

**Brownfield Redevelopment Authority
Board of Directors Meeting
May 20, 2021
Immediately following EDC meeting**

This meeting is being conducted electronically pursuant to the Open Meetings Act MCL 15.263 (2) and MCL 15.263a 1(b).

Agenda

- A. Call to Order**
- B. Roll Call and Motion to Excuse Absent Members** (Action: Motion to excuse absent members)
- C. Adoption of Formal Agenda** (Action: Motion to approve formal agenda)
- D. Approval of Minutes for Meetings on April 15, 2021** (Action: Motion to approve the meeting minutes of April 15, 2021)
- E. New Business**
 - 1. Public hearing for the City of Kalamazoo 9th Amendment to the Revised Brownfield Redevelopment Plan (NO ACTION).
 - Presentation by staff
 - Public comment period
 - Board discussion
 - 2. Adoption of a resolution approving the implementation of the City's 9th Amendment to the Revised Brownfield Redevelopment Plan and recommending adoption by the City Commission (ACTION: Motion to adopt the resolution approving implementation of the 9th Amendment to the Revised Brownfield Redevelopment Plan and recommending adoption by the City Commission).
 - 3. Approval of a Development Agreement between the BRA and 619 Porter, LLC for the redevelopment of 619 Porter, 316 E. North. (ACTION: Motion to approve the development agreement between the BRA and 619 Porter, LLC for the redevelopment of 619 Porter and 316 E. North Street).
 - 4. Public hearing for the Revised Scattered Site Infill Housing Brownfield Redevelopment Plan (NO ACTION).
 - Presentation by staff
 - Public comment period
 - Board discussion
 - 5. Adoption of a resolution approving the implementation of the Revised Scattered Site Infill Housing Brownfield Redevelopment Plan and recommending adoption by the City Commission (ACTION: Motion to approve the implementation of the Revised Scattered Site Infill Housing Brownfield Redevelopment Plan and recommending adoption by the City Commission).
 - 6. Approval of an Amended Development Agreement between the BRA and Kalamazoo Neighborhood Housing Services for redevelopment of seven scattered sites for single family residences. (ACTION: Motion to approve the development agreement between the BRA and Kalamazoo Neighborhood Housing Services for redevelopment of seven single family residences).

7. Approval of a Consent to Enter between the BRA and the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to conduct an environmental assessment at 508 Harrison and authorize the CPED Director to sign the CTE and Statement of Disclosure (SOD). (ACTION: Motion to approve the Consent to Enter between the BRA and EGLE and authorize the CPED Director to sign the CTE and SOD).
8. Consideration of a request by River Caddis, LLC for a 90-day extension of the investigation period for the Purchase and Sale Agreement between the BRA and River Caddis, LLC for redevelopment of the parcels at 508 Harrison and 660 Gull Road and authorize staff to amend the Purchase and Sale Agreement and Development Agreement to reflect new project financing and rental structure. (ACTION: Motion to approve a 90-day extension of the investigation period for the Purchase and Sale Agreement with River Caddis, LLC and authorize staff to amend the Purchase and Sale Agreement and Development Agreement).

F. Old Business

G. Communications and Announcements

H. Staff Updates

- RFQ Review Committee
- Annual meeting scheduled for regular EDC/BRA meeting in June
- Allied Landfill remedial action to break ground in June, virtual townhall scheduled for May 24 at 7:00 p.m.
- Northside rezoning scheduled for PC hearing on June 3

J. Citizen Comments

K. Directors' Comments

L. Adjournment

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY BOARD MEETING
Thursday, April 15, 2021
Virtual meeting**

MEMBERS PRESENT: Kyle Gulau; Jason Novotny; Patti Owens; Lucas Middleton; Jamauri Bogan; Vice Mayor Patrese Griffin; Kevan Hess; James Escamilla; Nathan Bolton; Fritz Brown

MEMBERS ABSENT: Middleton

CITY COMMISSIONERS/CITY STAFF PRESENT: Richard Cherry (Deputy City Attorney); Jamie McCarthy (Development Coordinator); Trina Clark (Code Admin Records Clerk/Cashier); Antonio Mitchell (Community Investment Manager); Rebekah Kik (Director of Community Planning and Economic Development); Melody Daacon (Neighborhood and Special Projects Coordinator)

Meeting was called to order at 7:55AM AM by Chair Nathan Bolton.

Director Bolton announced the order allowing an electronic meeting.

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

APPROVAL OF AGENDA: Director Owens moved the approval of the agenda as presented; seconded by Director Brown. Motion approved by voice vote unanimously.

APPROVAL OF THE MINUTES OF JANUARY 21, 2021: Director Brown moved the approval of the minutes; seconded by Director Escamilla. Motion approved by voice vote unanimously.

APPROVAL OF THE MINUTES OF MARCH 18, 2021: Director Brown moved the approval of the minutes; seconded by Director Escamilla. Motion approved by voice vote unanimously.

NEW BUSINESS

1. Presentation on proposed rezoning of the northeast portion of the Northside Neighborhood where the BRA owns properties within the 600-1100 blocks of Pitcher Street and the 800-1000 blocks of Porter Street (NO ACTION).

McCarthy introduces city planner Christina Anderson. Ms. Anderson came to the Projects and Finance meeting and introduced rezoning ideas the city is working on within these blocks. Efforts made are moving forward with several parcels, approximately a third, owned by the BRA.

Christina Anderson, city planner, shares screen of map. Highlighted yellow is property owned by BRA. This is second rezoning done on Northside since the master plan. Both plans have similarities. Areas mapped on the power point, East End of Northside Neighborhood, are areas of focus. The majority of the property being South of Paterson down to North and Walbridge being east boundary and railroad tracks along Gibson Factory being the western boundary. All of these properties are M1 and most of them do not serve manufacturing roll. There is some intensive commercial use in the area but not many. 75-80 properties in the area with 25 being residential, a mix of owner occupied and rentals. Many of which are vacant and/or have demolition on them or undeveloped, or actively used as commercial or parking use.

Christina Anderson shares power point that shows to the east are two RMU properties owned by Graphic Packaging. These sites are cleared and Graphic Packaging is interested in expanding existing use over both parcels. To accomplish this, it will need to be rezoned to manufacturing. Down zoning and up zoning parcels can be done to keep manufacturing out of the neighborhood, which has a vision for mixed uses and residential opportunities.

Christina Anderson also shares highlighted purple area on power point that is not part of rezoning. Director Bogan, contract owner of 315 E Frank property, has gone through plan commission for rezoning, city commission on Monday. Gibson Guitar factory is outside our boundary. Challenges with existing zoning is manufacturing does not allow for residential uses. There is an interest in adding residential in this area. Several small residential lots and small streets may not be able to handle manufacturing traffic with a few exceptions. The adjacent parcels brought forward by Graphics Packaging the zoning does not match, residential mixed use allows residential with very limited commercial uses.

Christina Anderson added that rezoning the area will be mixed district, with a majority being Live Work 1, an extension of what was done on the northside just to the south and to the west. Live Work One allows for mixed uses, including single family homes. Live Work 1 was created with the character and visions by the neighborhood. Properties there now will be Live Work 2, which allows a mix of commercial, limited production, and residential, not single family. Live Work 2 was designed looking at existing lot and block size and supports existing character and size.

Christina Anderson further adds, it is important that the board knows that we can rezone and have the zoning match master plan and community vision, also being sure that the success matches the public infrastructure. We are committed to adding streets to the area to the capital improvement plan to ensure the streets are properly resurfaced, with importance to improvements to sidewalks, intersections, street repaving, and streetlights and trees.

Next steps: April 15th Northside Cultural business District Authority.
May 18th Northside Association for Community Development.
June 3rd Planning Commission.
Watch and Give Input: online: imaginekalamazoo.com/projects/northsidezoningphase2
Email: andersonc@kalamazoocity.org
Call: Engagement Hotline 269-226-6524

Director Hess thanks Christina Anderson for working with Northside Association and this neighborhood can see much needed development.

Director Escamilla added that there is a lot of property in that area that this board owns and asked who will it be sold to?

Christina Anderson stated the importance of getting it zoned correctly first as this is a challenging piece to sell. If it were sold now, then the new owners would still need to go through the zoning process alone including having to bring it to city planning/commission alone.

Director Escamilla thanked Christina Anderson for setting up for proper purchasing by setting the zoning in anticipation of future purchase.

Director Bolton thanks Christina Anderson and reminds everyone that this is for information purposes with no action needed.

2. Consideration of a recommendation that the BRA approves a permanent easement to Consumers Energy for electric facilities on the parcel at 2304 S. Burdick Street (ACTION: Motion to approve a permanent easement to Consumers Energy for electric facilities on the parcel at 2304 S. Burdick Street).

Jamie McCarthy shares map of area BRA purchased a few years ago near the former Allied landfill site. The board is aware there is remedial action in this area. (map shown is East Alcott Street down south to East Cork Street). There is history in the area of paper manufacturing and paper recycling that left behind pollution the EPA and Environmental trust have responsibility of cleaning up are currently working on. Consumers Energy working with city on electric utility lines to relocate them. Consumers is looking for permanent utility easement to allow for lines to cross and upgrade service there. Consumers Energy is also working with trust to ensure this is a path that will work with remedial design/action, but also steps to help timeline of it so the line relocation and removal of old line will be done to align with other construction projects there.

Jamie McCarthy asks Deputy City Attorney Richard Cherry, working with Consumers Energy on easement, if he would like to add information and introduced Beth Eby, from Consumers Energy, to speak on the utility easement or answer questions.

Deputy City Attorney Richard Cherry stated that if there are questions for Beth Eby she may be able to answer questions regarding the easement.

Jamie McCarthy asked Beth Eby if she could provide details of the easement, as there are 2 zones included in it: One regarding structures allowed/disallowed, and the other being vegetation management zone.

Beth Eby stated that this is for an electrical facilities utility's easement with line relocation. A downside is that the area is in flood plains, woodland areas needed to avoid, that will complement the design relocation. Consumers Energy team to meet with city team to go through and walk the grounds to see what can be least obstructive to the property. The forestry team at Consumers Energy will manage the vegetation zone(s).

Beth Eby further thanks everyone for their time to review the easement and property.

Deputy City Attorney Richard Cherry added we will not see a negotiated price for the easement. Working with city assessor to determine what, if any, impact the line would have on the property. The assessor office came up with an amount negotiated with Consumers, they will pay approximately \$13,000 for the easement. Normally with these types of easements we do not see any return. Easements are located throughout the city for power lines. This property is unique because it was a property that the BRA was looking to develop and in the future once remediation is complete. Allied will benefit also once the old lines are removed and we have a solid timeline for this to happen, which the city will eventually inherit at some point.

Director Owens added comment she worked with Beth at Consumers Energy over an easement. Correctly stated, the trees replaced were perfect species, all reparations were done, and believes Consumers Energy do what they say they will do.

McCarthy asked directors to have camera on for roll call vote.

Director Owens made a motion to approve a permanent easement to Consumers Energy for electric facilities on the parcel at 2304 S. Burdick Street, supported by Director Brown.

Roll call vote taken and passed unanimously.

3. Consideration of a recommendation that the BRA approves the reimbursement request for eligible activities incurred for the project at 162 E. Michigan Avenue and authorizes capture to begin in Summer 2021. (ACTION: Motion to approve the reimbursement request for eligible activities incurred for the project at 162 E. Michigan Avenue and authorizes capture to begin in Summer 2021).

Jamie McCarthy stated this is a reimbursement request submitted by the developer at the end of 2020. This is one of two requests. All certificates of occupancy have been in place. As of now the developer is waiting on final snow melt system. The second request will be submitted later this year with the snow melt information included. Information provided to Virologic.

Jamie McCarthy included that David Stegink used a checklist that EnviroLogic was able to provide to the board which included a thorough review of the reimbursement package, the original Brownfield plan and the ACT Community One Work plan to ensure all the costs align with what was previously approved.

David Stegink stated this request included cost for mostly asbestos abatement and demolition activities and Brownfield plan preparation. The asbestos abatement cost was significantly more than what was originally estimated. Contingences in the Brownfield plan can be covered and are well within the limits. Asbestos abatement costs were originally included under demolition activities. We recommended that they are properly characterized and it was agreed to. Documentation included proof of payment(s) with a few exceptions of the smaller costs. Some vendors emailed and confirmed payment. Documentation was reasonably sufficient. The developer also provided a recent title search document that demonstrated no construction liens on the property.

Middleton added apology for tardiness and Deputy City Attorney Richard Cherry confirms Middleton can vote going forward. Director Fritz Brown added that he has to sign off at this time.

Director Owens made a motion to approve the reimbursement request for eligible activities incurred for the project at 162 E. Michigan Avenue and authorizes capture to begin in Summer 2021, supported by

Director Middleton.

Roll call vote taken and passed unanimously.

OLD BUSINESS

1. Consideration of a recommendation that the BRA approves an amendment to the purchase agreement with Innovative Design Properties, LLC for redevelopment of 809, 813, and 817 Porter Street. (ACTION: Motion to approve an amendment to the purchase agreement with Innovative Design Properties, LLC for redevelopment of 809, 813, and 817 Porter Street).

