

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MEETING
Thursday, January 16, 2025
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007**

MEMBERS PRESENT: Sharon Ferraro; Lucas Middleton; Rachel Bair; Kevan Hess; Andrew Schipper; Michael Gurnee; Jason Novotny; Alonzo Wilson; Kyle Gulau

MEMBERS ABSENT: Nathan Bolton

CITY COMMISSIONERS/CITY STAFF PRESENT: Jamie McCarthy (Development Manager); Jerri Burdue (EDC Liaison/Neighborhood Business & Special Projects Coordinator); Jessica Wood (Attorney, Dickinson Wright); Logan Mulholland (Fishbeck, Consultant); Jared Chambers (Business Specialist); Heidi Waffle (Brownfield Project Assistant); Chelsie Downs-Hubbard (Community Investment Manager); Erin Hahn (Community Investment Administrative Assistant)

Meeting was called to order at 8:09 AM by Chair Middleton.

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

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

APPROVAL OF MINUTES: Director Ferraro moved approval of minutes from the meeting of December 19, 2024 as presented; seconded by Director Novotny. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTOR'S COMMENTS

Director Middleton wished Mr. Burdue the best of luck and he hopes everything goes well in his new job.

NEW BUSINESS

1. Adoption of a Resolution Approving the Development and Reimbursement Agreement Relating to 3625 W Michigan Avenue, in Substantially the Form Attached, Subject to any Non-Substantive Changes Approved by the Chairperson and to Form by Legal Counsel.

Ms. McCarthy shared the agreement looks fairly similar to the template they have previously used for the Development and Reimbursement Agreements, but it contains some changes related to housing TIF. There is new language in terms of reporting that they will be asking developers to give each year, which corresponds to what MSHDA is going to be asking for on an annual report. For each units the developer receives TIF on, they will be required to report the rents of those units and household incomes of the tenants.

Attorney Wood said they do anticipate developers utilizing third party companies to manage these housing TIF facilities. They are going to require the developer to hold a third party management company to the same standards in the agreement.

Ms. McCarthy shared it is also addressed in the agreement if for any reason the developers were not able to fill the units or if the number of units changes how the BRA might address those circumstances for TIF reimbursement.

Ms. McCarthy shared the developer has been working with city staff very closely for the last several weeks. They are working on getting their MSHDA Work Plan to the state for approval and this agreement is one of the last components they need to submit.

Ms. Mulholland shared she believes all MSDHA work plans to date have been approved conditionally.

Director Schipper asked if all eligible activities are going through MSHDA for approval for these housing TIF projects or if it is only the rental gap that will be approved by MSHDA.

Ms. Mulholland shared it should be all eligible activities going through MSHDA. There may be circumstances where there are environmental conditions present on-site as well as housing, so EGLE could be involved at the same time as MSHDA. The state has said they do not foresee a project where MEDC and MSHDA would support the same plan – it would be one or the other.

Ms. McCarthy shared the state agency is reviewing it on the front end, as they always have, but it is MSHDA instead of MEDC in this case. Fishbeck will still be the one to review all of the documentation and information on the back end after the project is built. It is her understanding the state will not be looking at the rental gap and related pieces again on the back end. She shared the BRA is responsible for submitting annual reports and what that process looks like.

Director Gulau asked what happens if a developer is not meeting the reporting requirements.

Ms. McCarthy shared per the agreement, their TIF would be withheld until they were able to provide the monitoring information.

Director Schipper asked if the problem is not rectified by the developer, where do those TIF dollars go.

Attorney Wood shared that ultimately they would go back to the taxing jurisdictions.

Ms. McCarthy discussed how important it is that MSHDA and the BRA are transparent with what is expected of developers in terms of reporting.

Director Gulau suggested reaching out ahead of time to the developer to remind them of their reporting requirement and that it is directly tied to the TIF payments.

Director Hess asked how frequently AMI changes and if so, what time of year does that adjust.

Ms. McCarthy said that MSHDA typically publishes their new rates April 1 each year.

Director Gurnee pointed out a section on page 6 of the agreement that references an incorrect section. Attorney Wood and Ms. McCarthy noted the correction.

Director Gurnee moved adoption of a Resolution Approving the Development and Reimbursement Agreement Relating to 3625 W Michigan Avenue, in Substantially the Form Attached, Subject to any Non-

Substantive Changes Approved by the Chairperson and to Form by Legal Counsel; seconded by Director Hess.

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

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

1. 116 W Cedar – EGLE Environmental Justice Grant

Ms. McCarthy shared EGLE announced their grants at the end of the year and unfortunately funding was not awarded to 116 W Cedar. She has a question into EGLE if they are going to open another grant or if they can provide some feedback as to why the project was not selected.

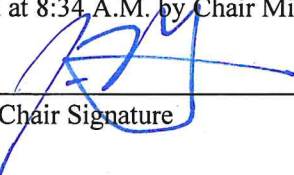
Director Gulau mentioned that the Purchase Agreement is set to expire in a couple months. He asked if they plan on extending that or not.

Ms. McCarthy said staff has been meeting with the developer regularly. She thinks the developer hopes to get in front of the board to share the plans they have been working on.

Mr. Curt Aardema, representative of AVB, shared an update on the project and how they are making progress. There is some good momentum but also some hurdles before they get to the finish line.

ADJOURNMENT: The meeting was adjourned at 8:34 A.M. by Chair Middleton.


Heidi Waffle
Recording Clerk


Chair Signature


Printed Name/Chair

James H. H. H.

