;
b. Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;
c. Convicted under State or federal antitrust statutes; or
d. Convicted of any other criminal offense that, in the sole discretion of the State, reflects on the Grantee's business integrity.
e. Added to the federal or state Suspension and Debarment list.

(B) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

## XXII. IRAN SANCTIONS ACT

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses, as defined in MCL 129.312.

## XXIII. ACCESS AGREEMENTS

A voluntary access agreement or court-ordered access must be secured by the Grantee prior to performance of the scope of work described in Appendix A for any portion of the project area or property where grant activities will be undertaken and that is not owned by the Grantee. Evidence of access must be provided to the State at its request.

## XXIV. GRANT ADMINISTRATION

Grant Administration costs are eligible for reimbursement in accordance with Appendix A. Grant administration costs will be limited to three percent (3%) of the total award amount.

## XXV. INELIGIBLE EXPENSES

Although the following costs may be related to the scope of work described in Appendix A, the following are ineligible for reimbursement under the grant:

Office equipment; software; insurance; taxes, except sales taxes; replacement or purchase of equipment; drinking water supply replacement, defined as but is not limited to, providing bottled water, constructing a new well, and extending or constructing a water supply system; operation and maintenance of long term response and due care activities; restoration of property or infrastructure, unless included in Appendix A; fees for attorneys or legal advice except for administrative or management costs directly related to implementing the grant; grant recipient staff time for application submittal; costs for eligible activities reimbursed under the Brownfield Redevelopment Financing Act, 1996 Public Act 381, as amended (Act 381); costs incurred for activities outside a State-approved work plan; labor overtime rates; and training.

Travel costs for either vehicle use or vehicle mileage will be reimbursed, but not both. Vehicle mileage will be reimbursed at a maximum of the federal rate allowed by the Internal Revenue Service at the time the costs are incurred.

Fees, such as those incurred for state or local permits; underground storage tank registration; late fees; or other fees may be eligible at the State's discretion. Other expenses may be determined ineligible in the course of invoice reviews.

## XXVI. BIDS, CONTRACTORS

(A) For contracts for work performed under this agreement that totals $20,000 or more, the Grantee shall provide, or cause to be provided, the qualifications of the selected contractor(s) to the State. The State reserves the right to object to the selected contractor(s) or their qualifications. If the State has objections, it will inform the Grantee in writing within 30 days of receipt of the selected contractor's qualifications.

(B) For any contract for work performed under this agreement that totals $20,000 or more, except professional services, the Grantee shall solicit, or cause to be solicited, bids from at least three qualified contractors. The way in which bids or requests for quotes (RFQs) are solicited must be done in a manner acceptable to the Grantee. The Grantee shall provide the State copies of the bid specifications, proof of bid solicitation to at least three qualified contractors, copies of all bids received, a bid tabulation, and a written contractor recommendation. If the contractor that submitted the lowest bid is not the contractor selected, the Grantee must submit written justification for the selection.

(C) Any contractor(s) retained for corrective action on regulated underground storage tanks shall be a qualified underground storage tank consultant that meets the requirements of Section 21325 of Part 213, Leaking Underground Storage Tanks of the NREPA.

(D) Any contractor(s) and professionals retained with state funds must possess appropriate qualifications, experience, licensing, and insurance for the work including but not limited to, surveying; engineering; asbestos, lead, mold, and hazardous material abatement; and transport, storage, and disposal of hazardous and non-hazardous waste.

(E) Subsurface work on contaminated properties that involves penetrating or disturbing the existing surfaces; working with subsurface infrastructure, monitoring wells, or sewers; handling of existing soil, sediments, or groundwater; or other site activities with the reasonable potential for unacceptable human exposure must be conducted by personnel in accordance with OSHA and MIOSHA requirements, including under HAZWOPER, MIOSHA-STD-1216 and 29 CFR 1910.120, as applicable.

(F) Contractor markup on subcontractors and equipment is limited to a maximum of ten percent (10%) of the original cost, and subject to approval by the State.

## XXVII. WORK PLANS AND PROJECT IMPLEMENTATION

(A) Prior to conducting any activities under the Agreement, the Grantee or its contractor shall submit a detailed work plan to the State for its approval. Work plans must include a description of the proposed activities, a budget, and a schedule for conducting the activities under Appendix A. A supplementary work plan, budget, and schedule are required for each subsequent phase of work. The Grantee and its contractor shall not proceed with grant- funded activities until the State approves the work plan, budget, and schedule in writing. The State may approve, modify and approve, or require amendments to the work plan.

(B) The Grantee or its contractor shall implement the work plan upon the State's written approval and according to the schedules contained therein. Changes or additions to the work plan may be submitted in writing and are subject to approval by the State. Changes to work plans without prior approval from the State, or performance of activities that are not part of an approved work plan or an amendment to a work plan, may result in the Grantee being responsible for payment of unapproved activities.

## XXVIII. ECONOMIC DEVELOPMENT

(A) The Grant Recipient acknowledges by its signature of this Agreement that there have been no material changes in the economic development proposal, property ownership, or other conditions of the property or project since the date the grant funds were awarded.

(B) In the event the proposed development changes or is not implemented, the Grantee shall immediately notify the State in writing and shall try to secure a new development project for the property. The Grantee shall then notify the State in writing of the proposed development. The alternate development project is also subject to approval by the State.

## XXIX. OTHER TERMS AND CONDITIONS

(A) The State may withhold the grant until the State determines that the Grantee is able to proceed with the project scope described in Appendix A, pursuant to Part 196, Section 19612(3), of the NREPA.

(B) Following completion of the project, the State may conduct compliance inspections to determine whether the project is being maintained for the use specified in this Agreement.

(C) The Grantee acknowledges, by signature of this Agreement, that the State is not obligated to provide additional funding beyond the Agreement amount should additional environmental costs be necessary to complete the project.

(D) If necessary to allow for completion of the project, the Grantee and State may mutually agree to extend the term of the Agreement. Agreement extensions should be requested by the Grantee or the State in writing, prior to the Agreement end date. This Agreement may only be extended by a signed agreement between both parties.

# APPENDIX A

# APPENDIX A

## *for* BROWNFIELD REDEVELOPMENT GRANT / LOAN AGREEMENT

| Project Details | | | |
|---|---|---|---|
| **Project Name and Address** | Brewster's Redevelopment<br>5135 and 5147 Portage Road<br>Kalamazoo, Michigan 49002 | **Grantee / Borrower** | City of Kalamazoo Brownfield Redevelopment Authority |
| **Tracking Code** | 2024-2555 | **Location Code** | 7M44 |
| **Capital Investment** | $23,000,000 | **Jobs Created** | 15 full-time equivalents |
| **Total Grant Funding** | $1,000,000 | **Total Loan Funding** | $0 |

**PROJECT DESCRIPTION:**
The grant will be used to facilitate the redevelopment of two adjoining properties in Kalamazoo. The site will be redeveloped into a 93 room, 4 story hotel.

The property includes a former gas station where a release was documented in 1997 at the time underground storage tanks were removed from the site. The grant will be used to investigate shallow soil conditions to better delineate the lateral and vertical extent of petroleum contamination and to determine whether an additional source of petroleum exists that would pose a risk for vapor intrusion under the new buildings. The grant will also pay for the demolition of a former restaurant and removal of asphalt parking area.