Jamie McCarthy added that staff is bringing this forward to extend or amend the purchase agreement that the BRA originally approved of last fall. At that time Mr. Credell Jackson came and presented to the board and provided a presentation of his sign business on an adjacent property. He has been improving and expanding his parcel and business. His property lacks adequate frontage and proper access to the business, (lack of parking). Offering to sell him these parcels will enable him to put in parking lot and proper ingress and egress to his business. The original agreement included a fast turn around time of 30 days for environmental due diligence and closing. The

city requires any new owner has to be in good standing with the city with no outstanding fees or taxes due. Mr. Jackson does have an outstanding utility connection fee of \$3,090.00 that he is paying down, which was occurred when doing improvements on his property.

Jamie McCarthy further added that Mr. Jackson had the option to bring the bill to closing and close quickly or give him time to pay down the bill incrementally. He did ask for 6 months to pay the outstanding bill as his business has been impacted by the pandemic. The 6 months will allow him time to time to get back to full capacity and pay off the bill and close by October. This amendment in total will give him 1 year for closing. This aligns with what the BRA has done for other developers.

Director Hess made a motion to approve an amendment to the purchase agreement with Innovative Design Properties, LLC for redevelopment of 809, 813, and 817 Porter Street, supported by Director Novotny. Roll call vote taken and passed unanimously.

2. Update on Project Proposals submitted to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for Brownfield grants (NO ACTION).

Jamie McCarthy provides the board with information received from EGLE. EGLE is done with their vetting of all proposals received for Brownfield cleanup grants for this year. The BRA/EDC both submitted one project proposal. The first proposal submitted in January of this year was for a property at 315 Frank Street that the BRA is working with Bogan Development for mixed use redevelopment of. The second parcel proposal was submitted in March of this year, the BRA development team is working on with River Cadis at 508 Harrison. EGLE vetted both projects and is able to support the 315 E Frank project. However, they do not have enough support for the 508 Harrison project. It is typical for EGLE to spread out their grant funding which was just over \$9 million this year. The vetting order does factor into EGLE's overall decisions. EGLE offered some assessment funding that they would be the overseer and contract with a consulting team to do assessment work at 508 Harrison. Understanding some more of the conditions at that site can help the project move along to a grant phase in the future. Staff will continue to have those conversations with EGLE about this.

Jamie McCarthy further stated that a full project application will move forward with 315 E Frank Street. This is the second part EGLE asks for by invitation only leading to a final grant award over the next several months. A full application is due by May 1st. Staff will work to get an access agreement to EGLE. They are also looking for a letter of support by city's manager office. The project application will be submitted on behalf of the BRA by the May 1st deadline. This gives EGLE up to 90 days by statute to fully review application and have grant agreement for the BRA to review and approve with reply by this summer.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF UPDATES

Jamie McCarthy added that staff and developers attended The Michigan Strategic Fund board’s meeting on March 23rd. That project was up for CRP and TIF plan for the 400 Rose Phase 2 project. The Michigan Strategic Fund was successful and they will be supporting that project with a loan in the amount of \$4.85 million. They are looking to break ground by this summer.

Jamie McCarthy added an update on new board member, Rachael Bayer. Anticipating she will be approved through city clerk and city commission office in May and will join the board, be sworn in, and attend the next BRA board meeting in May.

CITIZEN COMMENTS

None.

DIRECTOR’S COMMENTS

None.

ADJOURNMENT: 8:45am

Trina Clark
Recording Clerk

Chair Signature

Printed Name/Title

INTER-OFFICEMEMO

To: Brownfield Redevelopment Authority Board Members

From: Jamie McCarthy, Sustainable Development Coordinator

Date: May 18, 2021

Subject: Resolution to Approve a Nineth Amendment to Revised Brownfield Redevelopment Plan and to Recommend the City Commission Adopt a Resolution adding Amendments to the Revised Plan

BACKGROUND

Staff and Envirollogic Technologies, Inc. prepared this Nineth Amendment to the current Revised Brownfield Redevelopment Plan. The BRA provided notice of the public hearing held May 20, 2021, as required under Act 381, and published notice in the Kalamazoo Gazette. The proposed BRA resolution is attached, and when adopted will be provided to the City Commission for approval of the amendments present herein.

The purpose of the Nineth Amendment to the Revised Brownfield Redevelopment Plan is to amend two chapter and correct a typographic error in Chapter 38. In order to comply with the requirements of Act 381 to add and amend these chapters, this Nineth Amendment is necessary. The chapters and properties involved in the amendments are:

A) Amend Chapter 17) JA Richards Blocks

- Remove parcels: 06-15-250-150 and 06-15-215-076

B) Correct Error Chapter 38) 108 E Michigan Avenue

- Replace \$440,000 in eligible activities with \$650,000, as it appeared in an earlier version of the Revised Brownfield Redevelopment Plan (and approved in current development agreement between BRA and developer and the Act 381 Work Plan approved by the Michigan Strategic Fund for school tax capture)

C) Amend Chapter 50) 619 Porter Street & 316 E North Street

- Add parcel: 06-15-255-031

RECOMMENDATION

It is recommended that the BRA adopt the resolution approving implementation of the Nineth Amendment to the Revised Brownfield Redevelopment Plan and recommend the City Commission adopt a resolution approving the amendment of the Plan.

Staff recommends amending Chapter 17 to remove the parcels the BRA is considering for a new and separate redevelopment project at 315 E. Frank Street. This parcel is included in an existing Purchase and Sale Agreement with Bogan Developments, LLC. The other parcel is under consideration to add to

a future development phase that would be included in a new brownfield plan.

Staff recommends correcting the error in Chapter 38 which aligns with the current development agreement between the BRA and Peregrine PNC, LLC. The project was completed in 2019 and is currently receiving tax increment financing (TIF) reimbursement under the terms of the agreement. The Amended and Restated Brownfield Plan, 26th Amendment adopted in July 2015 originally estimated eligible activities at \$440,000. In the Amended and Restated Brownfield Plan, 27th Amendment the cap on eligible activities was amended to \$650,000. The plan reverted back to the outdated figure of \$440,000 in error in a subsequent plan amendment.

Staff recommends adding the former railroad parcel (06-15-255-031) to Chapter 50 as requested by Plazacorp (Developer). The parcel will be used for parking to meet the minimum parking requirements for the proposed new development at 619 Porter.

ATTACHMENTS

Resolution

Excerpts from 9th Amendment to the City's Brownfield Redevelopment Plan (Ch. 17, 38, 50)

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY**

**A RESOLUTION APPROVING THE IMPLEMENTATION OF
CITY OF KALAMAZOO'S NINETH AMENDMENT TO
REVISED BROWNFIELD PLAN AND
RECOMMENDING ADOPTION BY THE CITY COMMISSION**

Minutes of a regular meeting of the City of Kalamazoo Brownfield Redevelopment Authority held on May 20, 2021, at 7:30 a.m., local time, held virtually pursuant to the Open Meetings Act MCL 15.263 (2) and MCL 15.263a 1(b).

PRESENT:

ABSENT: _____

The following resolution was offered by Member _____ and seconded by Member _____.

RECITALS:

A. The City has created the City of Kalamazoo Brownfield Redevelopment Authority (the "Authority"), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381").

B. Under Resolution No. 08-16, the City Commission delegated the public hearing process to the Authority regarding any future proposed Act 381 Brownfield Plan, including the proposed City of Kalamazoo's 9th Amendment to the Revised Brownfield Plan.

C. A public hearing was held by the Authority on May 20, 2021 on City of Kalamazoo's 9th Amendment to the Revised Brownfield Plan; notice of the public hearing was given to all taxing authorities levying ad valorem or specific taxes against any parcels within the Brownfield Plan, and was also given by publication, as required by Act 381.

D. Following the public hearing on the 9th Amendment to the Revised Brownfield Plan, the Authority, in consideration of any comments heard at the public hearing or written communications received at or prior to the public hearing, determines that the 9th Amendment to the Revised Brownfield Plan constitutes a public purpose in that:

- a. It meets all requirements of Section 13 of Act 381,
- b. The proposed method of financing the costs of eligible activities of the 9th Amendment to the Revised Brownfield Plan is feasible, and the Authority has the authority to arrange the necessary financing,

- c. The description of eligible activities and their estimated costs are reasonable and necessary to carry out the purposes of Act 381, and
- d. The amount of captured taxable value estimated to result from 9th Amendment to the Revised Brownfield Plan is reasonable.

THEREFORE IT IS RESOLVED THAT:

The City of Kalamazoo Brownfield Redevelopment Authority approves the implementation of the 9th Amendment to Revised Brownfield Plan and recommends the City Commission adopt a resolution approving this amendment to the Plan.

AYES:

NAYS: _____

ABSTAIN: _____

RESOLUTION DECLARED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the Brownfield Redevelopment Authority at a special meeting held on May 20, 2021. Public notice was given and the meeting was conducted in compliance with the Open Meetings Act MCL 15.263 (2) and MCL 15.263a 1(b). Minutes of the meeting will be available as required by the Act.

Jamie McCarthy
Recording Secretary



CITY OF KALAMAZOO'S EIGHTH AMENDMENT TO REVISED BROWNFIELD PLAN



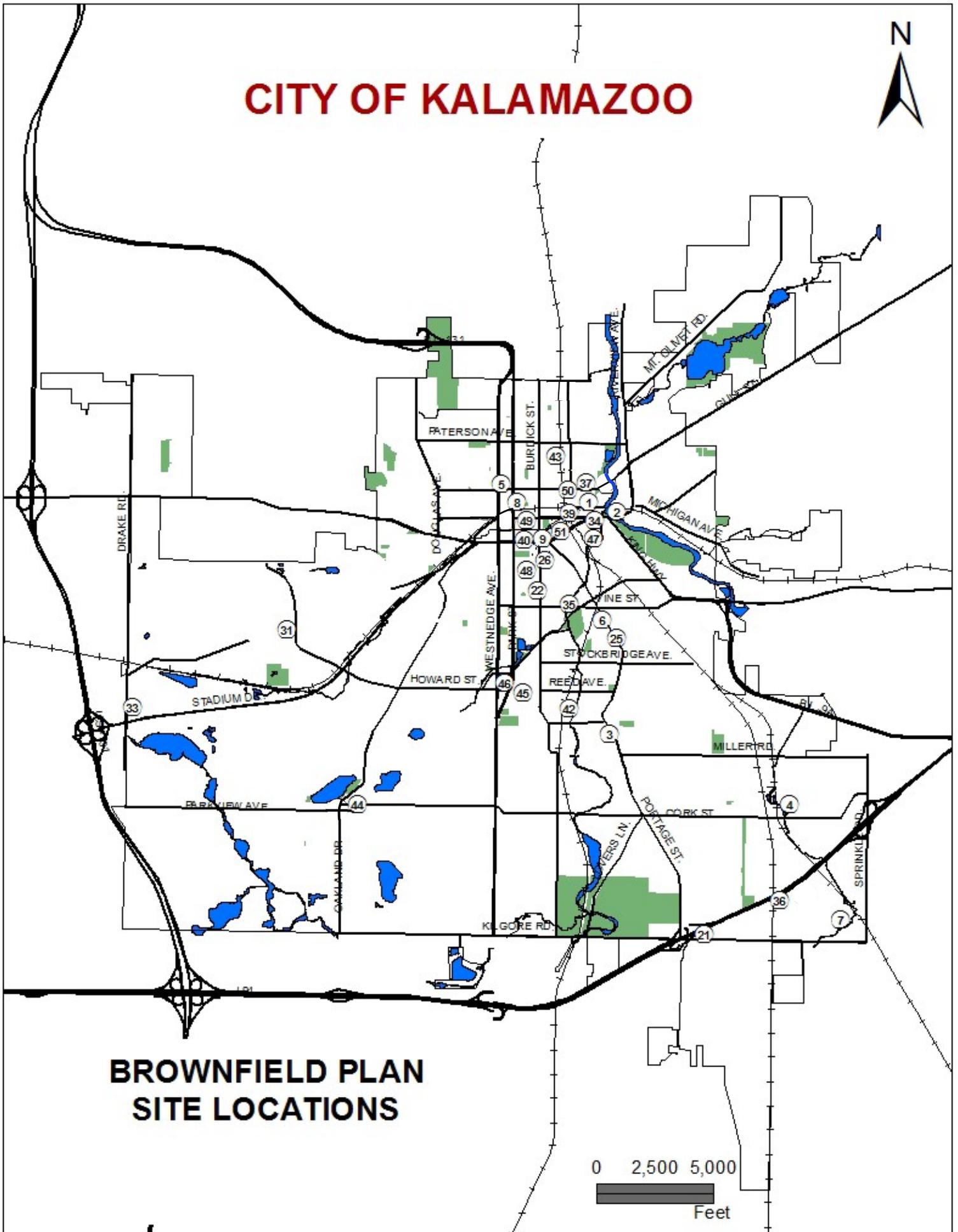
**Approved by the Brownfield Redevelopment Authority on [enter date approved]
Approved by the Kalamazoo City Commission on [enter date approved]**

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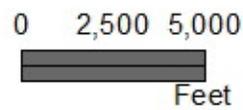
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CITY OF KALAMAZOO



BROWNFIELD PLAN SITE LOCATIONS



17) Former J.A. Richards Blocks *(chapter revised May 2021)*

Eligible Property

~~314 Parsons Street, 06-15-215-076~~

810 North Pitcher Street, 06-15-250-031

813 Porter Street, 06-15-251-233

825 Porter Street, 06-15-221-060

~~315 East Frank Street, 06-15-250-150~~

322 Parsons Street, 06-15-215-075

809 Porter Street, 06-15-251-133

817 Porter Street, 06-15-221-003

901 Porter Street, 06-15-216-200

322 Parsons Street: This 0.20-acre, tax-reverted parcel (formerly three contiguous parcels, combined on January 20, 2011) was acquired by the BRA from the State of Michigan in July 2006 and from the Kalamazoo County Treasurer in December 2010. The parcel is currently vacant.

