NEW BUSINESS

1. Presentation by the developer and staff of the proposed Act 381 Brownfield Plan for the redevelopment project located at 3406 Stadium Drive, Kalamazoo.

Mr. Andy Wenzel from Plaza Corp gave a short presentation of the project. He stated that they are excited to press forward, and he referenced the property as a gateway parcel on Stadium Drive. They have owned the property for a few years and have been entertaining ideas for development since that time. Mr. Wenzel said the property includes two parcels with the front parcel being the previous Wayside West establishment. It was shared that the property has been condominiumized. They are planning a phased project. He indicated pleasure that the reimbursement will help pay for a portion of eligible activities. The site was lynch pin of utilities for all of Stadium Drive. There were many easements on the site for Consumers and general utilities. Mr. Wenzel indicated that even though it is an interesting time for retail development, they do have a viable tenant. He also shared that their project will bring new jobs to the City. He believes it is timely to do a redevelopment of this site and move it forward.
Ms. McCarthy shared with the board that the team at Plaza Corp has been to site plan meetings and have been resolving any issues on the site.

Ms. McCarthy stated that the commitment from Plaza Corp is 60 full-time jobs and renovating the obsolete building, which is how this qualifies for the Brownfield Incentives. There is approximately $781,000 in eligible activities. This project qualifies for 7 years of TIF capture. They will be reimbursed approximately $220,000. Plaza Corp’s full investment in the site will be an estimated $5.8 million.

Chair Owens asked Mr. Wenzel to speak more about the addition of 60 new employees. Mr. Wenzel stated that 10 jobs are included with the initial phase – the 10,000 square foot building. The redevelopment of the existing building would include 20-30 jobs, and the retail portion would bring it in excess of the 60 jobs promised.

Chair Owens asked if they have reached out to other utilities to make sure improvements can get done at one time. Mr. Wenzel replied that they have been coordinating with 5-6 different utilities.

Mr. Jason Novotny asked how they view eligible activities with a phased construction in a 7-year period?

Mr. Agostinelli stated that the Brownfield plan sets a ceiling for eligible activities. Plaza Corp will be reimbursed for activities incurred. They have 5 years to start the project and delay capture. Plaza Corp will give notice as to when the 7 years of capture will start. Mr. Agostinelli said that at any time they can reimburse eligible activities incurred. He said there will be more eligible activities incurred on the site than can be reimbursed.

Mr. Agostinelli went through the Brownfield Plan structure. The qualifying criteria in this case was a functionally obsolete building. He pointed out the Eligible Activities table and reviewed the costs of eligible activities listed. He also reviewed the tables of tax capture estimates and explained the first lines of the table speaking about taxable values. Mr. Agostinelli spoke about how the developer has an interest in maximizing capture by delaying the start until they’ve made their investment. This delay allows the Brownfield Authority to begin their capture right away. The Brownfield Authority will continue to capture an increment until Plaza Corp states they want to start capture. The Brownfield Authority can capture for 5 years to build their revolving fund.

Vice Mayor Griffin thanked Mr. Agostinelli for going through that and for Chair Owen’s question regarding employment. She wondered if there will be local people working on the construction of the site. Mr. Wenzel stated that the initial phase will be local people. He said that even if they use a contractor that isn’t local, the trades will be local.

Mr. Phillips asked if they will go forward with the first phase this year? Mr. Wenzel confirmed they are still on track and moving forward. They are planning to start this fall.

Chair Owens asked if they are amenable to sharing utility pathways with their neighbors? Mr. Wenzel explained how that they are already in process of doing that.

2. Public Hearing for the proposed Act 381 Brownfield Plan for the redevelopment project located at 3406 Stadium Drive, Kalamazoo.

Chair Owens opened the public comment portion of the hearing.

There were no public attendees and no comments brought forward.

Chair Owens closed the public comment portion of the hearing.
3. Consideration of a Resolution recommending the City Commission approve the Act 381 Brownfield Plan for 3406 Stadium Drive. (Action: Motion to adopt the Resolution recommending the City Commission approve the Act 381 Brownfield Plan for 3406 Stadium Drive).

Mr. Doug Phillips moved to adopt the Resolution recommending the City Commission approve the Act 381 Brownfield Plan for 3406 Stadium Drive; supported by Mr. Kevan Hess. Motion approved by roll call vote unanimously.

4. Consideration of a recommendation to approve the development agreement with EFS Stadium Properties, LLC for the project at 3406 Stadium Drive and authorize the board chair to sign. (Action: Motion to approve the development agreement with EFS Stadium Properties, LLC for the project at 3406 Stadium Drive and authorize the board chair to sign).

Ms. McCarthy gave a short introduction to this consideration.

Attorney Cherry stated that Mr. Agostinelli hit the highlights of the terms of the agreement. He did focus in on the question Vice Mayor Griffin asked about whether the workers will be local. Attorney Cherry said that it is included in the agreement. The Brownfield Authority will make sure the developer is held accountable to make every reasonable effort to hire City residents. He said the ex-offender purchasing policy is also included in the agreement. Attorney Cherry said it is important to the City Commission to have that wording in the agreement. He shared that this Authority is somewhat unique in that the developer can inform them about when they want to start the capture.

