
CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY
Thursday, December 17, 2003 - 7:43 a.m. • 3rd Floor Conference Room, City Hall

MEMBERS PRESENT: Larry Bell; Pat DiGiovanni*; Malcolm Earhart; Susan Einspahr; Jim Greene; Mary Harper; Larry Lueth; Jim Marquardt; Bob Miller; Myra Willis

MEMBERS ABSENT: Sean McCann; Jerry Meinzinger

CITY COMMISSIONERS/CITY STAFF/CITIZENS PRESENT: Jerome Kisscorni (Assistant City Manager); Chad Howell (Development Manager); Martha Aills (Special Projects Coordinator); Tonya Sloan (Administrative Secretary)

Meeting was called to order at 7:43 a.m. by Chairperson Willis

APPROVAL OF AGENDA: Ms. Einspahr moved approval of the agenda; supported by Mr. Marquardt. Motion approved by voice vote unanimously.

APPROVAL OF THE MINUTES OF NOVEMBER 20, 2003: Mr. Earhart moved approval of the minutes; supported by Mr. Miller. Motion approved by voice vote unanimously.

APPROVAL OF FINANCIAL STATEMENTS FOR PERIOD ENDING NOVEMBER 30, 2003: Mr. Kisscorni outlined the activity during the period. Mr. DiGiovanni moved approval of the financial statements; supported by Mr. Greene. Motion approved by voice vote unanimously.

NEW BUSINESS

SALE OF 2152 PORTAGE STREET (SER PLATING SITE): Mr. Howell stated that the city has received a proposal from ALP, LLC for the purchase of the SER Plating site for the construction of affordable housing for seniors and the developmentally disabled. They have acquired other property in the area, and acquisition of this site is key to the success of the project. The terms of the sale are contained in the term sheet included in the board members' packets. The Projects & Finance Committee discussed the sale and recommends that the board approve the sale under the terms outlined in the term sheet, authorize staff to draft a redevelopment and purchase agreement, and authorize the Executive Committee to approve and the chair to execute the redevelopment and purchase agreement.

Mr. DiGiovanni stated that he feels the board should approve the sale in concept until more detailed plans for the project are provided. Mr. Howell responded that staff asked the developer to obtain only a purchase option for now, and they indicated that they would like to purchase the property now. The consensus of the board was that the property should be sold now, as the developer is a viable corporate citizen, the board knows the quality of their projects, and they have assembled other land in the area already. Mr. DiGiovanni moved that the board authorize the completion of a redevelopment and purchase agreement based on the terms contained in the term sheet and authorize the Executive Committee to approve and the chair to sign the agreement, and that

the board strongly encourage the developer to flesh out the plans and present them to the board; supported by Mr. Greene. Motion approved by roll call vote unanimously, with Mr. Earhart abstaining.

* Mr. DiGiovanni left the meeting at 8:04 a.m.

RECOMMENDATION TO REIMBURSE TEXTILE SYSTEMS, INC. FOR ELIGIBLE BROWNFIELD ACTIVITIES: Mr. Howell indicated that the city attorneys have been working with Borgess for over a year on the issue of TSI's tax status. A settlement has been reached whereby a portion of TSI will be taxable, based on the percentage of business that they take in from non-Borgess-affiliated parties. Integral to that settlement is the provision that the BRA provide immediate reimbursement to TSI in the amount of \$16,329.20 for eligible environmental activities completed in 1998 and 1999. It is expected that the BRA will recoup more than that amount in the first tax year, and will receive approximately \$52,000 in the five years after that. **Mr. Greene moved that the board reimburse Borgess/TSI for eligible environmental activities in the amount of \$16,329.20; supported by Ms. Einspahr. Motion approved by roll call vote unanimously.**

COMMUNICATIONS & ANNOUNCEMENTS

RECEIPT OF INFORMATIONAL ITEMS: Ms. Willis indicated that the board members have received the Project & Finance Committee report and the BRI summary chart.

DIRECTORS' COMMENTS

Mr. Kisscorni stated that the Michigan Chapter of the National Brownfield Association will be meeting at the Radisson Plaza tomorrow.

ADJOURNMENT: 8:10 a.m.

Tonya Sloan, Recording Secretary

Myra Willis, Chairperson