810 North Pitcher Street: This 0.07-acre, tax-reverted parcel was acquired by the BRA from the Kalamazoo County Treasurer in August 2012. The parcel currently contains an approximate 1,154 square foot dilapidated residential structure with a carport.

809 Porter Street: This 0.06-acre, tax-reverted parcel was acquired by the BRA from the Kalamazoo County Treasurer in August 2012. The parcel is currently vacant.

813 Porter Street: This 0.07-acre, tax-reverted parcel was acquired by the BRA from the Department of Natural Resources for the State of Michigan in May 2000. The parcel is currently vacant.

817 Porter Street: This 0.13-acre, tax-reverted parcel was acquired by the BRA from the Kalamazoo County Treasurer in August 2012. The parcel is currently vacant.

825 Porter Street: This 0.50-acre, tax-reverted parcel (formerly two contiguous parcels, combined on January 20, 2011) was acquired by the BRA from the City of Kalamazoo in 2003 and from the Kalamazoo County Treasurer in December 2010. The parcel is currently vacant.

901 Porter Street: This 0.45-acre, tax-reverted parcel (formerly two contiguous parcels, combined on January 20, 2011) was acquired by the BRA from the State of Michigan in July 2009 and from the Kalamazoo County Treasurer in December 2010. A vacant residential structure is currently present on the southeast corner of the parcel and the remainder of the property is currently vacant.

Of the seventeen original parcels that make up the current subject property (now combination), eight of the original parcels were formerly owned by the J.A. Richards Company (316 and 326 Parsons; 826, 901, 903, 913 and 914 North Pitcher; 325 Myrtle).

Basis of Eligibility

The subject property is eligible for Plan inclusion based upon its condition as a blighted property. Section 2(e)(v) of Act 381 specifies that one of the definitions of blighted includes “tax reverted property owned by a qualified local governmental unit, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a qualified local governmental unit, county, or this state after the property’s inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for the purposes of this act.” Because each of the original parcels that make up the

subject property were tax reverted properties, the subject property is deemed eligible. The subject property is also eligible for Plan inclusion based upon the likely presence of environmental contamination associated with the former industrial use of portions of the property. It is anticipated that environmental assessment activities will be conducted in the future when a proposed developer of the property is identified and that the subject property's status as a "facility" (per the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended) will be confirmed.

The Plan (pursuant to section 13(1), Act No. 381 of 1996)

- a. A description of the costs of the plan intended to be paid for with the tax increment revenues;**
- b. A brief summary of the eligible activities that are proposed for each eligible property.**

Tax increment revenues will be used to offset eligible expenses associated with any eligible activities that are allowed under Act 381, as amended. The current cost estimate for eligible activities is up to \$500,000.

- c. An estimate of the captured taxable value and tax increment revenues for each year of the Plan from each parcel of eligible property.**

Estimate of Captured Taxable Value: Assuming the property can be redeveloped for industrial-type or warehouse uses, the taxable value could increase by as much as \$1,875,000.

Estimate of Tax Increment Revenues: Using the overall business millage rate of 37.7701 mills, maximum annual available real property tax increment revenues are estimated to be \$70,817 for years 1 – 5 after redevelopment has occurred. This calculation assumes that redevelopment has occurred as described above.

It is the intent of the Authority to capture all available non-school tax increment revenue on real and personal property generated by new development on the site. These tax increments will be captured for up to five years after the time that capture is required for the purpose of paying the cost of eligible activities.

- f. Duration of the Brownfield Plan for eligible activities.**

As no project has yet materialized for this parcel, it is difficult to define plan duration. However, the date for the beginning of capture of tax increment revenues is no later than September 4, 2017 and will continue for a period necessary to reimburse eligible activities plus five years of additional tax capture, but not longer than allowed by law.

- g. Maximum Estimated Impact of Tax Increment Financing on Taxing Jurisdictions.**

Taxing Unit	Millage Rate	Maximum Estimated Annual Taxed Captured by Authority
State Education Tax (SET)	6.0000	N/A
School Operating Tax	17.6757	N/A
CITY OPERATING	12.0000	\$ 22,500.00
CCTA	0.7470	\$ 1,400.63
SOLID WASTE	1.8000	\$ 3,375.00
KCTA	0.3131	\$ 587.06
KVCC	2.7970	\$ 5,244.38
COUNTY OPERATING - Summer	4.6608	\$ 8,739.00
COUNTY OPERATING - Winter - Public Safety	1.4409	\$ 2,701.69
COUNTY HOUSING	0.0993	\$ 186.19
COUNTY SENIOR	0.3484	\$ 653.25
COUNTY 911 DISPATCH	0.6500	\$ 1,218.75
KRESA OPERATING	2.8823	\$ 5,404.31
KRESA ALLOCATED	0.1437	\$ 269.44
KRESA SPECIAL ED	1.4925	\$ 2,798.44
KRESA ENHANCEMENT	1.5000	\$ 2,812.50
KALAMAZOO LIBRARY	3.9213	\$ 7,352.44
DDA	1.9638	N/A
Local Total without School or DDA	34.7963	\$ 65,243.06

h. Legal description of each parcel of eligible property to which the plan applies, a map showing the location and dimensions of each eligible property, and a statement of whether personal property is included as part of the eligible property.

322 Parsons Street: PLAT NO 2 OR REVISED PLAT OF RICHARDSON & WATTLES ADDITION; Lot 72.

810 North Pitcher Street: PLAT NO 2 OR THE REVISED PLAT OF RICHARDSON & WATTLES ADDITION, Liber 2 of Plats Page 13; The South 2.75 Rods of the North 5.5 Rods of Lot 31.

809 Porter Street: PLAT NO 2 OR THE REVISED PLAT OF RICHARDSON & WATTLES ADDITION, Liber 2 of Plats Page 13; The North 1/2 of Lot 33, excluding the North 45 feet.

813 Porter Street: PLAT NO 2 OR THE REVISED PLAT OF RICHARDSON & WATTLES ADDITION, Liber 2 of Plats Page 13; The North 45 feet of Lot 33.

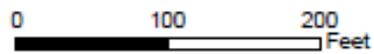
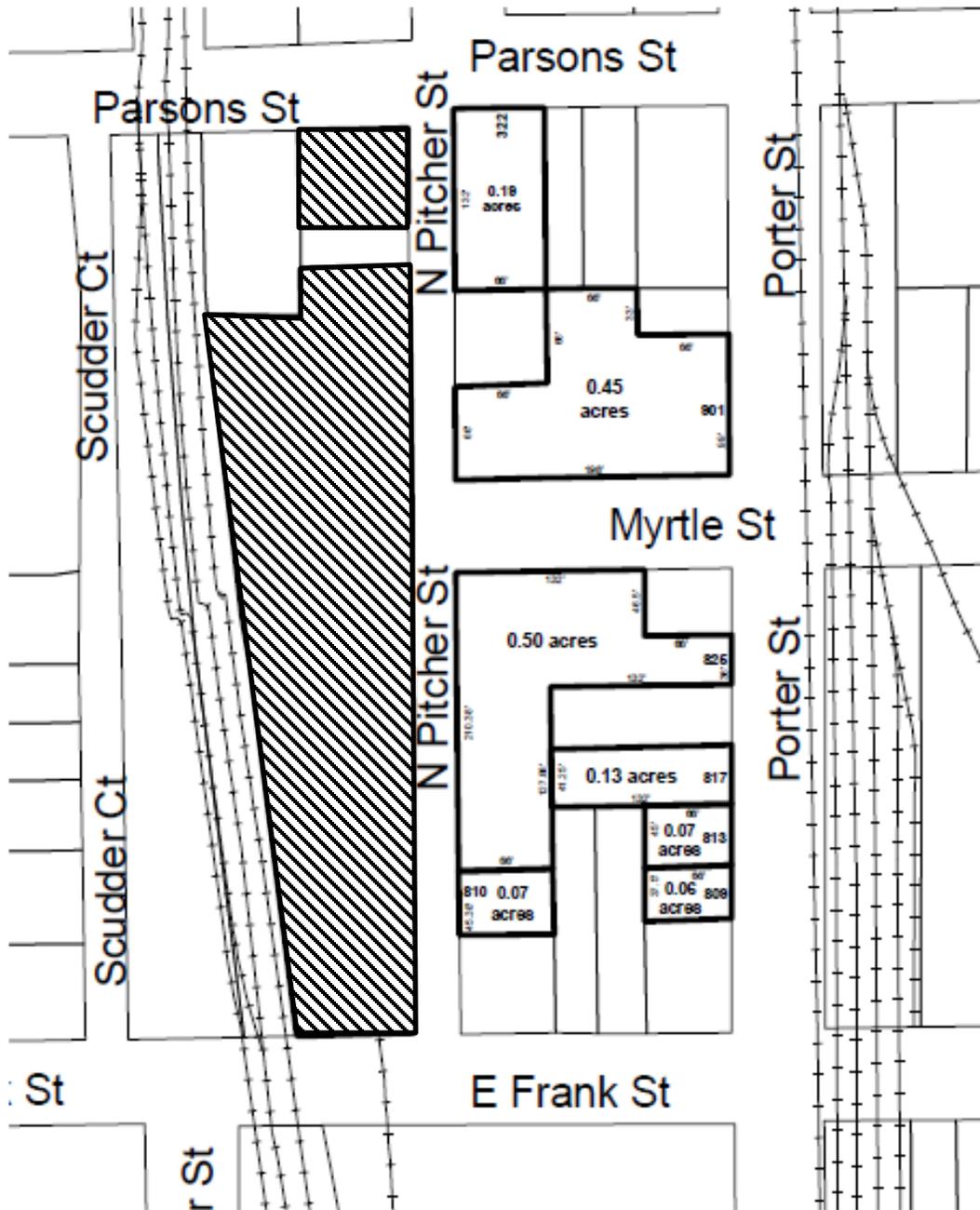
817 Porter Street: PLAT NO 2 OR THE REVISED PLAT OF RICHARDSON & WATTLES ADDITION, Liber 2 of Plats Page 13; The South 1/4 of Lot 52. The South 1/4 of Lot 53.

825 Porter Street: PLAT NO 2 OR REVISED PLAT OF RICHARDSON & WATTLES ADDITION; North 1/2 of Lot 52, excluding the North 46.5 feet Lot 54. Also the North 1/2 of Lot 53. Also North 2.75 Rods of Lot 31.

901 Porter Street: PLAT NO 2 OR REVISED PLAT OF RICHARDSON & WATTLES ADDITION;
South 1/2 of Lot 57. Lot 56. Also the South 1/2 of Lot 55. Also the South 1/2 of the North 1/2 of Lot
57.

For location and dimensions of property, see attached site diagram. Personal property will be included
as part of the eligible property.

SITE LOCATION: FORMER J.A. RICHARDS BLOCKS



38) 108 East Michigan Avenue

Eligible Property

108 East Michigan Avenue, 06-15-381-015

The former PNC Bank building consists of four separate buildings which were purchased and combined over the past 137 years. The original building was built in 1868 and housed one of the first banks in Kalamazoo. The building was substantially renovated in 1907 and again the 1940's. Building number four was the Michigan Theatre which was purchased in 1965 and converted into office space. First National Bank and its successors have always occupied the space until the developer purchased it in 2014. The developer intends on converting approximately 7,000 square feet into indoor heated parking on the 1st floor. In addition, 13 to 17 residential apartments will be constructed, and the atrium area will be preserved, consisting of approximately 7,000 to 10,000 square feet as open commercial or retail space.

Basis of Eligibility

The subject property is eligible for Plan inclusion based upon functional obsolescence. Obsolescence has been confirmed by the City of Kalamazoo City Assessor.

The Plan (pursuant to section 13(1), Act No. 381 of 1996)

- a. A description of the costs of the plan intended to be paid for with the tax increment revenues;**
- b. A brief summary of the eligible activities that are proposed for each eligible property.**

Tax increment revenues (TIRs) will be used to offset eligible expenses associated with any eligible activities that are allowed under Act 381, as amended. Specific expected activities include environmental assessment activities, demolition, and infrastructure improvement. The current cost estimate for eligible activities is up to \$650,000. In addition, TIRs will be collected to cover BRA administrative fees and will also be captured for up to five years after the time that capture is required for the purpose of reimbursement for eligible activity costs for deposit into the LBRF.

- c. An estimate of the captured taxable value and tax increment revenues for each year of the Plan from each parcel of eligible property.**

Estimate of Captured Taxable Value: Assuming the property will be redeveloped as described, the anticipated future taxable value (TV) estimate is \$1,008,250. The estimated TV is reduced by \$456,300 (non-capturable initial taxable value), for a net TV of \$551,950 upon which capture can be based.

Estimate of Tax Increment Revenues: Using the overall school business millage rate of 63.7339 mills, maximum annual available real property tax increment revenues are estimated to be \$35,179 for years 1 – 5. The calculation assumes that redevelopment has occurred as described

above, with the approximate 36,960 square foot building renovated on the 108 East Michigan Avenue property.

It is the intent of the Authority to capture all available school and non-school tax increment revenue on real property generated by new development on the site.

f. Duration of the Brownfield Plan for eligible activities.