Mr. Tom Schlueter moved to approve the development agreement with EFS Stadium Properties, LLC for the project at 3406 Stadium Drive and authorize the board chair to sign; supported by Mr. Jason Novotny. Motion was passed by a roll call vote unanimously.

Mr. Wenzel thanked the board for their support.

**OLD BUSINESS**

5. Approval of TIF reimbursement requests submitted for projects at 412 Howard Street, 311/315 E Alcott Street, and 155 W Michigan Avenue and authorization to commence TIF capture in 2020 and payment starting in 2021. (Action: Motion to approve the three TIF reimbursement requests and authorize TIF capture beginning in 2020 and for payment starting in 2021).

Ms. McCarthy reviewed the table of terms for these three development projects. She stated that staff recommendation is that the board approve the reimbursement requests and authorize TIF capture. Ms. McCarthy said they submitted their reimbursement requests in 2019 and provided proof of expenses. She stated that if approved, the developers will get checks in 2021.

Mr. Nathan Bolton moved to approve the three TIF reimbursement requests and authorize TIF capture beginning in 2020 and for payment starting in 2021; supported by Ms. Jasmine Vedua. Motion was passed by a roll call vote unanimously.

6. Approval of a recommendation that the City Commission appoint Jamauri Bogan and Lucas Middleton as new board members to the Brownfield Redevelopment Authority (BRA) board for one 6-year term each. (Action: Motion to approve the recommendation that the City Commission appoint Jamauri Bogan and Lucas Middleton as new board members to the BRA board for one 6-year term).
Chair Owens stated they were fortunate to have these two new people join the board. She called for any comments and a motion.

Mr. James Escamilla moved to approve the recommendation that the City Commission appoint Jamauri Bogan and Lucas Middleton as new board members to the BRA board for one 6-year term; supported by Mr. Kevan Hess. Motion was passed by a roll call vote unanimously.

COMMUNICATIONS AND ANNOUNCEMENTS

1. Board officer elections will take place at the June 18, 2020 BRA board meeting. Patti Owens, current board chairperson, will appoint a committee to present a slate of nominees for the positions of chairperson, vice-chairperson, and secretary/treasurer.

Chair Owens stated that three board members, Mr. Jason Novotny, Mr. Nathan Bolton and Mr. James Escamilla, volunteered to be on the committee.

Ms. McCarthy added that the EDC and BRA typically have different officers though they don’t have to be. She stated that she will send out the conflict of interest policy. Ms. McCarthy offered to facilitate a call to talk about the responsibilities of each office.

STAFF UPDATES

Ms. McCarthy stated that they will talk about the Incentives Policy at the next meeting. She reported there will be another swearing in for the new board members next month. Ms. McCarthy talked of putting together a shared drive for them all to access. She also spoke of a Brownfield 101 to train the new board members and any current board member who wants a refresher.

Director Kik shared that Community Planning and Economic Development will be slowly coming back to the office on June 1. Some of the Department will be coming back on a staggered schedule. Chair Owens wished her the best with reopening. She encouraged Director Kik to be vigilant and follow the rules.

CITIZEN COMMENTS

None.

DIRECTOR’S COMMENTS

Mr. Doug Phillips commented that the Brownfield Plan approved for the Stadium Drive project is a great example of the relatively new Incentive Policy. He wondered if there was pushback from the developer regarding the length of capture. How was it received by them?

Mr. Agostinelli stated that every developer wants more. He was able to talk to the developer about what was important to the Brownfield Authority because of their guiding set of principles. Mr. Agostinelli shared with them that every project is different and warrants different levels of incentives. Their project was eligible for 7 years. Mr. Agostinelli mentioned that the landscape has changed in the last few weeks. He believes they will see smaller projects like this.

Chair Owens gave kudos to this organization for being willing to go forward during this time. It will
create jobs and increase the tax base.

Director Kik shared that she and City Manager Ritsema have been meeting with developers. They are checking in with everyone they can. She said they have become listeners. Director Kik encouraged the board to share any names of developers they think she should meet with. She commented that the shift in things may be 12-18 months down the road. They are trying to remain vigilant.

Mr. Kevan Hess shared that housing has seen a nice recovery within the short-term. He is planning to track that over the next couple months.

Mr. Tom Schlueuter announced that it was his last meeting. He expressed pleasure in working with everyone. He thanked Attorney Cherry, Mr. Agostinelli, Ms. McCarthy and Director Kik for bringing these boards up a notch or two these last couple years.

Ms. Jasmine Vedua shared that Habitat is not building. They are hoping to be getting back into the office by the end of this month and then back into construction.

Mr. Nathan Bolton reported that small businesses still have an opportunity for some money. He thanked Mr. Doug Phillips and Mr. Tom Schlueuter for being good mentors for him.

Chair Owens felt that Mr. Doug Phillips and Mr. Tom Schlueuter raised the bar for what this board should look like and operate like. She stated they have been great leaders and tremendously helpful to all of them. Chair Owens feels that because of their leadership, the board can open any of their meetings to any scrutiny and be able to follow best practices.

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**ADJOURNMENT: 8:56 AM**

_Beth Cheeseman_, Recording Secretary

[Signature]

_Patti M. Owens, Chair_

Printed Name/Title