**ANTICIPATED SCOPE OF WORK / BUDGET:** The scope of work will take place within the project boundaries identified in Figure 1 and includes the following activities to facilitate the safe reuse of the property:

1. Assessment and investigation including, but not limited to a Phase I Environmental Site Assessment, Baseline Environmental Assessment, and additional investigation and sampling of shallow soils to evaluate potential vapor intrusion risks and the presence or absence of additional source material from the 1997 release.

2. Due care including, but not limited to the transport and disposal of contaminated soils generated during the construction activity, and, if determined through investigation, the excavation, transport, disposal, and placement of clean backfill beneath select areas of the new buildings to eliminate vapor intrusion risk.

3. Demolition and asbestos abatement including, but not limited to demolition of the on-site building, pavement, and other site features.

4. To request closeout of the grant, the Grantee must provide a comprehensive grant closeout report in the format provided by EGLE. The report will include a summary of each activity completed under the grant, relevant documentation, and any outstanding deliverables.

5. During the time of the grant funded activities, the Grantee is required to install a full color, 48" by 96" grommeted vinyl sign, or equivalent, on the property displaying the Department of Environment, Great Lakes, and Energy (EGLE) logo. An image file with the sign design will be provided to the Grantee by the brownfield coordinator.

6. Grant administration including, but not limited to grant management, tracking, and reporting activities by Grantee.

7. Contingency for unanticipated conditions that may be encountered during the performance of eligible activities. Contingency will not be utilized without authorization from EGLE.

| Task | Grant |
|---|---|
| 1. Assessment and Investigation | $86,500 |
| 2. Due Care | $555,000 |
| 3. Demolition and Asbestos Abatement* | $200,000 |
| 4. EGLE Grant Closeout Report | $5,000 |
| 5. EGLE Sign | $500 |
| 6. Grant Administration | $30,000 |
| 7. Contingency | $123,000 |
| **Total** | **$1,000,000** |

* Demolition and abatement costs (Task 3) cannot exceed the total combined cost of environmental activities (Tasks 1-2) funded by EGLE and other sources. If demolition and abatement occur before the environmental activities, demolition and abatement reimbursement will be deferred until the environmental activity costs incurred equal or exceed the costs incurred for demolition and abatement.

In addition to the broad budget items above, the grant loan may be used for work plan and budget development, bid solicitation, technical specifications, oversight, project management, reporting and other task related activities approved by the EGLE brownfield coordinator. Operation and maintenance plans must be prepared for any engineering controls implemented with the grant funding. All grant-eligible work, including tasks not listed above, must be approved in advance. Work completed without an approved work plan may not be eligible for grant reimbursement.

The grant administration and EGLE sign budgets are approved upon signature of this agreement. Prior to the start of any other grant-eligible work, a work plan must be submitted to EGLE for review and approval.

A pre-approved budget amount for work plan development is provided that includes up to $3,000 per work plan. If development of a work plan is expected to cost more than the pre-approved budget, the anticipated cost to develop the work plan must be approved by the brownfield coordinator in advance, or the excess cost will not be eligible for reimbursement. Work plan development will be paid for under the appropriate budget items listed above. Refer to EGLE's Brownfield Eligible Activity Resource document when preparing the work plan.

Progress reports must be submitted quarterly even if no expenses were incurred during the quarter. Progress reports must include invoices for expenses incurred during the quarter.

Project deliverables for activities paid for by the grant must be provided to EGLE throughout the course of the grant. Deliverables may include, but are not limited to, bid documentation as required by the agreement, invoices and appropriate backup documentation for reimbursement, technical reports, and summaries of activities completed under the grant (including dates, quantities, transport and/or disposal documentation, monitoring summaries, photos, logs, figures/as built drawings/site plans, data/analytical results, or other relevant documentation.) A copy of EGLE's Brownfield Grant and Loan Deliverable Guidance will be provided during the Kick-Off Meeting or can be requested at any time.

Ten percent of the grant award or amount spent will be retained by EGLE until the project is complete, including receipt of all deliverables and closeout reporting.

**SCHEDULE:** The grant administration will be conducted during the entire length of the agreement. Work under the contingency task will be completed as necessary. Following the start of the agreement, the remaining tasks are anticipated to be conducted in the timeframes described below.

| Task # | Task | Schedule (Months following signed agreement) |
|---|---|---|
| 1 | Assessment and Investigation | Months 1-3 |
| 2 | Due Care | Months 2-12 |
| 3 | Demolition and Asbestos Abatement | Months 2-6 |
| 4 | EGLE Grant Closeout Report | By Month 24 |

A more detailed schedule for above tasks shall be provided by the Grantee within the project work plans.

EGLE

FIGURE 1

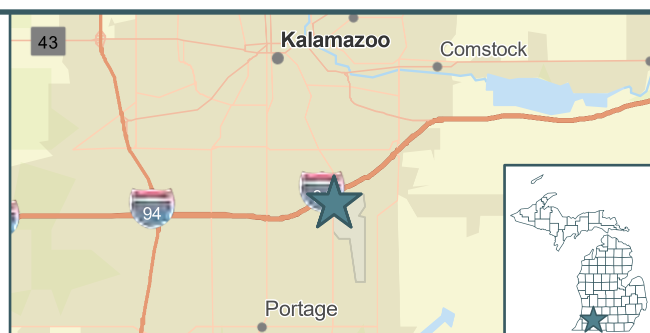
# Brewster's Redevelopment


MICHIGAN BROWNFIELD REDEVELOPMENT PROGRAM

**5135 and 5147 Portage Road**
Kalamazoo 49002

Project Boundary

*EGLE Remediation and Redevelopment Division, 4/18/2024*



# 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, BRA Staff Liaison

**DATE:** August 15, 2024

**SUBJECT:** Adoption of a Resolution Approving the Purchase and Sale Agreement with Zone 32 Phase II, LLC, and Authorizing the Vice Chair to Sign.

**RECOMMENDATION:**

It is recommended the BRA adopt a Resolution approving the Purchase and Sale Agreement with Zone 32 Phase II, LLC, and authorize the Vice Chair to sign.

**BACKGROUND:**

Mr. Bogan gave a presentation to the Projects & Finance Committee in June on the second phase of Zone 32. The project will include 49 units with a mix of rental rates from as low as 30% AMI up to work force rates at 80-120% AMI. On June 20, 2024 the BRA Board voted to approve a draft Purchase and Sale Agreement to sell five parcels of real property for the project. Staff and BRA legal counsel have been working with Bogan Developments on final terms of the sale which are provided in the attached final Purchase and Sale Agreement. The agreement provides for a 16-month investigation period with developer agreeing to record a separate MSHDA regulatory covenant against the property at the time of closing if or when financing is secured. The developer is also requesting the BRA pay for one-half of closing costs and a refundable 10% deposit.

**FISCAL IMPACT:**

The purchase price is estimated at fair market value to be $46,500. The development project is subject to the BRA's property discount policy up to 75% discount based on percentage of 60% AMI rental units offered for rent.