It is anticipated that the capture of tax increment revenues will start in 2016. However, the date for the beginning of capture of tax increment revenues is no later than July 6, 2020 and will continue for a period necessary to reimburse eligible activities and administrative expenses of the authority plus five years of additional tax capture, but not longer than allowed by law.

g. Maximum Estimated Impact of Tax Increment Financing on Taxing Jurisdictions.

Taxing Unit	Millage Rate	Estimated Annual Range of Taxes Captured by Authority
State Education Tax	6.0000	\$ 5,179.80
KPS Operating	17.6757	\$ 15,259.43
City Operating	12.0000	\$ 10,359.60
CCTA (Metro Transit)	0.7470	\$ 644.89
Solid Waste	1.8000	\$ 1,553.94
KCTA (County Transportation)	0.3131	\$ 270.30
KVCC	2.7970	\$ 2,414.65
County Operating (Summer)	4.6608	\$ 4,023.67
County Operating (Winter – Public Safety)	1.4409	\$ 1,243.93
County Housing	0.0993	\$ 85.73
County Senior	0.3484	\$ 300.77
County 911 Dispatch	0.6500	\$ 561.15
KRESA Operating	2.8823	\$ 2,488.29
KRESA Allocated	0.1437	\$ 124.06
KRESA Special Ed	1.4925	\$ 1,288.48
KRESA Enhancement	1.5000	\$ 1,294.95
Kalamazoo Library	3.9213	\$ 3,385.26
DDA	1.9638	\$ 1,695.35
TOTAL (School + DDA)	60.4358	\$ 52,174.23

Maximum annual increased taxable value = \$551,950

2020 Actual Taxable Value = \$1,319,600

h. Legal description of each parcel of eligible property to which the plan applies, a map showing the location and dimensions of each eligible property, and a statement of whether personal property is included as part of the eligible property.

108 East Michigan Avenue (Parcel Number 06-15-381-015): The North 100 feet of Lot 89 and the North 100 feet of the West 75.9 feet of Lot 91, Plat of Town (now City) of Kalamazoo. Liber 6 of Plats Page 8.

For location and dimension of property, see attached site diagram. Personal property will be included as part of the eligible property.

SITE LOCATION: 108 East Michigan



50) 619 Porter Street & 316 E North Street (chapter amended in May 2021)

Eligible Property

619 Porter Street, 06-15-261-005
Former Railroad Parcel A, RR-15-260-002
Parcel B, 710 N. Pitcher Street, 06-15-255-031

316 East North Street, 06-15-260-003
Former Railroad Parcel C, RR-15-256-027

The 1.405-acre project site will transform the blighted and contaminated former Clarage Fan Manufacturing facility into a mixed-use development, including residential and office or commercial. Developer intends to invest approximately \$12.8 million in demolition of the existing building and constructing a new five story building for a mix of uses that would include 52 residential units and office or retail space of approximately 11,000 square feet (depending on second floor usage) with associated parking and site improvements. Total building area (rehabilitated and new) is expected to be approximately 61,100 sf. The proposed project will create 30 jobs and continue momentum of brownfield redevelopment in this area of the city.

Basis of Eligibility

Sampling activities conducted at the Property in November 2016 and August 2020 have shown volatile organic compounds, polynuclear aromatics and metals in soil at concentrations that exceed Part 201 Generic Residential Cleanup Criteria (GRCC). Exceedance of the Part 201 GRCC qualifies the Property as a “facility” as defined by Section 1(1)(s) of Part 201 of Act 451, Michigan Natural Resources and Environmental Protection Act. The Plan (pursuant to section 13(1), Act No. 381 of 1996).

The Plan (pursuant to section 13(1), Act No. 381 of 1996)

- a. A description of the costs of the plan intended to be paid for with the tax increment revenues;**
- b. A brief summary of the eligible activities that are proposed for each eligible property.**

Tax increment revenues (TIRs) will be used to offset eligible expenses associated with any eligible activities that are allowed under Act 381, as amended. Specific expected activities include baseline environmental assessment, due care, building demolition, site preparation, lead & asbestos abatement, brownfield plan and work plan development, and infrastructure improvements. The current cost estimate for eligible activities is up to \$1.8 million. In addition, TIRs will be collected to cover BRA administrative fees, contingencies, and will also be captured for up to five years after the time that capture is required for the purpose of reimbursement for eligible activity costs for deposit into the LBRF.

- c. An estimate of the captured taxable value and tax increment revenues for each year of the Plan from each parcel of eligible property.**

Estimate of Captured Taxable Value: Assuming the property will be redeveloped as described, the anticipated future taxable value is estimated to be \$2,175,000. The initial taxable value of all parcels combined is \$57,400, leaving a net future taxable value, upon which capture can be based, of \$2,117,600.

Estimate of Tax Increment Revenues: Using the overall business millage rate of 58.6935 mills, annual available real property tax increment revenues are estimated to be \$124,289 in the first year of full capture. The

calculation assumes that redevelopment has occurred as described above. It is the intent of the Authority to capture all available school and non-school tax increment revenue on real and personal property generated by new development on the site. These tax increments will be captured for up to five years after the time that capture is required for the purpose of paying the cost of eligible activities.

f. Duration of the Brownfield Plan for eligible activities.

It is anticipated that the capture of tax increment revenues will start by 2022. However, the date for the beginning of capture of tax increment revenues will be no later than May 1, 2023 and will continue for a period necessary to reimburse eligible activities and administrative expenses of the authority plus five years of additional tax capture, but not longer than allowed by law.

g. Maximum Estimated Impact of Tax Increment Financing on Taxing Jurisdictions.

Taxing Unit	Millage Rate	Estimated Annual Range of Taxes Captured by Authority
State Education Tax	6.0000	\$ 12,706
KPS Operating	17.8489	\$ 37,797
City Operating	12.0000	\$ 25,411
Solid Waste	1.8000	\$ 3,812
CCTA (Metro Transit)	0.7470	\$ 1,582
KCTA (County Transportation)	0.3131	\$ 663
KVCC	2.7970	\$ 5,923
County Operating (Summer)	4.6608	\$ 9,870
County Operating (Winter – Public Safety)	1.4409	\$ 3,051
County 911 Dispatch	0.6500	\$ 1,376
County Housing	0.0993	\$ 210
County Senior	0.35	\$ 741
KRESA Operating	2.8946	\$ 6,130
KRESA Allocated	0.1444	\$ 306
KRESA Special Ed	1.4988	\$ 3,174
KRESA Enhancement	1.5000	\$ 3,176
Kalamazoo Library	3.9487	\$ 8,362
DDA	1.9638	N/A
TOTAL (School, no DDA)	58.6935	\$ 124,289

h. Legal description of each parcel of eligible property to which the plan applies, a map showing the location and dimensions of each eligible property, and a statement of whether personal property is included as part of the eligible property.

619 Porter Street
Legal Description:

Parcel # 06-15-261-005

0.301 Acres

1798 ORIGINAL PLAT OF THE TOWN (NOW CITY) OF KALAMAZOO, Liber 6 of Plats Page 8; part of block 39 commencing at the southeast corner of block 39 of said plat; thence north 00 degrees 18 minutes 00 seconds east 175 feet along the east line of block 39 to the point of beginning; thence west 73.07 feet parallel with the south line of block 39; thence south 20.64 feet perpendicular with the south line of block 39; thence west 11.40 feet parallel with the south line of block 39; thence north 00 degrees 36 minutes 50 seconds east 175.32 feet to the north line of block 39 at a point 83.40 feet westerly of the northeast corner of block 39; thence south 89 degrees 50 minutes 20 seconds east 83.40 feet along the north line of block 39 to the northeast corner of block 39; thence south 00 degrees 18 minutes 00 seconds west 154.44 feet along the east line of block 39 to the point of beginning.

316 East North Street

Parcel # 06-15-260-003

0.463 Acres

Legal Description:

1794 ORIGINAL PLAT Lots 3-4-5, BLOCK 39. Also all that part of vacated alley in block 39 lying easterly of penn railroad, commencing at southeast corner block 39 the plat; thence north 0 degrees 18 minutes 00 seconds east 175 feet along east line the back to point of beginning.; thence west 73.07 feet parallel with south line of the block; thence south 20.64 feet perpendicular with the south line; thence west 11.40 feet parallel with the south line; thence north 0 degrees 36 minutes 50 seconds east 175.32 feet to north line the block at a point 83.40 feet westerly of northeast corner the block; thence south 89 degrees 50 minutes 20 seconds east 83.40 feet along the north line to the northeast corner; thence s 0 degrees 18 minutes 0 seconds west 154.44 feet along east line the block to the point of beginning.

Parcel A

Portion of Parcel #RR-15-260-002

Approx. 0.07 Acres

Legal Description:

That part of lot 2, block 39, the original plat of the town (now city) of Kalamazoo, being a subdivision in the northeast quarter of section 15, township 2 south, range 11 west, city of Kalamazoo, Kalamazoo county, Michigan, recorded in liber 6 of plats, page 8, Kalamazoo county records, described as: beginning at the northeast corner of said lot 2 (northing = 293135.474, easting = 12795258.269); thence south 00° 49' 15" east on the east line of said lot 2 a distance of 155.12 feet to the southeast corner of said lot 2; thence south 89° 07' 56" west on the south line of said lot 2 a distance of 10.15 feet to a point on said line that is 15.00 feet east of, perpendicular measure to, the centerline of the railroad tracks; thence northwesterly parallel with said centerline 95.83 feet on a 2717.89 foot radius curve to the left whose chord bears north 07° 18' 22" west 95.82 feet; thence north 08° 17' 04" west parallel with said centerline 60.45 feet to the north line of said lot 2; thence north 89° 12' 45" east on said north lot line 28.82 feet to the point of beginning.

Parcel B 710 N. Pitcher Street, 06-15-255-031

(Combined Parcels #06-15-255-010, RR-15-255-001) Approx. 0.26 Acres

Legal Description:

That parts of lots 1 and 10 of block 42, T.C. Sheldon's addition to Kalamazoo village (now city) Michigan, being a subdivision in the northeast quarter of section 15, township 2 south, range 11 west, city of Kalamazoo, Kalamazoo county, Michigan, recorded in liber 3 of plats, page 16, kalamazoo county records, described as: beginning at the southwest corner of said lot 10 (northing = 293199.635, easting = 12795124.089); thence north 00°50' 00" west on the west line of said lots 10 and 1 a distance of 329.43 feet (platted 330.00 feet) to the northwest corner of said lot 1; thence north 89° 25' 40" east on the north line of said lot 1 a distance of 13.98 feet to a point on said north lot line that is 25.00 feet west of, perpendicular measure to, the centerline of the railroad tracks; thence southeasterly 182.71 feet parallel with said centerline and on a 54575.00 foot radius curve to the left whose chord bears south 07° 57' 18" east 182.71 feet; thence south 08° 03' 03" east parallel with said centerline 28.84 feet; thence southeasterly 120.48 feet parallel with said centerline and on a 54575.00 foot radius curve to the left whose chord bears south 08° 06' 51" east 120.48 feet to a point on the south lot line of said lot 10 that

is 25.00 feet west of said centerline; thence south 89° 12' 45" west on said south lot line 55.52 feet to the point of beginning.

Parcel C

Portion of Parcel# RR-15-256-027

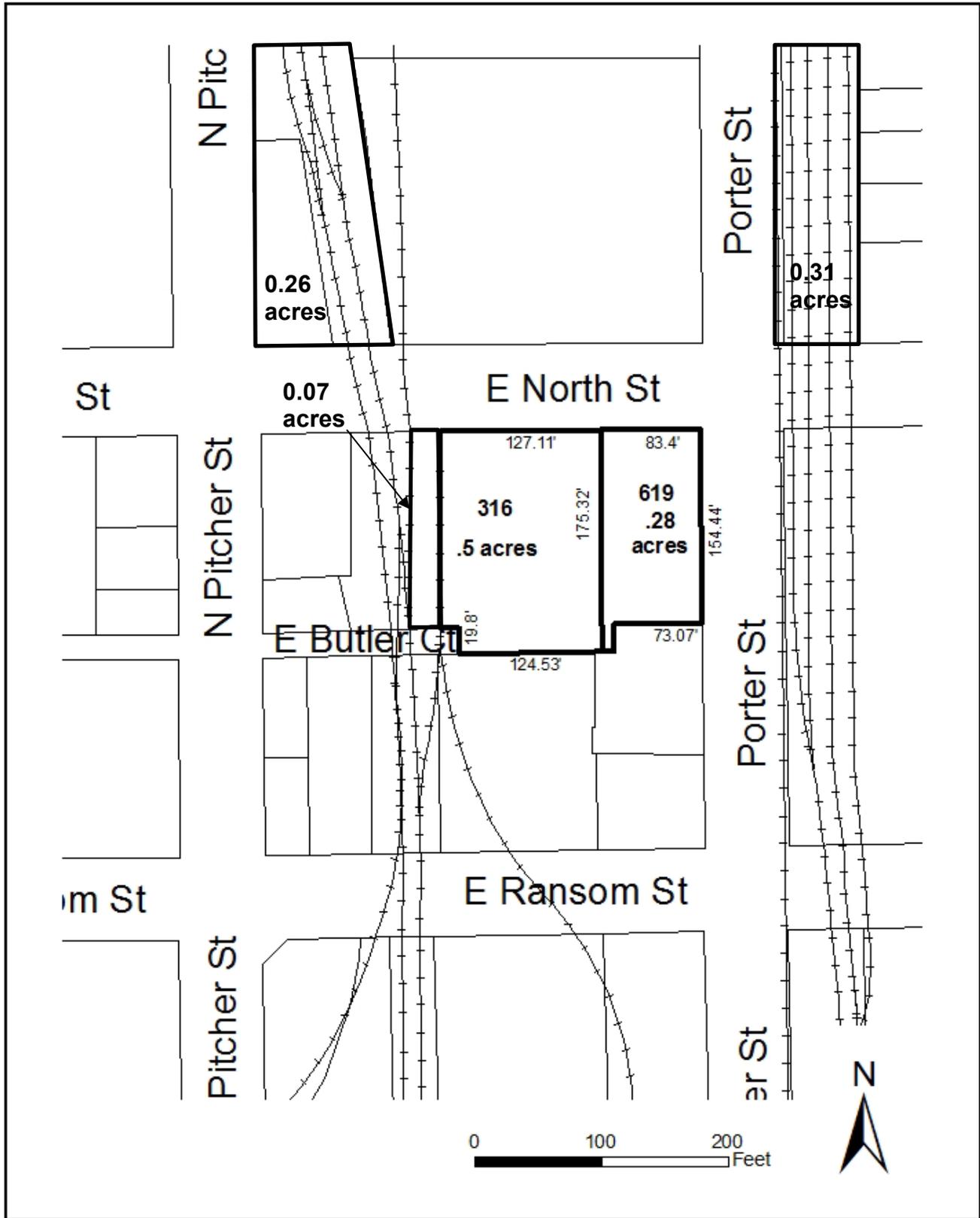
Approx. 0.31 Acres

Legal Description:

