CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MEETING
Thursday, May 15, 2025
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007

MEMBERS PRESENT: Jason Novotny; Sharon Ferraro; Rachel Bair; Lucas Middleton; Alonzo Wilson; Scott Petersen; T.J. Ward, Eddie Warr

MEMBERS ABSENT: Andrew Schipper; Kyle Gulau; Michael Gurnee

CITY STAFF PRESENT: Jamie McCarthy (Development Manager); *Jessica Wood (Attorney, Dickinson Wright); Logan Mulholland (Fishbeck, Consultant); Jared Chambers (Business Specialist); Heidi Waffle (Brownfield Project Assistant); Erin Hahn (Community Investment Administrative Assistant)
*Attorney Wood joined virtually.

The meeting was called to order at 8:05 AM by Chair Middleton.

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

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

APPROVAL OF MINUTES: Commissioner Wilson moved approval of minutes from the meeting of April 17, 2025 as presented; seconded by Director Bair. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTOR'S COMMENTS

None.

PUBLIC HEARING

1. **Public hearing for an Act 381 Brownfield Plan for the Redevelopment Project at 234 and 238 E Michigan Avenue, Kalamazoo, MI.**
    a. **Opening of the Public Hearing:** The public hearing was opened at 8:08 AM.
    b. **Project Presentation:**

    Carmen and Brian Harris, developers of the project, shared their background and vision for converting the long-vacant upper floor of the property into four one-bedroom apartments. They noted the unexpected rise in construction costs and how support from City staff led them to the Brownfield process.

Jared Lutz (Michigan Growth Advisors) provided details on the project's financials and eligible activities, highlighting the importance of the 25-year TIF revenue stream to make the project viable. He explained that eligible activities total approximately $270,000, including asbestos abatement and major utility installation.

Logan Mulholland (Fishbeck) noted the project uses the full 30-year maximum allowed under statute (25 years for the developer and 5 for the local revolving fund) and summarized the overall plan scope.

Comments of support were offered by Directors Middleton and Ferraro, who commended the project for bringing housing back to a historic building downtown.

- **c.** Public Comment Period: No public comments were made.
- **d.** Board of Directors Comments: Included above.
- **e.** Closing of the Public Hearing: The public hearing was closed at 8:18 AM.

NEW BUSINESS

1. Adoption of a Resolution Approving the Implementation of an Act 381 Brownfield Plan for the Redevelopment Project at 234 and 238 E Michigan Avenue and Recommending City Commission Adopt the Plan.

Director Novotny moved to adopt a Resolution Approving the implementation of an Act 381 Brownfield Plan for the Redevelopment Project at 234 and 238 E Michigan Avenue and Recommending City Commission Adopt the Plan; seconded by Director Ferraro.

Jamie McCarthy gave background on the statutory authority delegated to the Board to hold public hearings and explained the City Commission will vote on the plan's adoption at their June 2 meeting.

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

2. Adoption of a Resolution Approving the Development and Reimbursement Agreement Relating to 234 and 238 E Michigan Avenue, in Substantially the Form Attached, Subject to any Non-Substantive Changes Approved by the Chairperson and to Form by Legal Counsel conditioned upon City Commission adoption of the Brownfield Plan and County BRA acceptance of the Reimbursement Schedule.

Jamie McCarthy noted minor changes to the reimbursement numbers may occur pending County review and requested Board authorization for the Chair to sign the finalized agreement.

Director Bair moved to adopt a Resolution approving the Development and Reimbursement Agreement relating to 234 and 238 E Michigan Avenue, in Substantially the Form Attached, Subject to any Non-Substantive Changes Approved by the Chairperson and to Form by Legal Counsel conditioned upon City Commission adoption of the Brownfield Plan and County BRA acceptance of the Reimbursement Schedule; seconded by Director Ferraro.
A roll call vote was taken, and the motion passed unanimously.

3. Approval of an Interlocal Agreement with the Downtown Economic Growth Authority Related to the Project at 234 and 238 East Michigan Avenue, Subject to any Non-Substantive Changes Approved by the Chairperson and as to Form by Legal Counsel, and Authorizing the Chair to Sign.

Jamie McCarthy provided background on DEGA's early support for the project and explained their legal counsel helped draft the interlocal agreement. Attorney Jessica Wood provided clarification that DEGA is stepping aside to allow full Brownfield tax capture and discussed the broader implications and long-term benefits of this decision.

Directed Ferarro moved approval of an Interlocal Agreement with the Downtown Economic Growth Authority Related to the Project at 234 and 238 East Michigan Avenue, Subject to any Non-Substantive Changes Approved by the Chairperson and as to Form by Legal Counsel, and Authorizing the Chair to Sign; seconded by Director Novotny. A roll call vote was taken, and the motion passed unanimously.

4. Adoption of a Resolution Approving Reimbursement Request #4 from Kalamazoo Neighborhood Housing Services in the Amount of $22,690.

Logan Mulholland explained the request includes reimbursement for eligible activities such as unsuitable soil removal and surveying. This brings the total reimbursed under the plan to date to just over $250,000 of the $485,000 approved. More reimbursement requests are anticipated.

Director Ferraro moved to adopt a Resolution approving Reimbursement Request #4 from Kalamazoo Neighborhood Housing Services in the Amount of $22,690; seconded by Director Wilson.
A roll call vote was taken, and the motion passed unanimously.

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

1. Q1 Budget Reports (Fund 242 & 243).

   Jamie McCarthy stated that revenues for Fund 243, the Brownfield Operating Fund, were tracking slightly behind expectations due to the timing of winter tax collections, which were anticipated to be deposited shortly after the close of the first quarter. She noted that expenses are generally on track, with most categories reflecting approximately 25% of annual spending. However, property maintenance costs were slightly elevated due to winter snow removal. The largest line item—developer reimbursements—is expected to be paid out later in the year, totaling approximately $2.5 million.

   Regarding Fund 242, the Local Brownfield Revolving Fund, McCarthy reported that projected revenues for the year are around $240,000. These funds are primarily sourced from the final five years of tax capture from completed Brownfield plans. She explained that current and planned expenditures from this fund include property maintenance activities, a $32,000 reimbursement to developers, and a forthcoming investment in professional contractual services to support real estate marketing efforts. McCarthy also noted that staff may be seeking volunteer support from the board in the near future to assist with consultant selection for these services.

ADJOURNMENT: The meeting was adjourned at 8:37 A.M. by Chair Middleton.

Erin Hahn
Erin Hahn
Recording Clerk

Chair Signature

Lucas Middleton
Printed Name/Chair