**CITY OF KALAMAZOO BROWNFIELD REDEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH ZONE 32 PHASE II LLC**

Boardmember ____________, supported by Boardmember ___________, moved the adoption of the following resolution:

WHEREAS:

1. BRA is the owner of a parcel of real property located in the City of Kalamazoo, Kalamazoo County, Michigan, purchased from the State of Michigan under the delinquent tax foreclosure process. Parcels include 901 Porter Street (06-15-216-200), 825 Porter Street (06-15-221-060), 810 N. Pitcher Street (06-15-250-031), 314 Parsons Street (06-15-215-076), and 915 N. Pitcher Street (06-15-215-004 (the “Property”); and

2. Purchaser and BRA desire to enter into this Purchase Agreement (“Agreement”) for the mutual benefit of both parties.

RESOLVED:

1. That the Purchase and Sale Agreement between the BRA and the Purchaser is approved; and
2. That the Chairperson of the Board of Directors of the Authority is authorized and directed to execute the approved Agreement for and on behalf of the Authority; and
3. That all resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

YEAS: Boardmembers ______________________________
______________________________

NAYS: Boardmembers ______________________________

ABSTAIN: Boardmembers ______________________________

ABSENT: Boardmembers ______________________________

**RESOLUTION DECLARED ADOPTED.**

Dated: August 15, 2024

______________________________
_______________, Secretary

## CERTIFICATION

I, the undersigned duly qualified and acting Secretary of the City of Kalamazoo Brownfield Redevelopment Authority, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of the Brownfield Redevelopment Authority at a meeting held on August 15, 2024, and that public notice of said meeting was given pursuant to, and in accordance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: August 15, 2024 ___________________________________

______________, Secretary

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”) is made and entered into effective as of August ______, 2024 (the “Effective Date”), by and between **ZONE 32 PHASE II LLC**, a Michigan limited liability company, with an address of 801 N. Pitcher Street, Kalamazoo, MI 49007 (“Purchaser”), and the **CITY OF KALAMAZOO BROWNFIELD REDEVELOPMENT AUTHORITY** (“Seller”), with an address of 241 W. South Street, Kalamazoo Michigan 49007.

### Background

A. Seller is the owner of five (5) parcels of real property located in the City of Kalamazoo, Michigan, with common addresses of 901 Porter Street (06-15-216-200), 825 Porter Street (06-15-221-060), 810 N. Pitcher Street (06-15-250-031), 314 Parsons Street (06-15-215-076), and 915 N. Pitcher Street (06-15-215-004 (collectively, the “Property”).

B. Purchaser desires to purchase from Seller, and Seller desires to convey to Purchaser, all of Seller’s right, title and interest in and to the Property, all subject to the terms and conditions set forth below.

### Agreement

Now, therefore, in consideration of the mutual promises and obligations acknowledged herein, the parties agree as follows:

1. Property. Purchaser shall purchase from Seller and Seller shall sell to Purchaser the Property. The Property shall include all of the Seller’s right, title and interest in and to: (i) the land described on Exhibit A attached to and made a part of this Agreement (the “Land”); (ii) the building, structures, improvements and fixtures located on the Land, if any (collectively, the “Improvements”); and (iii) all easements, rights, privileges, appurtenances, all available land divisions, and any other rights that benefit the Land or Improvements.

2. Purchase Price. The Property’s estimated fair market value of Forty-Six Thousand Five Hundred and 00/100 Dollars ($46,500.00) shall be the “Purchase Price”, subject to a discount at the Closing (as defined below) as follows: The Purchase Price shall be discounted by five percent (5.00%) for each five percent (5.00%) of units in the finished Property reserved for rental to households with incomes at or below 60% of Area Median Income (“AMI”, as determined from time to time by the U.S. Department of Housing and Urban Development for the applicable demographic area, using the determination in effect at time of Closing), with such total discount not to exceed 75% of the Purchase Price. As of the Effective Date, Purchaser has offered to reserve 20% percent of rental units in the multifamily apartment project that Purchaser intends to construct on the Property (the “Project”) to qualify for the foregoing discount standard, in which event the parties anticipate that the Purchase Price at Closing would be discounted by twenty percent (20.00%). The reduction of the Purchase Price is subject to and pursuant to Seller’s incentive policy, which Seller may revise or update from time to time. The Purchase Price, less the Deposit (as defined herein), and adjusted by the foregoing

discount standard and other charges and credits as set forth herein, shall be delivered to Title Company in immediate funds, one day in advance of Closing. The percentage of units within the Project that are reserved for rental to households with incomes at or below 60% of AMI shall be conclusively determined by the Regulatory Agreement that the Purchaser enters into at the Closing with the Michigan State Housing Development Authority ("MSHDA") (or if not entered into at the Closing, the form of Regulatory Agreement that will be recorded upon completion of the Project as required by MSHDA, and in either case, the "MSHDA Agreement").

3. Deposit. Purchaser shall deliver to Sun Title Agency, LLC, whose address is 925 S. Burdick, Kalamazoo, MI 49001, Attn: April Holm (the "Title Company"), an earnest money deposit of Four Thousand Six Hundred Fifty and 00/100 Dollars ($4,650.00) (the "Deposit") by wire transfer or certified, cashier's or corporate check, within ten (10) business days after the Effective Date. The Deposit shall be fully-earned by Seller and nonrefundable to Purchaser, except as otherwise provided in this Agreement. The Deposit shall be applied to the Purchase Price if the Closing occurs, and if the Closing does not occur, the Deposit will be disbursed as provided in this Agreement.

4. Investigation Period.

a. Property Investigations. The "Investigation Period" shall commence on the Authority Approval Date (as defined below) and shall expire on the date which is sixteen (16) months thereafter, at 5:00 p.m. Eastern Daylight Time. During the Investigation Period, Purchaser and/or its agents and representatives, shall have the right to enter the Property and have the Property and improvements located thereon inspected, surveyed, evaluated, analyzed, tested, appraised and/or assessed for any matter whatsoever; Seller's title to the Property; zoning classification; market value; soil conditions, including without limitation the surface and subsoil composure and load bearing capacity; location of flood plains; presence of wetlands and necessary mitigation, if any; storm water drainage systems; presence of environmental contamination, including without limitation a Phase I and Phase II environmental assessment; health and safety conditions; access to utilities; access to public roads; signage; zoning; compliance with laws; codes and ordinances, and any other matter desired by Purchaser, *provided, however*, that Purchaser *shall not* conduct or permit any soil borings or excavations below the surface of the Property without prior advance written authorization from Seller in each instance, which authorization shall not be unreasonably withheld, conditioned or delayed. During the Investigation Period, Purchaser shall be entitled to investigate and commence proceedings to obtain any and all permits, approvals, variances, vacations, easements, releases, wetlands, and other discretionary authorizations or entitlements necessary or appropriate for Purchaser's intended use of the Property (collectively, the "Rights and Approvals"). Seller agrees to reasonably cooperate (at Purchaser's sole cost and expense, provided, that all such anticipated costs and expenses shall be submitted by Seller to Purchaser for Purchaser's written approval prior to Seller incurring the same) with Purchaser in all such proceedings to secure the Rights and Approvals, in such manner as Purchaser may reasonably request, including the filing of an application to rezone the Property and any other applications therefor.

b. Property Materials. Not later than ten (10) days following the Effective Date, Seller shall deliver to Purchaser all of the following materials to the extent in Seller's possession or control: (i) all surveys, drawings, site plans, topography plans and any other drawings or plans related to the Property; (ii) copies of all engineering reports, soil studies, drainage studies, environmental assessments or reports, and wetland and floodplain studies; and (iii) copies of all development, site plan and zoning approvals.