That part of lots 4 and 27, revised plat of Richardson and Wattles addition to the village (now city) of Kalamazoo Michigan, being a subdivision in the northeast quarter of section 15, township 2 south, range 11 west, city of Kalamazoo, Kalamazoo County, Michigan, recorded in liber 2 of plats, page 13, Kalamazoo county records, described as: beginning at the southeast corner of said lot 4 (northing = 293205.966, easting = 12795605.987); thence south 89° 16' 35" west on the south line of said lot 4 a distance of 42.64 feet to a point on said south lot line that is 15.00 feet east of, perpendicular measure to, the centerline of the railroad tracks; thence north 00° 02' 36" east parallel with said centerline 328.41 feet to the north line of said lot 27; thence north 89° 04' 39" east on said north line 39.40 feet to the northeast corner of said lot 27; thence south 00° 31' 21" east on the east line of said lots 27 and 4 a distance of 328.52 feet (platted 330.00 feet) to the point of beginning.

For location and dimensions of property, see attached site diagram. Personal property will be included as part of the eligible property.

**SITE LOCATION:
619 Porter Street & 316 E. North Street**



INTER-OFFICE MEMO

To: BRA Board of Directors

From: Rebekah Kik, Director of Community Planning & Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

Date: May 18, 2021

Subject: Approval of the Development Agreement with 619, LLC for the redevelopment project at 619 Porter and 316 E. North Street

Background

In 2002 BRA acquired, through the delinquent tax foreclosure process and under a quit claim deed from the State of Michigan, a parcel of real property in the City located at 316 East North Street ("BRA Parcel"). On October 31, 2017 Plazacorp/619 LLC (Developer) acquired the parcel at 619 Porter Street, including the building and appurtenances, which is adjacent to the BRA Parcel ("Developer Parcel"). Additionally, Developer acquired three adjacent parcels from the railroad and BRA added these parcels to the 8th and 9th Amendments to the Revised Brownfield Plan.

Developer intends to redevelop and improve all parcels by redeveloping the site with a 5-story, mixed-use building. Total building area (rehabilitated and new) expected to be approximately 61,100 square-feet. The proposed uses include residential apartment units on the second through fifth floors and commercial space on the first floor for office or retail use. Additionally, 20 percent of the residential units will be work force housing at 100-120 percent Annual Median Income (AMI). The total capital investment in the project is expected to be approximately \$12.8 million. These investments are expected to create at least 30 new full-time jobs at this location, 90 construction jobs and would increase the property tax base. The BRA parcel will be used for parking and other infrastructure improvements. Staff recommended the sale of the BRA parcel to Developer in September 2020 to allow for continued revitalization of the surrounding area and to eventually place the BRA parcel back onto tax rolls.

Staff worked with Developer to draft a development agreement for tax increment financing (TIF) reimbursement for eligible activities. The Developer estimates eligible activities will be incurred up to \$1,796,986 for demolition, environmental site assessment, public and private infrastructure improvements, site preparation, asbestos surveys, environmental due diligence, and lead and asbestos abatement. The project incentives template was used to evaluate the project's alignment with City and BRA goals and staff is recommending up to 20 years of TIF reimbursement. The current future taxable value projection estimates the Developer could be reimbursed in 18 years. The Developer is seeking school-tax capture from the Michigan Economic Development Corporation through an Act 381 Work Plan which would cover approximately 40% of the cost to reimburse eligible activities.

Recommendation

It is recommended that the BRA approve the Development Agreement with 619, LLC for the project located at 619 Porter and 316 E. North Street and authorize the chair to sign.

Attachments

Development Agreement

BROWNFIELD PLAN DEVELOPMENT AGREEMENT

THIS BROWNFIELD PLAN DEVELOPMENT AGREEMENT (the “Agreement”), is entered into on _____, 2021 between the **CITY OF KALAMAZOO BROWNFIELD REDEVELOPMENT AUTHORITY**, a Michigan public body corporate established pursuant to Act 381 of the Public Acts of 1996, as amended, MCL 125.2651 et seq. (“Act 381”), whose address is 241 W. South St. , Room 101, Kalamazoo, Michigan 49007 (the “Authority”), and 619, LLC, a Michigan limited liability company, whose address is 200 W. Michigan Avenue, Suite 201, Kalamazoo, Michigan 49007, (the “Developer”).

RECITALS

- A. The Authority, and the City of Kalamazoo (the “City”), have determined that brownfield redevelopment constitutes the performance of an essential public purpose which protects and promotes the public health, safety and welfare.
- B. The City has established a Brownfield Redevelopment Authority and the Authority, and the City have adopted a Brownfield Plan specifically for this site (the “Plan”), pursuant to the provisions of Act 381.
- C. The Authority and the City have designated certain properties that have conditions of environmental contamination, blight or obsolescence as appropriate sites for creating a Plan.
- D. Act 381 permits the use of the real and personal property tax revenues generated from the increase in value (the “Increment”) to brownfield sites constituting Eligible Property under Act 381 resulting from their redevelopment to pay or reimburse the payment of costs of conducting Eligible Activities (these costs are referred to as “Eligible Costs”) and permits the reimbursement to Developer of Eligible Costs it has incurred.
- E. Developer currently owns property in the City commonly known as 619 Porter Street, and certain former railroad property and has a contract to purchase property in the City commonly known as 316 East North Street (collectively, the “Property”) and legally described on the attached Exhibit A.
- F. The Property has been included in the Plan and qualified as an “Eligible Property” under the terms of Act 381.
- G. Developer intends to demolish the existing building and construct a new five story building for a mix of uses that would include 52 residential units and office or retail space of approximately 11,000 square feet with associated parking and site improvements. Total building area (rehabilitated and new) expected to be approximately 61,100 square-feet. Additionally, 20 percent of the units will be work force housing at 100-120 percent Annual Median Income (AMI). The total capital investment on the project is expected to be approximately \$12.8 million. These investments are expected to create at least 30 new full-time jobs at this location, 90 construction jobs and would increase the property tax base within the City of Kalamazoo (the “Project”).

- H. The Project will require the Developer to incur Eligible Costs associated with certain Eligible Activities including demolition, environmental site assessment, public and private infrastructure improvements, site preparation, asbestos surveys, environmental due diligence, lead and asbestos abatement and demolition, which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals. The Developer's Eligible Costs shall not exceed \$1,796,986.00.
- I. The parties are entering into this Agreement to establish the procedure for the reimbursement from Tax Increment Revenues under Act 381 as amended.

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth herein, the parties agree as follows:

- 1. **Recitals.** The above recitals are acknowledged as true and correct, and are incorporated by reference into this Paragraph.
- 2. **The Plan.** The Plan, approved by the Authority and the Kalamazoo City Commission, is attached as Exhibit B and incorporated as part of this Agreement. To the extent provisions of the Plan or this Agreement conflict with Act 381, Act 381 controls.
- 3. **Term of Agreement.** Pursuant to the Plan, the Authority shall capture and reimburse the Developer that amount of Tax Increment Revenues generated from real and personal property taxes allowed by law on the Eligible Property. At any time before the date that is four (4) years after the date of this Agreement, and after the completion of the Project, Developer may give to the Authority written notice directing the Authority to commence the capture of such Tax Increment Revenues (the "Capture Commencement Notice"). Completion of the Project shall be deemed achieved once a temporary or final certificate of occupancy is obtained for the Project, provided however that Completion of the Project shall not include the completion of any premises intended for office or retail tenants for which no lease has been entered into as of the date of the Capture Commencement Notice.

Capture will begin in the first full year after Developer's delivery of the Capture Commencement Notice, and will continue until the earlier of:

3.1. Full reimbursement to the Authority of its Administrative Costs, plus reimbursement to the Developer of the Property as outlined in the Plan, including reimbursement of Eligible Costs for those Eligible Activities set forth in Paragraph 5, plus an additional amount captured by the Authority for an additional five full years of tax capture ("Additional Authority Amount") such Additional Authority Amount to be designated for the Local Brownfield Revolving Fund "Local Fund"; or

3.2. Up to 25 full years. With five of the 25 years designated for Local Brownfield Revolving Fund (LBRF) only.

4. **Evidence of Ownership.** Not later than the date of delivery of the Capture Commencement Notice, Developer shall provide to the Authority each of the following: (a) evidence satisfactory to the Authority that the Developer has acquired fee simple title to the Property, which evidence shall include (without limitation) a copy of a recorded deed to the Property in favor of the Developer; and (b) a copy of a commitment for owner's title insurance with respect to the Property (the "Commitment"), which Commitment shall show the Developer

as record owner of the Property, and shall otherwise be in form and reasonably substance satisfactory to the Authority.

5. Eligible Activities. The Developer shall diligently pursue completion of the Eligible Activities summarized in the Plan and set forth in this Paragraph. The Authority shall reimburse the Developer for Eligible Costs incurred on or after the date of the inclusion of this Project in the Plan. For purposes of this Agreement, "Eligible Costs" means costs incurred in conducting Eligible Activities including, environmental due diligence and Due Care Activities, site preparation, and infrastructure improvements which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals, and/or any other Eligible Activities permitted under Act 381 and summarized in the Plan. Additionally, the Authority shall reimburse the Developer for any Eligible Costs which were incurred on or after the date that is five (5) years before the date of the inclusion of this Project in the Plan.

6. Reimbursement Source. During the term of this Agreement and except as otherwise set forth in this Agreement, the Authority shall reimburse the Developer for its Eligible Costs, as limited under this Agreement, from all available Tax Increment Revenues collected from the real and personal property taxes on the Property.

7. Reimbursement Process.

7.1. Cost Reimbursement Request. Before December 31 of the year after Developer provides the Capture Commencement Notice, the Developer will provide sufficient documentation of the Eligible Costs incurred including the dates of each Eligible Activity, a complete description of the work, proof of payment, detailed invoices for the costs involved for each Eligible Activity, sworn statements, lien waivers from Developer's general contractor (to include verification that all applicable subcontractors were paid in full) and other back up documentation reasonably requested by the Authority; a written statement certifying to the Authority that all such costs are Eligible Costs; and a final or temporary certificate of occupancy to document completion of the Project or such other certificate as is required under any tenant lease for the applicable portion of the Project in order for Developer to turnover such space to its tenant. The information and documentation described in the preceding sentence comprise the "Completed Request".

Failure to provide the above noted information when due, or within the time permitted by the Authority under Paragraph 7.2, shall not extend the term of the Agreement and consequently may result in foregone reimbursement, to the Developer by the Authority, for Eligible Costs.

7.2. Authority Staff Review. The Authority Staff shall review each reimbursement request within 30 days after receiving it. If Authority Staff determines that the documentation submitted by the Developer is not a Completed Request, then Developer shall reasonably cooperate in the Authority's review by providing, within 30 days of the Authority's written request, any additional documentation of the Eligible Costs as is reasonable and necessary by the Authority in order to complete its review. Within 45 days following the receipt of such supplemental information, the Authority shall make the determination of whether the costs are eligible for reimbursement. If the Developer wishes to challenge that determination, it shall provide written notice to the Authority within 15 days of the Authority Staff's written determination, and the issue shall be brought to the Authority within 45 days thereafter for its determination. The Developer shall not be entitled to any claim or cause of action for consequential damages against the Authority as a result of any determinations made in good faith regarding whether or not any cost submitted by the Developer constitutes an "Eligible Cost," and

hereby grants the City and the Authority and their respective officers, agents and employees, a complete release and waiver of any such claims or causes of action as a result of the foregoing. Any dispute arising out of a request for reimbursement shall not affect Developer's right to receive reimbursements as to the undisputed portions of the Completed Request.

