CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY SPECIAL MEETING
Thursday, May 29, 2025
The Foundry
600 E Michigan Ave, Kalamazoo, MI 49007

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

MEMBERS ABSENT: Michael Gurnee

CITY STAFF PRESENT: Jamie McCarthy (Development Manager); *Jessica Wood (Attorney, Dickinson Wright); Logan Mulholland (Fishbeck, Consultant); David Stegink (Fishbeck, Consultant) Erin Hahn (Community Investment Administrative Assistant)

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.

RETREAT TOPICS

1. **Introductions**
   Staff began the retreat with a welcome and introductions. Jessica Wood, the BRA's legal counsel from Dickinson Wright, was introduced, along with Logan Mulholland and David Stegink from Fishbeck, the BRA's technical consultants.

2. **Board Governance Overview**
   Jessica Wood led a refresher presentation on board governance, including the Open Meetings Act, the Freedom of Information Act (FOIA), and conflict of interest policies. She explained that FOIA requests must be processed formally through the City's FOIA coordinator and that board

communications, including emails and texts, may be subject to public records requests regardless of whether they are sent from personal devices. She emphasized the importance of separating board business from personal communication. She also provided guidance on the Open Meetings Act, noting that public deliberation and decision-making must take place in an open forum. She explained that recommending bodies are not subject to the Act, but full board actions are, and she recommended formal procedures if a quorum of board members visits a site together. In such cases, the board should consider opening a public meeting to remain in compliance. The board also received guidance on handling conflicts of interest, including the recommendation to contact legal counsel or staff if a potential conflict arises. Board members were advised to abstain from discussion and voting in cases of a confirmed conflict.

3. **Brownfield Policy and Act 381 Overview**
Staff and consultants provided a presentation on updates to Act 381 and current BRA policy. Fishbeck consultants explained that the Brownfield Redevelopment Financing Act was amended in 2023 to expand the definition of eligible brownfield projects to include housing. These changes allow for gap financing and other tools to support the development of housing units, especially income-qualified housing. The amendments also expanded eligible activities to include asbestos abatement up to $250,000 and recognized MSHDA's increased role in housing-related brownfield plans. Consultants emphasized that local review of project financials is now critical, as MSHDA has shifted responsibility to local authorities for determining project need.

4. **Policy Review and Input**

The board participated in small group discussions to review and provide feedback on draft policy updates. In the first discussion station, board members reviewed proposed minimum criteria that projects must meet to be considered for support. These included alignment with Act 381 definitions, meeting prequalification standards for doing business with the City of Kalamazoo, demonstrating financial need, and exploring additional funding sources. Staff also proposed incorporating a checklist from Appendix A to help applicants understand expectations, noting that it is not exhaustive nor an endorsement of any service providers. There was also discussion about when the use of a consultant is required for local-only brownfield plans.

At the second station, board members discussed proposed Housing TIF Guidelines. The draft policy would require that at least 20 percent of a project's units be income- and rent-restricted and affordable to households earning at or below 100 percent of Area Median Income (AMI). These restrictions would be documented in the Development and Reimbursement Agreement and maintained during the reimbursement period through deed restrictions. Board members expressed interest in making this requirement firmer rather than a flexible guideline while maintaining some flexibility for projects. There was discussion about allowing flexibility in bedroom types and unit locations, as well as the value of promoting mixed-income housing. Board members also discussed applying these standards to phased developments and establishing minimum and maximum durations for affordability commitments.

At the third station, the board discussed monitoring and compliance expectations. The proposed policy would include annual verification of tenant incomes and rent levels for restricted units.

Board members requested additional clarity in the language to ensure that utility costs are included in the total rent calculation. An annual reporting form would also be required for state reporting.

At the fourth station, the board reviewed proposed updates related to incentive layering. Staff proposed that when interest is included in the Brownfield Plan and a tax abatement (previously referred to as an exemption) is approved by the City Commission, interest accrual and reimbursement may begin after the abatement period ends. The policy would also allow the BRA to negotiate a different administrative fee than the standard in such cases. There was a suggestion to clarify terminology by consistently referring to abatements rather than exemptions. Director Gulau raised interest in a policy for revolving fund contributions.

ADJOURNMENT

Chair Middleton adjourned the meeting at 10:48 AM.

Signature	Printed Name/Chair	Erin Hahn/Recording Clerk
	Lucas Middleton	Erin Hahn