c. Title and Survey. Promptly following the Effective Date, Purchaser shall obtain an ALTA standard title insurance commitment, issued by the Title Company, showing the condition of Seller's title to the Property and any easements benefiting or burdening the Property, together with complete and legible copies of all recorded documents listed as Schedule B-1 matters or as special Schedule B-2 exceptions (collectively, the "Title Commitment"). Further, Purchaser may, at Purchaser's expense, obtain a current ALTA or other survey of the Property which locates the boundaries of the Property, all improvements on the Property, any easements, or rights of way affecting or benefiting the Property and any encroachments across the boundaries of the Property that is in form and substance acceptable to Purchaser or Purchaser's lender, if any (the "Survey"). Following Purchaser's receipt of both the Title Commitment and Survey, and prior to the expiration of the Investigation Period, Purchaser shall provide copies of each to Seller, and shall notify Seller of any physical or other defects disclosed that Purchaser deems unacceptable. Seller may elect to make commercially reasonable efforts to cure or remove any such unacceptable defects not later than twenty (20) days following Purchaser's notice. If Seller does not cure or remove such defects within that 20-day period, Purchaser may either (i) cancel and terminate this Agreement, in which case the Deposit shall be promptly refunded to Purchaser (provided that such termination occurs prior to the expiration of the Investigation Period) and thereafter neither party shall have any further obligation or liability hereunder, except as otherwise expressly provided herein, or (ii) waive such defects and continue the transactions contemplated by this Agreement. Any matters shown on the Title Commitment to which Purchaser fails to object as provided herein, or matters to which Purchaser objects and later waives as provided herein, shall be referred to herein as "Permitted Exceptions." Notwithstanding the foregoing, Seller shall cure or otherwise satisfy all objections which relate to liens, judgments, assessments, mortgages, security interests or other monetary encumbrances affecting or encumbering the Property and which were caused by or at the direction of Seller and can be satisfied by monetary payment at or prior to Closing, and failing the same, Purchaser shall be entitled to pay for and release such items and any amounts expended therefor shall be credited against the Purchase Price. In addition, with respect to any exception(s) first appearing on the Title Commitment and/or Survey or any update thereto after the effective date of the Title Commitment and/or Survey delivered to Purchaser pursuant to this Subsection, such additional exception(s) shall not be deemed to be a "Permitted Exception" hereunder unless and until Purchaser has reviewed same and approved same in writing. Seller shall remove all encumbrances that are placed on the Property by or at the direction of Seller after the Effective Date that are not deemed "Permitted Exceptions" prior to Closing.

d. Before Purchaser or its agents, employees or contractors enter onto the Property, Purchaser shall obtain (or cause its contractors to obtain), at Purchaser's sole cost and expense, a policy of commercial general liability insurance covering any and all of Purchaser's inspection activities on the Property. Such policy of insurance shall be an occurrence policy and shall have liability limits of not less than One Million Dollars ($1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage liability. The policy shall name Seller and the City of Kalamazoo as additional insureds, and shall be in form and substance and issued by an insurance company reasonably satisfactory to Seller. While Purchaser and its employees, agents, contractors, or invitees are on the Property, (a) they shall not unreasonably interfere with any use of the Property by Seller; (b) Seller shall not be liable for any damage, loss, or injury solely caused by Purchaser or its employees, agents, contractors, or invitees; and (c) Purchaser shall indemnify and hold Seller harmless from any damage, loss, or injury, including, without limitation, costs and expenses of investigating, defending, and settling or litigating any claim, including reasonable attorney fees, that is actually incurred by Seller and solely caused by the presence of Purchaser or its employees, agents, contractors or invitees on the Property before the date of Closing. In the event that Closing does not occur, Purchaser shall use commercially reasonable efforts to return the Property substantially to its prior condition that existed prior to Purchaser's entry onto the Property to perform any inspections and evaluations, normal wear and tear excepted, within 30 days.

e. At any time during the Investigation Period, Purchaser may elect to terminate the Investigation Period and proceed to Closing by providing written notice to Seller waiving any of Purchaser's remaining contingencies and requesting a Closing Date (as defined below) that is at least 30 days but not more than 60 days from the notice date.

f. Purchaser shall also have until the end of the Investigation Period to secure any financing related to Purchaser's purchase of the Property or to complete the development project being contemplated by Purchaser. If Purchaser is unable to secure any such financing prior to the expiration of the Investigation Period, then Purchaser may terminate this Agreement by written notice to Seller in which case the Deposit shall be promptly refunded to Purchaser and thereafter neither party shall have any further obligation or liability hereunder, except as otherwise expressly provided herein.

5. <u>Right to Terminate.</u> At any time prior to Closing, if Purchaser is dissatisfied with the Property or any conditions thereon or matters related to the Property, including without limitation any matters or conditions contemplated in <u>Section 4</u>, or if Purchaser is otherwise dissatisfied with the Property for any other reason or for no reason, all in Purchaser's sole and absolute discretion, then Purchaser shall be permitted to terminate this Agreement by delivery of written notice of termination to Seller. If Purchaser terminates this Agreement on or before the expiration of the Investigation Period, then the Deposit shall be promptly refunded to Purchaser and thereafter neither party shall have any further obligation or liability under this Agreement, except as otherwise expressly provided herein. If Purchaser terminates this Agreement after the expiration of the Investigation Period, then the Deposit shall be promptly released to Seller and

thereafter neither party shall have any further obligation or liability under this Agreement, except as otherwise expressly provided herein.

6. Proof of Financing. Within one hundred eighty (180) days after the Effective Date, Purchaser shall provide Seller with proof that Purchaser has submitted an initial funding application to MSHDA that is generally consistent with the Project and the terms of this Agreement.

7. Closing. The purchase and sale of the Property as contemplated by this Agreement shall be consummated (the "Closing") at the offices of the Title Company, or at such other location mutually agreed in writing between the parties, on the date which is thirty (30) days following the expiration of the Investigation Period (the "Closing Date"). However, either party shall have the right to extend the Closing Date (by giving written notice thereof in advance of the original Closing Date) without penalty or default for an additional thirty (30) days to complete unexpected matters discovered during the Investigation Period, or to satisfy any contingency for Closing, *provided, however,* that in any circumstance Closing shall occur no later than eighteen (18) months following the Authority Approval Date. At Closing, Seller shall make the Seller Deliveries described in Section 8 and Purchaser shall make the Purchaser Deliveries described in Section 9.

8. Seller's Closing Deliveries. At or prior to the Closing, Seller shall deliver to Title Company for delivery to Purchaser, the following items, which shall be in a form and substance satisfactory to Purchaser (collectively, the "Seller Deliveries"): (a) Covenant Deed in a form acceptable to Purchaser conveying to Purchaser all of Seller's right, title and interest in and to the Property, subject only to the Permitted Exceptions, executed and acknowledged by Seller in recordable form (the "Deed"), together with a Real Estate Transfer Tax Valuation Affidavit; (b) an affidavit of ownership (as required by the Title Company in order to induce the Title Company to omit the standard exceptions from the title insurance policy); (c) a certificate in customary form certifying as to the non-foreign status of a transferor; (d) a duly authorized resolution of the Seller's Board authorizing the transaction contemplated by this Agreement and such additional authority or incumbency documentation as may be requested by the Title Company in order to issue its title insurance policy; and (e) such other documents, including a signed closing statement prepared by the Title Company, as are customary, necessary or appropriate for the consummation of this transaction by Seller.