7.3. Reimbursement. Before July 31 of the year after Developer delivers a Capture Commencement Notice (and as property taxes are received each subsequent year) after both the summer and winter taxes are captured and collected on the Property, the Authority shall reimburse its Administrative Costs and pay approved Eligible Costs to the Developer from Tax Increment Revenues that are generated from the Property in accordance with the Plan and Paragraph 7 to the extent that taxes have been captured and are available in that fiscal year. The Authority shall receive ten (10) percent of Tax Increment Revenues each year until its Administrative Costs are fully reimbursed, unless a lower percentage is otherwise designated by the Authority.

In the event that there are insufficient Tax Increment Revenues available in any given year to reimburse all of Developer's Eligible Costs, as described in Paragraph 5, then the Authority shall reimburse the Authority or Developer only from available Tax Increment Revenues. The Authority shall make additional payments, on an annual basis as property taxes are received, toward the Developer's remaining unpaid Eligible Costs during the term of this Agreement. The Developer shall not be entitled to receive any interest on amounts for which reimbursement is requested under this Agreement. The Developer shall not be entitled to reimbursement under this Agreement unless all real and personal property taxes have been timely and completely paid, including all penalties, interest and other amounts due in relation thereto when due. For purposes of this Agreement, to be timely paid, taxes must be paid before the date on which they can no longer be paid without penalties or interest. The repayment obligation under this Agreement shall expire upon the earlier of the full payment by the Authority to the Developer of all amounts due to the Developer from the Tax Increment Revenues or up to 20 full years from the beginning of Tax Increment Revenue capture. Notwithstanding anything herein to the contrary, if there is a reduction of the Tax Increment Revenue capture for the Project from that projected, then the Authority shall in good-faith, consider requests from the Developer to extend the term of this Agreement and/or the capture and reimbursement term to allow for the full reimbursement to Developer for all of the Developer's Eligible Costs, unless the reduction of the Tax Increment Revenue capture is the result of a tax appeal.

7.4. Method of Reimbursement. The Authority will reimburse the Developer for Eligible Costs as follows:

Checks shall be payable to and delivered by certified mail (or through electronic transfer if available through Developer) to:

619, LLC
200 West Michigan Avenue, Ste. 201
Kalamazoo, MI 49007

8. Adjustments. The parties acknowledge that adjustments regarding the amount of Tax Increment Revenue paid to the Developer may occur under any of the following circumstances:

8.1. Audit or Court Ruling: In the event that a state agency of competent jurisdiction conducting an audit of payments made to the Developer under this Agreement or a court of competent jurisdiction determines that any portion of the payments made to the Developer under

this Agreement is unlawful, the Developer shall pay back to the Authority that portion of the payments made to the Developer within 30 days of the determination made by a state agency or the court as the case may be. However, the Developer shall have the right, before any such repayment is made, to appeal on its or the Authority's behalf, any such determination made by a state agency or court as the case may be. If the Developer is unsuccessful in such an appeal, the Developer shall repay the portion of payments found to be unlawful to the Authority within thirty (30) days of the date when the final determination is made on the appeal. The Developer shall be responsible for payment of all of the City's and Authority's legal fees associated with any determination of whether a cost for which reimbursement is requested constitutes an "Eligible Cost" and all of the City's and Authority's legal fees associated with the review or determination of such issues by any state agency or court.

8.2. Property Tax Appeal: In the event the Developer, or any other owner of real estate on the Property, files an appeal related to the taxable value of parcels of property included in the Brownfield Plan, the Authority shall do the following:

- (a) The Authority will hold the Tax Increment Financing Reimbursement payments in a separate account for the Authority until the pending appeal is adjudicated;
- (b) Once any tax appeals are adjudicated, the Authority will either return the funds held in escrow to the local unit in compliance with any tax appeal rulings or will make payments pursuant to Section 7 of this Agreement.

8.3. Reduction of Property Assessments. If the Authority (i) incurs Costs on behalf of the Developer with respect to the Project, Site or Application and (ii) the Developer initiates, participates in or supports any proceeding or process which results in a reduction of the tax increment capture for the Project from that projected and along the same term as contained within the Plan, then the provisions under Paragraph 3 will require a redetermination regarding the amount of Tax Increment Revenues that the Authority previously paid to Developer (the excess amount determined to have been paid is the "Excess Amount") as a result of such lower assessments. If that amount is less than the actual amount of Tax Increment Revenues that the Authority has already paid to the Developer, the Excess Amount shall be offset against future reimbursements to Developer of Eligible Costs.

9. Responsibilities of Developer. In consideration of the inclusion of the Property into the Plan and the resulting financial benefits, which it expects to receive, and the Authority's commitments to capture of Tax Increment Revenue and to assist the Developer in the Project, Developer agrees to the following:

9.1. Project. At its sole expense, Developer shall use its best efforts to conduct the activities described in the Plan, to demolish the building on the Property and construct the Project. Notwithstanding anything herein to the contrary, Developer's obligation to commence construction of the Project shall be subject to Developer's determination, in its business discretion, that the Project is viable. The total capital investment on all phases of the project is expected to be approximately \$12.8 million. Subject to matters beyond the reasonable control of Developer (e.g., war, acts of God, failure to obtain governmental approvals, governmental restrictions, exceptional health concerns for which a "stay at home" or "shelter in place" order is issued by an applicable governmental authority, etc.) ("Force Majeure"), Developer shall commence construction of the Project on a date (the "Commencement Date") that is within one (1) year after

the later to occur of (a) Developer acquiring title to the portion of the Property commonly known as 316 East North Street or (b) Developer closing on financing facilities sufficient to finance the Project. Developer shall use commercially reasonable efforts to substantially complete the Project within three (3) years after the Commencement Date. Under no circumstances shall the Authority have any responsibility or liability for remediation or redevelopment of the Property, or for conducting any “Eligible Activities” at the Property, except for its obligations under this Agreement to provide funds to the extent available as permitted in Paragraph 7 hereof with respect to payments from Tax Increment Revenues.

9.2. Employment Opportunities. To make every reasonable effort to work with the City and community employment agencies to hire city residents for new employment opportunities created by the Project, and to encourage the local contracting of employment opportunities through re-entry employment programs. Regardless of Developer’s ability to hire city residents it shall make every reasonable effort to follow, and to cause any contractors hired to perform work on the Project, to follow the City’s “Ex-Offender Purchasing” policy regarding hiring new employees who will work on the Project. A copy of this policy is attached as Exhibit C. and Developer will provide a copy of it to its general contractor prior to performing any work on the Project.

9.3. Ordinances. Develop the Property, including landscaping and all other improvements required for the Project, in compliance with all local ordinances, site plan reviews and this Agreement. The redevelopment of the Property shall be subject to all zoning approvals. This Agreement does not obligate any governing municipality to grant any such approvals.

9.4. Project Sign. Place on the Property during rehabilitation/redevelopment a development sign provided by the Authority to promote the Project and the Authority’s participation in it. Upon completion of the Project, the sign will be returned to the Authority.

9.5. Promotion and Marketing. Permit the Authority to cite or to use any renderings or photographs or other materials of the Project as an example of private/public partnership and brownfield site redevelopment.

9.6. Cooperation. Assist and cooperate with the Authority in providing information that the Authority may require in providing necessary reports to governmental or other agencies, including, but not limited to, information regarding the amount of Developer expenditures and capital investments, jobs created, and square footage developed or rehabilitated with respect to the Project.

10. Responsibilities of the Authority. In consideration of the preceding commitments of Developer the Authority further agrees to:

10.1. Agency Contacts. Provide Developer with appropriate service/employment agency contacts for the identification of City residents to interview for potential employment; and

10.2. Tax Increment Revenues. To utilize Tax Increment Revenue to reimburse Developer for Eligible Costs incurred by Developer in completing the Project as detailed in this Agreement.

11. Developer’s Representations, Warranties and Covenants. The Developer hereby makes the following representations, warranties and covenants:

11.1. Eligible Property. To Developer’s knowledge and belief, the Property is “eligible property” as defined in Act 381 and is eligible for the capture of Tax Increment Revenues pursuant to Act 381.

11.2. Eligible Costs. The Developer will only submit for reimbursement under Paragraph 7 hereof such costs that it has reasonably determined are Eligible Costs within the meaning of Act 381.

11.3. Due Authorization. The representatives signing this Agreement are duly authorized by the Developer to enter into this Agreement.

11.4. Developer commits to an allocation of 20 percent of its units for Workforce Housing at 100-120 percent AMI within the residential component of the Project (the “**Workforce Housing Set-Aside**”), upon the following terms and conditions

- i. For purposes of this Agreement, the term “**Workforce Housing Units**” or “**WFH Units**” shall mean units offered at the rental rates specified in Paragraph 11.4 (ii) below. The Workforce Housing Units may be “floating” units in that such Units may be relocated within the Project from time-to-time during the Reimbursement Term (as defined below) provided that Developer maintains the minimum number of Workforce Housing Units required to satisfy the Workforce Housing Set-Aside during the Reimbursement Term.
- ii. Subject to the terms herein, monthly rent for a Workforce Housing Unit shall not exceed the “Rent by Bedroom” rates as published in the Michigan State Housing Development Authority Income and Rent Limits report¹ for Kalamazoo County in effect at the time the lease for the Workforce Housing Unit is executed (the “**MSHDA Rent Report**”), in accordance with the following proportions:
 - a. Monthly rent for fifty percent (50%) of the WFH Units shall not exceed Rent by Bedroom at 100% per Exhibit D.
 - b. Monthly rent for fifty percent (50%) of the WFH Units shall not exceed Rent by Bedroom at 120% per Exhibit D.
“Monthly rent” shall include gas, water, heat and electric. “Monthly rent” shall exclude parking, security deposits, internet service, application fees, storage, pet fees and similar fees and deposits.
- iii. Monthly rent charged for the WFH Units will increase or decrease from time to time during the Reimbursement Term in accordance with increases or decreases in the “Rent by Bedroom” rates published in the MSHDA Rent Report; provided, however: (A) such increases or decreases in Monthly rent shall only affect new leases for WFH Units executed after the changed “Rent by Bedroom” rates are published in the MSHDA Rent Report; and (B) in no event shall the Monthly rent charged for the WFH Units decrease below the “Rent by Bedroom” rates published in the MSHDA Rent Report as of April 1, 2021, which is attached as Exhibit D.
- iv. The WFH Unit types (studio, 1 Bedroom, 2 Bedroom, etc.) sizes, quantities, and location will be determined by Developer in its sole discretion.

¹ April 1, 2021

- v. The Workforce Housing Set-Aside component of the Project as described in this Paragraph 11.4 shall expire automatically upon the expiration of the Reimbursement Term.
- vi. Subject to subsection (ix) below, Developer is entitled to retain and exercise full and exclusive authority for the management of its operations, and shall remain the sole judge in selecting tenants for the Workforce Housing Units, utilizing the same tenant selection and screening criteria as used by Developer for the non-WFH Units, however the selection process shall not be discriminatory.
- vii. As evidence of Developer's compliance with the Workforce Housing Set-Aside, Developer shall provide a written certification annually to the BRA no later than March 1, beginning the first full calendar year after the Completion Date (unless the Completion Date falls within the first six (6) months of the calendar year, in which case the first written certification will be due to the BRA on March 1 of the following calendar year), certifying as to Developer's compliance with the Workforce Housing Set-Aside. The City may also inspect the WFH Units upon not less than forty-eight (48) hours prior written notice to Developer, and not more than one (1) time per calendar year, solely for purposes of confirming that the unit types being offered as WFH Units comply with the terms of this Agreement.
- viii. If the BRA believes that Developer has not met its obligations pursuant to this Paragraph 11.4, the BRA shall provide a written document to Developer describing in reasonable detail, the specific obligation not being satisfied, including an analysis of such non-performance (a "**Written Notice**"). Within 10 days after receipt of the Written Notice, Developer shall respond in writing, either a) agreeing to the BRA's findings and including a written plan for achieving compliance with this Paragraph 11.4, or b) disagreeing with the BRA's findings and the reasons therefor. If Developer disagrees with the BRA's position, Developer and the BRA shall meet (one or more times) within 30 days following the receipt of Developer's written response to attempt to resolve the WFH issues raised in the BRA's Written Notice. Should those meetings fail to reach a resolution satisfactory to the parties (a "**Dispute**"), then the parties agree to submit the Dispute as to this section 10.2 to a mediator for non-binding mediation. The mediator shall be an independent person, residing in Kalamazoo County with experience in residential real estate development; and who is acceptable to Developer and the Authority (the "**Mediator**"). Only if mediation does not resolve the Dispute can either the Developer or the City pursue legal or equitable remedies through judicial proceedings; the jurisdiction for which is in Kalamazoo County. During the Dispute process outlined above the Incentives for the Project shall continue, unless Developer has not cured a default regarding the other Undertakings or other provisions in this Agreement for which withholding, or withdrawal of Incentives is a permitted remedy.

BRA agrees and acknowledges that the foregoing Undertakings shall only be effective and binding upon Developer from and after the date of this agreement.

12. Events of Default. Each of the following shall constitute an event of default:

12.1. Any representation or warranty made by the Developer in this Agreement proves to have been incorrect or incomplete in any material respect when made or deemed to be made.

12.2. The Developer fails to observe or perform any covenant or agreement contained in this Agreement for 30 days after written notice thereof shall have been given to the Developer by the Authority.

12.3. The Developer abandons or withdraws from the reuse and redevelopment of the Property.

12.4. The Developer fails to pay when due any funds which are required to be paid to the Authority pursuant to this Agreement, including but not limited to its real and personal property taxes as set forth in Paragraph 7 hereof, and such failure continues for thirty (30) days after written notice from the Authority.