9. Purchaser's Closing Deliveries. At or prior to the Closing, Purchaser shall deliver to the Title Company for disbursement to Seller (collectively, the "Purchaser Deliveries"): (a) sufficient funds to pay the Purchase Price, adjusted by the discount standard set forth in Section 2 above and the credits and debits as set forth on the closing statement to be prepared by the Title Company; (b) such authority or incumbency documents as may be required by the Title Company to evidence the status and capacity of Purchaser and authority of the person or persons who will execute closing documents on behalf of the Purchaser; and (c) such other documents, including a signed closing statement prepared by the Title Company, as are customary, necessary or appropriate for the consummation of this transaction by Purchaser.

10. Taxes. Seller represents and warrants to Purchaser that (a) Seller is not subject to ad-valorum property tax; and (b) as of the Effective Date and continuing to the Closing, the Property is not and will not be subject to any property taxes or assessments of any kind whatsoever. From and after the Closing, Purchaser shall be responsible for 100% of property taxes assessed against the Property and attributable to the period following the Closing. The terms of this Section shall survive the Closing.

11. Closing Costs and Pro-rations.

a. At Closing, Seller shall pay the following: (i) all transfer and/or conveyance taxes assessed in connection with the Closing; (ii) all costs related to Seller's professionals and consultants; (iii) one half (1/2) of the Title Company's search and exam fees, escrow fees and closing fees in connection with this transaction; and (iv) one half (1/2) of the premium for the title insurance policy issued to Purchaser in the amount of the Purchase Price, but excluding the cost of any endorsements thereto.

b. At Closing, Purchaser shall pay the following: (i) all recording costs for recordation of the Deed; (ii) all costs and expenses associated with Purchaser's inspections conducted pursuant to this Agreement and Purchaser's professionals and consultants; (iii) one half (1/2) of the premium for the title insurance policy issued to Purchaser in the amount of the Purchase Price, together with the cost of any endorsements issued with such title insurance policy; and (iv) one half (1/2) of the Title Company's search and exam fees, escrow fees and closing fees in connection with this transaction.

12. Use of the Property. During the term of this Agreement, Seller covenants that it shall not, without Purchaser's written consent, (i) grant, convey or enter, any easement, lease, license or other legal or beneficial interest in or to the Property, or (ii) enter into any contract, service contract, option agreement to transfer, convey or encumber the Property or any portion thereof. After the Effective Date and until the earlier of the termination of this Agreement or the Closing, Seller shall suspend all activities utilized by Seller to market the Property for sale other than in connection with the transaction contemplated by this Agreement and shall not enter into any agreement with any other person or entity for the sale or lease of the Property.

13. Condemnation/Casualty. Seller shall promptly notify Purchaser in writing of any impending or actual condemnation proceedings against the whole or any part of the Property of which Seller has notice and of any fire or other casualty to the Property. If any portion of the Property is threatened to be taken or is taken as a result of condemnation proceedings or is damaged as a result of fire or other casualty prior to the closing, Purchaser shall have the right:

a. To terminate this Agreement by a written notice to Seller within ten (10) days after receipt of notice of such proceedings or damage, in which case the Deposit shall be promptly returned to Purchaser and neither Seller nor Purchaser shall have any further liability to the other under this Agreement, except as otherwise expressly provided herein; or

b. To proceed to Closing as provided in this Agreement, agreeing to take the Property in its then-current condition, in which case Purchaser shall be entitled to receive all of the condemnation proceeds payable as a result of such condemnation or such damage, which Seller shall assign to Purchaser at Closing pursuant to an assignment that is reasonably acceptable to Purchaser.

14. Broker Commissions. Seller and Purchaser each represent and warrant to the other that it has dealt with no broker, finder or other person regarding the sale or purchase of the Property. Therefore, no broker, finder or other person is entitled to any commission or a finder's fee. If a broker makes a claim for remuneration in connection with the transaction contemplated by this Agreement, Seller and Purchaser each shall indemnify and hold harmless the other from any amount that the other may be required to pay to a broker that the other did not retain, including, without limitation, reasonable attorney fees expended to defend against such claim, provided however that nothing herein shall be deemed to be a waiver of Seller's immunity to private suit pursuant to MCL 691.1401 *et seq* or other similar provisions of State or local law. The terms of this Section shall survive the Closing.

15. Representations and Warranties. Seller hereby represents and warrants to Purchaser that as of the Effective Date, and again on the date of Closing: (i) Seller is a public authority duly organized and validly existing under the laws of the State of Michigan; and (ii) Seller has all requisite power and authority to execute and deliver this Agreement and perform the obligations of Seller hereunder. Purchaser hereby represents and warrants to Seller that as of the Effective Date and again as of the date of Closing: (i) Purchaser is a duly organized and validly existing limited liability company in good standing under the laws of the State of Michigan; and (ii) Purchaser has all requisite limited liability company power and authority to execute and deliver this Agreement and perform Purchaser's obligations hereunder.

16. Default and Remedies.

a. Purchaser's Default: Seller's Remedy. If Purchaser fails to close on the purchase of the Property due to Purchaser's material default under this Agreement - provided Seller is not otherwise in material default under this Agreement - then Seller shall be entitled to the full amount of the Deposit as liquidated damages, as Seller's sole and exclusive remedy, and upon payment to Seller of such amount, this Agreement and all rights and obligations of the parties shall terminate, except as otherwise expressly provided herein. The parties agree that it would be impracticable and extremely difficult to ascertain the actual damages suffered by Seller as a result of Purchaser's failure to complete the purchase of the Property and that under the circumstances existing as of the date of this Agreement, the liquidated damages provided for in this Subsection represents a reasonable estimate of the damages which Seller will incur as a result of such failure.

b. Seller's Default: Purchaser's Remedies. If Seller fails to timely perform any material act, or provide any material document or information required to be provided by Seller, or if any representation or warranty made by Seller pursuant to this Agreement is untrue, then Purchaser shall have the option to either: (i) terminate this Agreement and promptly receive from the Title Company the full amount of the Deposit and Seller shall promptly reimburse Purchaser for all of Purchaser's actual out-of-pocket costs and expenses that it incurred in connection with Purchaser's due diligence of the Property and the transaction contemplated under this Agreement, or (ii) seek specific performance of this Agreement. Purchaser hereby acknowledges that Seller, as an agency of government engaged in the exercise or discharge of a governmental function, is immune from tort liability arising from this Agreement or from Seller's ownership of the Property.

17. Attorneys' Fees. The prevailing party in any legal proceeding brought under or with relation to this Agreement or transaction shall not be entitled to recover court costs, reasonable attorneys' fees or any other litigation expenses from the non-prevailing party.

18. Authority. The approval by the BRA board for the City of Kalamazoo is required before this Agreement is effective and binding (the "Authority Approval"). If the Authority Approval is not made within 60 days after the date Seller has signed this Agreement, it shall be deemed null and void and of no force and effect. The date on which the Authority Approval is obtained and a copy thereof is delivered to Purchaser along with a written waiver of the contingency set forth in this Section shall be referred to herein as the "Authority Approval Date".

19. Sale and Assignment of Agreement. Purchaser may not assign its rights and obligations under this Agreement without the express written consent of Seller, which consent shall not be unreasonably denied, withheld or conditioned. However, notwithstanding the foregoing, Purchaser may assign all of its right, title and interest in this Agreement to an existing entity or to an entity subsequently formed provided that such entity is controlled by, controls, or is under common control with Purchaser. Further, Purchaser shall remain responsible to carry out the obligations of that entity unless released from all liability in writing by Seller.