12.5. The Developer terminates its existence in order to avoid its obligations under this Agreement.

13. Remedies upon Default.

13.1. If any event of default as defined above shall occur and be continuing for 30 days after written notice of default from the Authority (or such additional time as may be reasonably necessary to cure the default at issue provided that Developer has commenced such cure within the initial thirty (30) days and is proceeding in good faith to cure), the Authority shall have the right, but not the obligation, to exercise any of the following rights and remedies either individually or concurrently:

- (a) Terminate this Agreement effective immediately upon notice to the Developer;
- (b) All other remedies available at law or in equity;
- (c) In addition, if the Developer fails to substantially complete the Project within the timelines required by this Agreement (but subject to Force Majeure), or if Developer otherwise defaults prior to substantial completion of the Project, Developer shall pay back to the Authority (within thirty (30) days following demand by the Authority) any amounts paid to Developer as reimbursement for Eligible Costs with respect to such incomplete phase of the Project pursuant to the terms of this Agreement or otherwise; and
- (d) Withhold, suspend or rescind reimbursement to Developer for Eligible Costs from Tax Increment Revenue as set forth in Paragraph 5 until Developer has cured such default to the satisfaction of the Authority. Any such action by the Authority shall not under any circumstances extend the time period under subparagraph 3.2 unless specifically approved by the Authority.
- (e) The Authority is responsible for its own cost and expenses including attorney fees incurred by the Authority to enforce its rights under this Agreement.

13.2. If the Authority fails in any material respect to perform or provide the Incentives, and such failure continues for a period of thirty (30) days after written notice from Developer to the Authority specifying the alleged default (or such additional time as may be reasonably necessary to cure the default at issue provided that the Authority has commenced such cure within

the initial thirty (30) days and is proceeding in good faith to cure), the Developer shall have the option to exercise one or any combination of remedies under this Agreement or otherwise available at law or in equity, including without limitation: (i) to withhold or suspend the performance of all or any of the commitments under Paragraph 9;(ii) the Developer is responsible for its own cost and expenses including attorney fees incurred by Developer to enforce its rights under this Agreement.

14. Legislative Authorization. This Agreement is governed by and subject to the restrictions set forth in the Act. In the event that there is legislation enacted in the future which alters or affects the amount of Tax Increment Revenues subject to capture, Eligible Properties, or Eligible Activities, then the Developer's rights and the Authority's obligations under this Agreement may be modified accordingly by agreement of the parties.

15. Freedom of Information Act. Developer stipulates that all petitions and documentation submitted by Developer shall be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, MCL 15.231 et seq., and no claim of trade secrets or other privilege or exception to the Freedom of Information Act will be claimed by Developer as it relates to this Agreement or petitions and supporting documentation.

16. Plan Modification. The Plan and this Agreement may be modified to the extent allowed under the Act by mutual agreement of the parties.

17. Notices. All notices and other communications required or permitted under this Agreement shall be in writing, shall be deemed given when delivered, and shall be sent by personal delivery, overnight courier, or registered mail, return receipt requested, to the following addresses (or any other address that is specified in writing by either party):

If to Developer: Andrew C. Wenzel/Jeffrey A. Nicholson
619, LLC
200 West Michigan Avenue, Ste. 201
Kalamazoo, MI 49007

With copy to: Aaron M. Smith
McShane & Bowie, PLC
99 Monroe Avenue NW, Ste. 1100
Grand Rapids, MI 49503

If to the Authority: City of Kalamazoo Brownfield Redevelopment Authority
241 West South Street
Kalamazoo, Michigan 49007

With copy to: City Attorney's Office
241 W. South St.
Kalamazoo, Michigan 49007

18. Indemnification. Developer shall defend, indemnify and hold harmless the Authority and the City, and any of their respective past, present and future members, officials, employees, agents or representatives from all losses, demands, claims, judgments, suits, costs and expenses (including without limitation the costs and fees of attorneys or other consultants) arising from or related to (i) the capture and use of Tax Increment Revenue paid to Developer as a reimbursable payment under this Agreement made in excess of the amount of tax increment revenues the Authority is

determined by the State or court to be allowed by law to use for that reimbursement, and (ii) the Project.

19. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

20. Binding Effect/Third Parties. This Agreement is binding on and shall inure to the benefit of the parties to this Agreement and their respective successors, but it may not be assigned by any party without the prior written consent of the other party except that Developer shall have the right, without the Authority's consent, to assign this Agreement to any entity owned or controlled by Jeffrey A. Nicholson provided that Developer shall provide the Authority with written notice of any such assignment. For any assignments which the Authority's consent is required, such consent will not be unreasonably withheld, conditioned or delayed. The Developer may make a collateral assignment of this Agreement to any institutional lender in connection with any financing for the Project. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.

21. Waiver. No failure of either party to complain of any act or omission on the part of the other party, no matter how long this same may continue, is considered as a waiver by that party to any of its rights hereunder. No waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.

22. Authorization. Each of the parties represents and warrants to the other that this Agreement and its execution by the individual on its behalf are authorized by the board of directors or other governing body of that party.

23. Entire Agreement. This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them.

24. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

25. Estoppel. At the request of Developer, the Authority will, within twenty (20) days after request, deliver to Developer, or anyone designated by Developer, an estoppel certificate stating that, as of the date of the certificate, Developer: (i) has performed all of its undertakings under this Agreement; (ii) has met all of its obligations for capital investment, square footage or job creation criteria; (iii) has substantially completed the Project in accordance with project plans or satisfied the requirements set forth in the approved site plan; (iv) has fulfilled commitments under Paragraph 9; and (v) is otherwise not in default under this Agreement, if all the above are true. Further, the Authority shall indicate that the Agreement is in full force and effect and is unmodified; or if modified, Developer has complied with all modifications and that Developer is not in default under the Agreement; or if Developer is in default, stating the nature of the default.

26. Definitions. The following capitalized terms are used in this Agreement with the following meanings:

“Administrative Costs” means the Authority's out-of-pocket costs associated with the Project (including reasonable attorney fees and costs, environmental consulting fees and

costs, and similar fees and costs) as well as the Authority's indirect costs associated with the Project (including allocation of the fixed costs of the Authority staff);

"Brownfield Plan" is defined by Section 2(e) of Act 381;

"Due Care Activities" is defined by Section 2(m) of Act 381;

"Eligible Activities" is defined by Section 2(o) of Act 381;

"Eligible Property or Properties" is defined by Section 2(p) Act 381;

"Tax Increment Revenues" is defined by Section 2(ss) of Act 381, and, for purposes of this Agreement, includes school taxes and local (non-school) taxes.

[Signatures appear on the following pages]

In witness of their intent to be legally bound by the terms of this Agreement, each of the parties has set forth its signature below by its duly authorized representative.

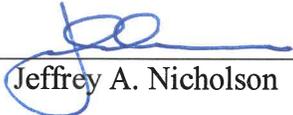
CITY OF KALAMAZOO BROWNFIELD
REDEVELOPMENT AUTHORITY

By _____

Title _____

Date _____

619, LLC

By  _____
Jeffrey A. Nicholson

Title: Manager

Date May 18, 2021 _____

EXHIBITS:

A (Legal Description of Property)

B (Copy of Brownfield Plan)

C (Ex-Offender Purchasing)

D (Michigan State Housing Development Authority Income and Rent Limits report)

645652

EXHIBIT A Legal Description of Property

Location/Legal Description

619 Porter Street Parcel # 06-15-261-005 0.301 Acres

Legal Description:

1798 ORIGINAL PLAT OF THE TOWN (NOW CITY) OF KALAMAZOO, Liber 6 of Plats Page 8; part of block 39 commencing at the southeast corner of block 39 of said plat; thence north 00 degrees 18 minutes 00 seconds east 175 feet along the east line of block 39 to the point of beginning; thence west 73.07 feet parallel with the south line of block 39; thence south 20.64 feet perpendicular with the south line of block 39; thence west 11.40 feet parallel with the south line of block 39; thence north 00 degrees 36 minutes 50 seconds east 175.32 feet to the north line of block 39 at a point 83.40 feet westerly of the northeast corner of block 39; thence south 89 degrees 50 minutes 20 seconds east 83.40 feet along the north line of block 39 to the northeast corner of block 39; thence south 00 degrees 18 minutes 00 seconds west 154.44 feet along the east line of block 39 to the point of beginning.

316 East North Street Parcel # 06-15-260-003 0.463 Acres

Legal Description:

1794 ORIGINAL PLAT Lots 3-4-5, BLOCK 39. Also all that part of vacated alley in block 39 lying easterly of penn railroad, commencing at southeast corner block 39 the plat; thence north 0 degrees 18 minutes 00 seconds east 175 feet along east line the back to point of beginning.; thence west 73.07 feet parallel with south line of the block; thence south 20.64 feet perpendicular with the south line; thence west 11.40 feet parallel with the south line; thence north 0 degrees 36 minutes 50 seconds east 175.32 feet to north line the block at a point 83.40 feet westerly of northeast corner the block; thence south 89 degrees 50 minutes 20 seconds east 83.40 feet along the north line to the northeast corner; thence s 0 degrees 18 minutes 0 seconds west 154.44 feet along east line the block to the point of beginning.

Parcel A Portion of Parcel #RR-15-260-002 Approx. 0.07 Acres

Legal Description:

That part of lot 2, block 39, the original plat of the town (now city) of Kalamazoo, being a subdivision in the northeast quarter of section 15, township 2 south, range 11 west, city of Kalamazoo, Kalamazoo county, Michigan, recorded in liber 6 of plats, page 8, Kalamazoo county records, described as: beginning at the northeast corner of said lot 2 (northing = 293135.474, easting = 12795258.269); thence south 00° 49' 15" east on the east line of said lot 2 a distance of 155.12 feet to the southeast corner of said lot 2; thence south 89° 07' 56" west on the south line of said lot 2 a distance of 10.15 feet to a point on said line that is 15.00 feet east of, perpendicular measure to, the centerline of the railroad tracks; thence northwesterly parallel with said centerline 95.83 feet on a 2717.89 foot radius curve to the left whose chord bears north 07° 18' 22" west 95.82 feet; thence north 08° 17' 04" west parallel with said centerline 60.45 feet to the north line of said lot 2; thence north 89° 12' 45" east on said north lot line 28.82 feet to the point of beginning.

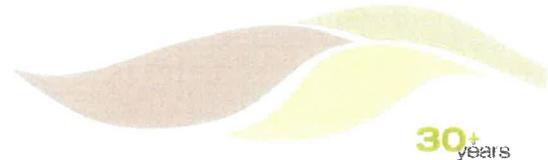
Parcel B Combined Parcels #06-15-255-010, RR-15-255-001 Approx. 0.26 Acres
Legal Description:

That parts of lots 1 and 10 of block 42, T.C. Sheldon's addition to Kalamazoo village (now city) Michigan, being a subdivision in the northeast quarter of section 15, township 2 south, range 11 west, city of Kalamazoo, Kalamazoo county, Michigan, recorded in liber 3 of plats, page 16, kalamazoo county records, described as: beginning at the southwest corner of said lot 10 (northing = 293199.635, easting = 12795124.089); thence north 00°50' 00" west on the west line of said lots 10 and 1 a distance of 329.43 feet (platted 330.00 feet) to the northwest corner of said lot 1; thence north 89° 25' 40" east on the north line of said lot 1 a distance of 13.98 feet to a point on said north lot line that is 25.00 feet west of, perpendicular measure to, the centerline of the railroad tracks; thence southeasterly 182.71 feet parallel with said centerline and on a 54575.00 foot radius curve to the left whose chord bears south 07° 57' 18" east 182.71 feet; thence south 08° 03' 03" east parallel with said centerline 28.84 feet; thence southeasterly 120.48 feet parallel with said centerline and on a 54575.00 foot radius curve to the left whose chord bears south 08° 06' 51" east 120.48 feet to a point on the south lot line of said lot 10 that is 25.00 feet west of said centerline; thence south 89° 12' 45" west on said south lot line 55.52 feet to the point of beginning.

Parcel C Portion of Parcel# RR-15-256-027 Approx. 0.31 Acres
Legal Description:

That part of lots 4 and 27, revised plat of Richardson and Wattles addition to the village (now city) of Kalamazoo Michigan, being a subdivision in the northeast quarter of section 15, township 2 south, range 11 west, city of Kalamazoo, Kalamazoo County, Michigan, recorded in liber 2 of plats, page 13, Kalamazoo county records, described as: beginning at the southeast corner of said lot 4 (northing = 293205.966, easting =12795605.987); thence south 89° 16' 35" west on the south line of said lot 4 a distance of 42.64 feet to a point on said south lot line that is 15.00 feet east of, perpendicular measure to, the centerline of the railroad tracks; thence north 00° 02' 36" east parallel with said centerline 328.41 feet to the north line of said lot 27; thence north 89° 04' 39" east on said north line 39.40 feet to the northeast corner of said lot 27; thence south 00° 31' 21" east on the east line of said lots 27 and 4 a distance of 328.52 feet (platted 330.00 feet) to the point of beginning.

A Property Location Map is included as Figure 1, while Figure 2 is a map of the Eligible Property boundaries. It should be noted that Parcels A, B, and C will be assigned new Property ID Numbers and addresses in 2022.