20. MSHDA Agreement Covenants. As a condition of receiving mortgage financing for the Project from MSHDA, Purchaser anticipates entering into the MSHDA Agreement, which the parties anticipate will be recorded against the Property at the Closing. The parties acknowledge that the MSHDA Agreement will set forth Purchaser's obligations to construct and operate the Project so that a certain percentage of units in the project will be reserved for rentals to households with incomes at or below 60% of AMI. As a contingency to Seller's obligation to deliver the deed and proceed to Closing, Purchaser shall deliver a copy of the MSHDA Agreement, in substantially final form (including the applicable commitments by Purchaser regarding operation of the Project and reservations of units), to Seller and the Title Company at least three (3) days prior to the scheduled Closing.

21. Property AS-IS. Purchaser acknowledges that, except as expressly provided in this Agreement and in any documents or instruments that are executed by Seller at the Closing: (a) Seller has made no representations or warranties whatever with respect to the Property; (b) Seller specifically disclaims any and all express and implied representations and warranties with respect to the Property, including without limitation, any representations with respect to the physical or environmental condition of the Property and improvements located thereon, the fitness of the Premises for a particular purpose, or whether the Property complies with any laws; and (c) the inspection and investigation rights and the Investigation Period set forth herein are

sufficient to enable Purchaser to inspect the Property to determine that it is satisfactory to Purchaser. Accordingly, except as expressly provided in this Agreement and in any documents or instruments that are executed by Seller at the Closing, Purchaser is acquiring the Property in its "as is" "where is" condition, with all faults.

22. Miscellaneous.

a. TIME IS OF THE ESSENCE OF THIS AGREEMENT.

b. This Agreement is governed by Michigan law. The parties further acknowledge that since each has had the opportunity for legal counsel to review the terms of this Agreement, no provisions shall be construed against one party under any rule of construction regarding the drafter or party responsible for the challenged provision.

c. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one and the same instrument. This Agreement may be executed electronically in pdf form and/or in counterparts, and all counterparts together shall constitute one integrated agreement and be deemed an original document.

d. This Agreement and the exhibits to this Agreement contain the entire agreement of Seller and Purchaser to one another and express the entire understanding between them regarding this transaction. All prior and contemporaneous communications concerning this transaction are merged into and replaced by this Agreement. This Agreement may not be modified or amended unless such amendment is set forth in writing and signed by both Seller and Purchaser.

e. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given (a) on the same date as the date on which such notice is delivered personally, (b) on the date that is three (3) business days after the date on which such notice is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, (c) on the date that is one (1) business day after the date on which such notice is sent by nationally-recognized overnight courier services (such as Federal Express or any other similar courier service), or (d) on the date of delivery by e-mail transmission, provided, that the sending party does not receive an error or other message indicating the e-mail was undeliverable and, in each case, addressed as follows:

If to Purchaser: Zone 32 Phase II, LLC
Attn: Jamauri Bogan
801 N. Pitcher St
Kalamazoo, Michigan 49007
E-mail: bogandevelopments@gmail.com

With a copy to: Honigman LLP
650 Trade Centre Way, Suite 200

Kalamazoo, Michigan 49002-0402
Attn: Steven J. Rypma
E-mail: srypma@honigman.com

If to Seller: City of Kalamazoo
Community Planning & Economic Development
241 W. South Street
Kalamazoo, Michigan 49008
E-mail: ________________________

With a copy to: Dickinson Wright PLLC
Attn: Jessica Wood
200 Ottawa Ave NW Suite 900
Grand Rapids, MI 94503
E-mail: jwood@dickinson-wright.com

f. This Agreement shall inure to the benefit of and bind the parties to this Agreement and their respective successors and permitted assigns.

g. If any date of performance falls on a Saturday, Sunday or legal holiday, such date of performance shall be deferred to the next day which is not a Saturday, Sunday or legal holiday.

h. In case a court of competent jurisdiction determines that one or more of the provisions contained in this Agreement is invalid, illegal or not enforceable, such invalidity, illegality or unenforceability shall not affect any other provisions. As a result, this Agreement shall be construed as if such invalid, illegal or unenforceable provision is severed and deleted from this Agreement.

i. No failure of either party to complain of any act or omission on the part of the other party, regardless how long that failure continued, is considered as a waiver by that party to assert any of its rights under this Agreement. And no waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.

j. Each party represents and warrants to the other that this Agreement and its execution by the individual on its behalf are authorized by the board of directors or other governing body of that party.

[signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date.

**SELLER**:

**City of Kalamazoo**
**Brownfield Redevelopment Authority**

BY: ________________________________

ITS: Chair

**PURCHASER**:

**ZONE 32 PHASE II, LLC**

BY: ________________________________

Jamauri Bogan

ITS: Member

**EXHIBIT "A"**

[legal descriptions to be confirmed by title company]

901 Porter Street (06-15-216-200)

825 Porter Street (06-15-221-060)

810 N Pitcher Street (06-15-250-031)

314 Parsons Street (06-15-215-076)

915 N Pitcher Street (06-15-215-004)

4890-5376-7625 v3 [105916-6]

# 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, BRA Staff Liaison

**DATE:** August 15, 2024

**SUBJECT:** Quarterly Budget Report - Fund 242 Local Brownfield Revolving Fund

**RECOMMENDATION:**

No action required.

**BACKGROUND:**

There are no revenues or expenditures to report in quarter 2 for the Local Brownfield Revolving Fund.

Fund 242 is a discretionary fund managed by the Brownfield Redevelopment Authority for certain brownfield eligible activities on eligible property. The Authority authorized funding to a project located at 315 E Frank Street in the second quarter that was paid in July 2024.

**FISCAL IMPACT:**

Fund is within budget.

**242 LOCAL BROWNFIELD REVOLVING FUND**

**735 BROWNFIELD REDEVELOPMENT**

| Account Number | | Adjusted Estimate | Revenues | Year-to-date Revenues | Balance | Prct Rcvd |
|---|---|---|---|---|---|---|
| 242-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | |
| 242-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | |
| 242-735-00.000-405.000 | LOCAL TAX CAPTURE | 143,300.00 | 0.00 | 0.00 | 143,300.00 | 0.00 |
| 242-735-00.000-665.001 | INTEREST ON INVESTMENTS | 105,000.00 | 0.00 | 0.00 | 105,000.00 | 0.00 |
| **Total** LOCAL BROWNFIELD REVOLVING FUND | | 248,300.00 | 0.00 | 0.00 | 248,300.00 | 0.00 |
| **Grand Total** | | 248,300.00 | 0.00 | 0.00 | 248,300.00 | 0.00 |

# Expenditure Status Report



City of Kalamazoo
1/1/2024 through 12/31/2024

## 242 LOCAL BROWNFIELD REVOLVING FUND

## 735 BROWNFIELD REDEVELOPMENT

| Account Number | | Adjusted Appropriation | Expenditures | Year-to-date Expenditures | Year-to-date Encumbrances | Balance | Prct Used |
|---|---|---|---|---|---|---|---|
| 242-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | | |
| 242-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | | |
| 242-735-00.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 246,650.00 | 0.00 | 0.00 | 0.00 | 246,650.00 | 0.00 |
| 242-735-00.000-801.001 | BANK FEES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 242-735-00.000-967.005 | TIF REIMBURSEMENTS - DEVELOPERS | 73,995.00 | 0.00 | 0.00 | 0.00 | 73,995.00 | 0.00 |
| 242-735-00.000-967.006 | TIF REIMBURSEMENTS - INFRASTRUCTURE | 12,325.00 | 0.00 | 0.00 | 0.00 | 12,325.00 | 0.00 |
| **Total** LOCAL BROWNFIELD REVOLVING FUND | | 332,970.00 | 0.00 | 0.00 | 0.00 | 332,970.00 | 0.00 |
| **Grand Total** | | 332,970.00 | 0.00 | 0.00 | 0.00 | 332,970.00 | 0.00 |

# 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, BRA Staff Liaison

**DATE:** August 15, 2024

**SUBJECT:** Quarterly Budget Report - Fund 243 Brownfield Operating Budget

**RECOMMENDATION:**

No action required.

**BACKGROUND:**

Total revenues received in the fund are $312,999.22 from the following sources:

- $26,2949.03 from local tax capture
- $10,000 from one brownfield plan application fee
- $34,192.50 from sale of property (501 N Westnedge)
- $241,857.69 from EGLE grant revenues

Expenditures from the fund were $114,888.35 and are summarized as follows:

- $528.17 for office and operating supplies
- $31,023.95 for professional and contractual services
- $25,127.86 for legal services
- $32,704.61 for grounds maintenance
- $1,977.68 for misc electricity
- $5,348.46 for Paneltye property (professional & contractual services)
- $18,200.56 to Lot 9 final grant payment to developer

**FISCAL IMPACT:**

Fund is within budget.

**243 BROWNFIELD REDEVELOPMENT AUTHORITY FUND**

**735 BROWNFIELD REDEVELOPMENT**

| Account Number | | Adjusted Estimate | Revenues | Year-to-date Revenues | Balance | Prct Rcvd |
|---|---|---|---|---|---|---|
| 243-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | |
| 243-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | |
| 243-735-00.000-405.000 | LOCAL TAX CAPTURE | 3,075,470.00 | 26,949.03 | 26,949.03 | 3,048,520.97 | 0.88 |
| 243-735-00.000-607.001 | APPLICATION FEE | 0.00 | 10,000.00 | 10,000.00 | -10,000.00 | 0.00 |
| 243-735-00.000-642.002 | SALE OF PROPERTIES HELD FOR RESALE | 300,000.00 | 34,192.50 | 34,192.50 | 265,807.50 | 11.40 |
| 243-735-00.000-665.001 | INTEREST ON INVESTMENTS | 25,500.00 | 0.00 | 0.00 | 25,500.00 | 0.00 |
| 243-735-00.000-665.002 | INTEREST - LOANS | 2,000.00 | 0.00 | 0.00 | 2,000.00 | 0.00 |
| 243-735-00.000-680.000 | OTHER REVENUES | 20,000.00 | 0.00 | 0.00 | 20,000.00 | 0.00 |
| 243-735-00.000-680.001 | LOAN PRINCIPAL PAYMENT | 34,176.00 | 0.00 | 0.00 | 34,176.00 | 0.00 |
| **Total** BROWNFIELD REDEVELOPMENT | | 3,457,146.00 | 71,141.53 | 71,141.53 | 3,386,004.47 | 2.06 |
| 243-735-10.000 | BROWNFIELD GRANT PROJECTS | | | | | |
| 243-735-10.000 | BROWNFIELD GRANT PROJECTS | | | | | |
| 243-735-10.000-567.000 | STATE GRANTS - ECONOMIC DEVELOPMENT | 1,030,692.39 | 241,509.22 | 241,509.22 | 789,183.17 | 23.43 |
| **Total** BROWNFIELD GRANT PROJECTS | | 1,030,692.39 | 241,509.22 | 241,509.22 | 789,183.17 | 23.43 |
| 243-735-10.219 | UPJOHN INSTITUTE STUDY | | | | | |
| **Total** UPJOHN INSTITUTE STUDY | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-10.220 | MDEQ 400 BRYANT LOAN | | | | | |
| **Total** MDEQ 400 BRYANT LOAN | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

# Revenue Status Report



City of Kalamazoo
1/1/2024 through 12/31/2024

## 243 BROWNFIELD REDEVELOPMENT AUTHORITY FUND

## 735 BROWNFIELD REDEVELOPMENT

| *Account Number* | | *Adjusted Estimate* | *Revenues* | *Year-to-date Revenues* | *Balance* | *Prct Rcvd* |
|---|---|---|---|---|---|---|
| 243-735-10.221 | MDEQ 615 KALAMAZOO REFINED PETROLEUM | | | | | |
| 243-735-10.221-567.000 | STATE GRANTS - ECONOMIC DEVELOPMENT | 0.00 | 348.47 | 348.47 | -348.47 | 0.00 |
| | **Total** MDEQ 615 KALAMAZOO REFINED PETROLEUM | 0.00 | 348.47 | 348.47 | -348.47 | 0.00 |
| 243-735-10.222 | MDEQ LOT 9 REDEVELOPMENT | | | | | |
| | **Total** MDEQ LOT 9 REDEVELOPMENT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-10.223 | HARRISON CIRCLE PROJECT | | | | | |
| | **Total** HARRISON CIRCLE PROJECT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** BROWNFIELD GRANT PROJECTS | 1,030,692.39 | 241,857.69 | 241,857.69 | 788,834.70 | 23.47 |
| | **Total** BROWNFIELD REDEVELOPMENT AUTHORITY FUND | 4,487,838.39 | 312,999.22 | 312,999.22 | 4,174,839.17 | 6.97 |
| | **Grand Total** | 4,487,838.39 | 312,999.22 | 312,999.22 | 4,174,839.17 | 6.97 |

**243 BROWNFIELD REDEVELOPMENT AUTHORITY FUND**

**735 BROWNFIELD REDEVELOPMENT**

| Account Number | | Adjusted Appropriation | Expenditures | Year-to-date Expenditures | Year-to-date Encumbrances | Balance | Prct Used |
|---|---|---|---|---|---|---|---|
| 243-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | | |
| 243-735-00.000 | BROWNFIELD REDEVELOPMENT | | | | | | |
| 243-735-00.000-727.001 | OFFICE SUPPLIES AND FORMS | 3,000.00 | 275.06 | 275.06 | 0.00 | 2,724.94 | 9.17 |
| 243-735-00.000-727.002 | MEETING SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-729.000 | OPERATING SUPPLIES | 12,000.00 | 254.11 | 254.11 | 0.00 | 11,745.89 | 2.12 |
| 243-735-00.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 70,000.00 | 31,023.95 | 31,023.95 | 108,561.25 | -69,585.20 | 199.41 |
| 243-735-00.000-801.001 | BANK FEES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-801.004 | AUDIT FEES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-802.001 | LEGAL SERVICES | 120,000.00 | 25,127.86 | 25,127.86 | 94,872.14 | 0.00 | 100.00 |
| 243-735-00.000-802.010 | RECORDING FEES | 600.00 | 0.00 | 0.00 | 0.00 | 600.00 | 0.00 |
| 243-735-00.000-802.011 | LEGAL NOTICES | 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.00 | 100.00 |
| 243-735-00.000-804.001 | ENVIRONMENTAL STUDIES | 55,000.00 | 0.00 | 0.00 | 0.00 | 55,000.00 | 0.00 |
| 243-735-00.000-804.002 | ENVIRONMENTAL REMEDIATION | 95,000.00 | 0.00 | 0.00 | 0.00 | 95,000.00 | 0.00 |
| 243-735-00.000-810.000 | OTHER OPERATIONAL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-810.003 | MEMBERSHIPS AND SUBSCRIPTIONS | 2,500.00 | 0.00 | 0.00 | 0.00 | 2,500.00 | 0.00 |
| 243-735-00.000-815.000 | SOFTWARE AND APPLICATIONS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-829.002 | PROPERTY TAX EXPENSE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-880.000 | PROMOTION AND ADVERTISTING | 12,000.00 | -23.94 | -23.94 | 0.00 | 12,023.94 | 0.20 |
| 243-735-00.000-920.001 | ELECTRICITY | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-920.002 | NATURAL GAS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-920.003 | WATER AND SEWER | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-930.000 | REPAIRS AND MAINTENANCE SERVICES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-930.001 | GROUNDS MAINTENANCE | 90,000.00 | 32,704.61 | 32,704.61 | 21,420.11 | 35,875.28 | 60.14 |
| 243-735-00.000-931.000 | VEHICLE MAINTENANCE SERVICES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-965.001 | BAD DEBTS EXPENSE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-967.002 | ASSETS HELD FOR RESALE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-967.003 | TAX REVERTED PROPERTY | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-967.005 | TIF REIMBURSEMENTS - DEVELOPERS | 2,615,900.00 | 0.00 | 0.00 | 0.00 | 2,615,900.00 | 0.00 |

**243 BROWNFIELD REDEVELOPMENT AUTHORITY FUND**

**735 BROWNFIELD REDEVELOPMENT**

| Account Number | | Adjusted Appropriation | Expenditures | Year-to-date Expenditures | Year-to-date Encumbrances | Balance | Prct Used |
|---|---|---|---|---|---|---|---|
| 243-735-00.000-971.000 | LAND | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-973.000 | LAND IMPROVEMENTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-974.000 | BLDGS, ADDITIONS & IMPROVEMENTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-00.000-977.000 | VEHICULAR EQUIPMENT | 4,954.00 | 0.00 | 0.00 | 0.00 | 4,954.00 | 0.00 |
| 243-735-00.000-979.000 | INFRASTRUCTURE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** BROWNFIELD REDEVELOPMENT | 3,082,454.00 | 89,361.65 | 89,361.65 | 226,353.50 | 2,766,738.85 | 10.24 |
| 243-735-01.000 | RIVERFRONT/RIVERWEST REDVELOPMENT AREA | | | | | | |
| 243-735-01.000 | RIVERFRONT/RIVERWEST REDVELOPMENT AREA | | | | | | |
| 243-735-01.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-01.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 30,000.00 | 0.00 | 0.00 | 0.00 | 30,000.00 | 0.00 |
| 243-735-01.000-920.001 | ELECTRICITY | 1,000.00 | 488.12 | 488.12 | 0.00 | 511.88 | 48.81 |
| | **Total** RIVERFRONT/RIVERWEST REDVELOPMENT AREA | 31,000.00 | 488.12 | 488.12 | 0.00 | 30,511.88 | 1.57 |
| 243-735-01.152 | 508 HARRISON | | | | | | |
| 243-735-01.152-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-01.152-920.001 | ELECTRICITY | 3,900.00 | 1,489.56 | 1,489.56 | 0.00 | 2,410.44 | 38.19 |
| | **Total** 508 HARRISON | 3,900.00 | 1,489.56 | 1,489.56 | 0.00 | 2,410.44 | 38.19 |
| | **Total** RIVERFRONT/RIVERWEST REDVELOPMENT AREA | 34,900.00 | 1,977.68 | 1,977.68 | 0.00 | 32,922.32 | 5.67 |
| 243-735-02.000 | DAVIS CREEK BUSINESS PARK | | | | | | |
| 243-735-02.000 | DAVIS CREEK BUSINESS PARK | | | | | | |
| 243-735-02.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-02.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 10,000.00 | 0.00 | 0.00 | 0.00 | 10,000.00 | 0.00 |
| | **Total** DAVIS CREEK BUSINESS PARK | 10,000.00 | 0.00 | 0.00 | 0.00 | 10,000.00 | 0.00 |

## 243 BROWNFIELD REDEVELOPMENT AUTHORITY FUND

## 735 BROWNFIELD REDEVELOPMENT

| Account Number | | Adjusted Appropriation | Expenditures | Year-to-date Expenditures | Year-to-date Encumbrances | Balance | Prct Used |
|---|---|---|---|---|---|---|---|
| 243-735-04.000 | PERFORMANCE PAPER | | | | | | |
| 243-735-04.000 | PERFORMANCE PAPER | | | | | | |
| 243-735-04.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-04.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** PERFORMANCE PAPER | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-06.000 | EAST BANK SITE | | | | | | |
| 243-735-06.000 | EAST BANK SITE | | | | | | |
| 243-735-06.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** EAST BANK SITE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-07.000 | PANELYTE | | | | | | |
| 243-735-07.000 | PANELYTE | | | | | | |
| 243-735-07.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-07.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 37,500.00 | 5,348.46 | 5,348.46 | 34,091.25 | -1,939.71 | 105.17 |
| 243-735-07.000-804.002 | ENVIRONMENTAL REMEDIATION | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** PANELYTE | 37,500.00 | 5,348.46 | 5,348.46 | 34,091.25 | -1,939.71 | 105.17 |
| 243-735-08.000 | FORMER PUBLIC SAFETY BUILDINGS | | | | | | |
| 243-735-08.000 | FORMER PUBLIC SAFETY BUILDINGS | | | | | | |
| 243-735-08.000-750.000 | REPAIR AND MAINTENANCE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 243-735-08.000-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** FORMER PUBLIC SAFETY BUILDINGS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

**243 BROWNFIELD REDEVELOPMENT AUTHORITY FUND**

**735 BROWNFIELD REDEVELOPMENT**

| Account Number | | Adjusted Appropriation | Expenditures | Year-to-date Expenditures | Year-to-date Encumbrances | Balance | Prct Used |
|---|---|---|---|---|---|---|---|
| 243-735-10.222 | MDEQ LOT 9 REDEVELOPMENT | | | | | | |
| 243-735-10.222-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 0.00 | 18,200.00 | 18,200.00 | 0.00 | -18,200.00 | 0.00 |
| 243-735-10.222-801.005 | CONTRACT RETAINAGE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** MDEQ LOT 9 REDEVELOPMENT | 0.00 | 18,200.00 | 18,200.00 | 0.00 | -18,200.00 | 0.00 |
| 243-735-10.223 | HARRISON CIRCLE PROJECT | | | | | | |
| 243-735-10.223-801.000 | PROFESSIONAL AND CONTRACTUAL SERVICES | 0.00 | 0.00 | 0.00 | 52,270.90 | -52,270.90 | 0.00 |
| | **Total** HARRISON CIRCLE PROJECT | 0.00 | 0.00 | 0.00 | 52,270.90 | -52,270.90 | 0.00 |
| | **Total** BROWNFIELD GRANT PROJECTS | 1,030,692.39 | 18,200.56 | 18,200.56 | 1,044,718.40 | -32,226.57 | 103.13 |
| | **Total** BROWNFIELD REDEVELOPMENT AUTHORITY FUND | 4,195,546.39 | 114,888.35 | 114,888.35 | 1,305,163.15 | 2,775,494.89 | 33.85 |
| | **Grand Total** | 4,195,546.39 | 114,888.35 | 114,888.35 | 1,305,163.15 | 2,775,494.89 | 33.85 |