Subject: EX-OFFENDER PURCHASING POLICY

No. 70.7

Date: May 16, 2016Page: 1 of 2

PURPOSE:

The City Commission has committed to taking a leadership role in fostering collective action to reduce unacceptable poverty in Kalamazoo. Part of that effort includes ensuring that the local firms with whom the City does business shares the commitment of the City that hiring practices do not unfairly deny people with arrest and conviction records gainful employment, thereby encouraging rehabilitation, reducing recidivism, and strengthening families.

SCOPE:

The following policy shall be in effect regarding the purchasing and contracting of materials, supplies, capital outlay or services, including professional services, for the construction, maintenance, repair, and operation of City facilities. As used in this Policy, the term "bidder" includes subcontractors used by the bidder to provide the contracted for goods and services to the City.

POLICY:

1. For the purposes of determining a responsible bidder, including any subcontractor of the bidder, in the award of a purchase or contract of over \$25,000, such bidder shall certify that it has eliminated any question or inquiry about prior arrests or convictions from initial job applications and that it does not preclude an individual with a criminal conviction from being considered for employment, except for reasons that are a) job—related and consistent with business necessity or b) to comply with federal or state law.
2. A bidder subject to this policy shall, at the time of response to an invitation for bids or a request for proposals, submit a copy of its current application for employment form and certify in writing that it satisfies one or more of the following conditions:
 - That pursuant to federal or state law bidder is precluded from hiring persons with certain criminal records from holding particular positions or engaging in certain occupations by providing a cite to the applicable statute or regulation;
 - That bidder conducts criminal history background checks only as necessary, and only after making a conditional offer of employment; that any withdrawal of an offer of employment to an individual because of a past criminal history is job-related and consistent with business necessity after the individual has been provided an individualized assessment opportunity to review and challenge or supplement the history of past criminal conduct being relied upon by the bidder;

Subject: EX-OFFENDER PURCHASING POLICY

No. 70.7

Date: May 16, 2016

Page: 2 of 2

- That the use by bidder of criminal history background checks complies with the U.S. Equal Employment Opportunity Commission's Enforcement Guidance on the Consideration of Arrest and Conviction Records in Employment Decisions and there has not been a finding of unlawful employment discrimination by a state or federal agency or court of competent jurisdiction regarding the use of arrest or conviction records by the bidder for the past 7 years.
3. The failure to submit the documentation required by this policy shall render the bid or proposal submitted as being deemed non-responsive.

EFFECTIVE DATE: June 1, 2016

SEE ALSO:

City Commission Policy 70.5 entitled *Purchasing Policy*

HISTORY:

On August 18, 2008 the City Commission adopted Resolution 08-68, which created an Ex- Offender Purchasing Policy.

On May 16, 2016 the City Commission adopted Resolution 16-XX which defined the term "bidder"; required documentary proof that a bidder had eliminated any question regarding criminal history on its application for employment; and required that bidder employed practices to prevent the use of criminal history to unlawfully discriminate.

04/01/2021 INCOME AND RENT LIMITS

County: 39 Kalamazoo

Income	Effective Date: 4/1/2021							
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
20%	10,840	12,400	13,940	15,480	16,720	17,960	19,200	20,440
25%	13,550	15,500	17,425	19,350	20,900	22,450	24,000	25,550
30%	16,260	18,600	20,910	23,220	25,080	26,940	28,800	30,660
35%	18,970	21,700	24,395	27,090	29,260	31,430	33,600	35,770
40%	21,680	24,800	27,880	30,960	33,440	35,920	38,400	40,880
45%	24,390	27,900	31,365	34,830	37,620	40,410	43,200	45,990
50%	27,100	31,000	34,850	38,700	41,800	44,900	48,000	51,100
55%	29,810	34,100	38,335	42,570	45,980	49,390	52,800	56,210
60%	32,520	37,200	41,820	46,440	50,160	53,880	57,600	61,320
70%	37,940	43,400	48,790	54,180	58,520	62,860	67,200	71,540
80%	43,360	49,600	55,760	61,920	66,880	71,840	76,800	81,760
100%	54,200	62,000	69,700	77,400	83,600	89,800	96,000	102,200
120%	65,040	74,400	83,640	92,880	100,320	107,760	115,200	122,640
125%	67,750	77,500	87,125	96,750	104,500	112,250	120,000	127,750
140%	75,880	86,800	97,580	108,360	117,040	125,720	134,400	143,080
150%	81,300	93,000	104,550	116,100	125,400	134,700	144,000	153,300

Rent By Person	Effective Date: 4/1/2021							
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
20%	271	310	348	387	418	449	480	511
25%	338	387	435	483	522	561	600	638
30%	406	465	522	580	627	673	720	766
35%	474	542	609	677	731	785	840	894
40%	542	620	697	774	836	898	960	1,022
45%	609	697	784	870	940	1,010	1,080	1,149
50%	677	775	871	967	1,045	1,122	1,200	1,277
55%	745	852	958	1,064	1,149	1,234	1,320	1,405
60%	813	930	1,045	1,161	1,254	1,347	1,440	1,533
80%	1,084	1,240	1,394	1,548	1,672	1,796	1,920	2,044
100%	1,355	1,550	1,742	1,935	2,090	2,245	2,400	2,555
120%	1,626	1,860	2,091	2,322	2,508	2,694	2,880	3,066
125%	1,693	1,937	2,178	2,418	2,612	2,806	3,000	3,193
140%	1,897	2,170	2,439	2,709	2,926	3,143	3,360	3,577
150%	2,032	2,325	2,613	2,902	3,135	3,367	3,600	3,832

Rent By Bedroom	Effective Date: 4/1/2021							
	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom	7 Bedroom
20%	271	290	348	402	449	495	541	587
25%	338	363	435	503	561	619	677	735
30%	406	435	522	603	673	743	813	883
35%	474	508	609	704	785	867	948	1,029
40%	542	581	697	805	898	991	1,084	1,177
45%	609	653	784	895	1,010	1,114	1,218	1,322
50%	677	726	871	1,006	1,122	1,238	1,354	1,470
55%	745	798	958	1,106	1,234	1,362	1,490	1,618
60%	813	871	1,045	1,207	1,347	1,486	1,625	1,764
70%	948	1,016	1,219	1,408	1,571	1,734	1,900	2,066
80%	1,084	1,162	1,394	1,610	1,796	1,982	2,170	2,356
100%	1,355	1,452	1,742	2,012	2,245	2,477	2,710	2,943
120%	1,626	1,743	2,091	2,415	2,694	2,973	3,252	3,531
125%	1,693	1,815	2,178	2,515	2,806	3,096	3,386	3,676
140%	1,897	2,033	2,439	2,817	3,143	3,468	3,793	4,118
150%	2,032	2,178	2,613	3,018	3,367	3,716	4,065	4,414

INTER-OFFICEMEMO

To: Brownfield Redevelopment Authority Board

From: Rebekah Kik, Community Planning & Economic Development Director
Prepared by Jamie McCarthy, Sustainable Development Coordinator

Date: May 18, 2021

Subject: Approval of the Implementation of the Second Amendment to the Revised Act 381 Brownfield Plan for Scattered Site Infill Housing and Recommending Adoption by the City Commission and Amendment to the Development Agreement with Kalamazoo Neighborhood Housing Services for TIF Reimbursement

BACKGROUND

The Act 381 Brownfield Plan was originally adopted in September 2020 and amended in December 2021 to facilitate the construction of new single family and multifamily homes within the City of Kalamazoo. All of the parcels originally included in the plan contained site-specific redevelopment challenges where the cost of construction was expected to exceed the value of the home upon completion. But-for the assistance of the public sector, it was anticipated that these parcels would continue to remain vacant for many years. The purpose of the plan was to help offset the cost gap associated with infill housing on these sites through the reimbursement of eligible activities with new tax increment generated by newly constructed homes. The resulting projects will increase the availability of affordable housing, home ownership through rent-to-own assistance program, and the tax base of the city.

The purpose of the amendment to the plan is to add eligible activities for construction of seven new single-family homes. Kalamazoo Neighborhood Housing Services, KNHS (Developer) is working with the City of Kalamazoo to construct these homes on scattered sites in 2021. Eight parcels are being added to the plan (515 and 1114 Egleston, 538 W Paterson, 114 Burr Oak, 738 Harrison, 1010 and 1014 N Rose, and 707 Staples). These parcels are considered "qualified property" as defined in the Brownfield Redevelopment Financing Act of 1996 ("Act 381") under either the definition of "blight" or being adjacent and contiguous to eligible property. The Developer is committed to building seven new homes, with the eighth property being added as a contingency.

The developer will incur expenses for "eligible activities" in connection with the property, as defined in Act 381 for site preparation, demolition, and infrastructure improvements similar to those incurred under the original plan. Overall, the proposed project includes the preparation of seven lots for new residential construction for single family homes (the "Project"). The Project works toward goals of the City's Master Plan by increasing affordable housing stock and infill of vacant lots. All of the newly proposed residential homes will be affordable and sold to pre-qualified homeowners under existing KNHS homeownership programs.

The combined total capital investment on all the projects in the amended plan will be greater than \$2 million. The estimated expenses incurred for eligible activities by the Developer, including contingency, is up to \$238,826. According to the TIF capture and reimbursement schedules included in the plan, reimbursement for eligible activities could take up to 10 years, with an additional 5 years of capture to the

Local Brownfield Revolving Fund. The development agreement between the BRA and Developer has been amended to reflect the increased redevelopment commitment and related TIF reimbursement for eligible activities.

RECOMMENDATION

It is recommended that the Brownfield Redevelopment Authority (BRA) adopt the resolution approving implementation of the Second Revised Act 381 Brownfield Plan for scattered site infill housing and recommend adoption by the City Commission.

Staff recommends the BRA approve the amendment to the related development agreement between BRA and Developer (Kalamazoo Neighborhood Housing Services) to provide reimbursement to the Developer for Eligible Activities in an amount not to exceed \$238,826.

ATTACHMENTS

Resolution
Second Amendment to the Revised Act 381 Brownfield Plan (May 2021)
Amended Development Agreement (May 2021)

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY**

**A RESOLUTION APPROVING THE IMPLEMENTATION OF
THE 2ND AMENDMENT TO REVISED ACT 381 BROWNFIELD PLAN FOR
SCATTERED SITES IN KALAMAZOO,
MICHIGAN
AND RECOMMENDING ADOPTION BY
THE CITY COMMISSION**

Minutes of a regular meeting of the City of Kalamazoo Brownfield Redevelopment Authority (“BRA”) held on May 20, 2021 at 7:30 a.m., local time, and conducted electronically pursuant to the Open Meetings Act MCL 15.263 (2) and MCL 15.263a 1(b).

PRESENT: _____

ABSENT: _____

The following resolution was offered by Member _____ and seconded by Member _____.

RECITALS:

A. The City has created the City of Kalamazoo Brownfield Redevelopment Authority (the “Authority”), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended (“Act 381”).

B. Under Resolution No. 08-16, the City Commission delegated the public hearing process to the Authority regarding any future proposed Act 381 Brownfield Plan, including the proposed 2nd Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing in Kalamazoo, Michigan.

C. A public hearing was held by the Authority on May 20, 2021, on the 2nd Amendment to the Revised Brownfield Plan for Scattered Site Infill Housing; notice of the public hearing was given to all taxing authorities levying ad valorem or specific taxes against any parcels within the Brownfield Plan, and was also given by publication, as required by Act 381.

D. Following the public hearing on the 2nd Amendment to the Revised Scattered Site Infill Housing Brownfield Plan, the Authority, in consideration of any comments heard at the public hearing or written communications received at or prior to the public hearing, determines that the Brownfield Plan constitutes a public purpose in that:

- a. It meets all requirements of Section 13 of Act 381.

- b. The proposed method of financing the costs of eligible activities of the Revised Brownfield Plan is feasible, and the Authority has the authority to arrange the necessary financing.
- c. The description of eligible activities and their estimated costs are reasonable and necessary to carry out the purposes of Act 381, and
- d. The amount of captured taxable value estimated to result from all parcels included in the Brownfield Plan is reasonable.

THEREFORE, IT IS RESOLVED THAT:

The City of Kalamazoo Brownfield Redevelopment Authority approves the implementation of the 2nd Amendment to the Revised Act 381 Brownfield Plan for Scattered Site Infill Housing in Kalamazoo, Michigan and recommends the City Commission adopt a resolution approving this Brownfield Plan.

AYES: _____

NAYS: _____

RESOLUTION DECLARED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the Brownfield Redevelopment Authority at a regular meeting held on May 20, 2021. Public notice was given and the meeting was conducted pursuant to the Open Meetings Act MCL 15.263 (2) and MCL 15.263a 1(b).

Jamie McCarthy
Recording Secretary

**Second Amendment to the Revised ACT 381
BROWNFIELD PLAN
Amended May 2021**

Scattered Site Infill Housing

**2349 Shelter Pointe
110 & 124 Burr Oak Street
1015 Albert Street
1100 S. Rose Street**

**515 Egelston
1114 Egleston
538 W. Paterson
114 Burr Oak
738 Harrison
1010 N. Rose
1014 N. Rose
707 Staples**

**Kalamazoo County, City of Kalamazoo
City of Kalamazoo Brownfield Redevelopment Authority**

05/20/2021

Approved by the Brownfield Redevelopment Authority on _____

Approved by the Kalamazoo City Commission on _____

Prepared by (7/20/2020):

Joe Agostinelli
Southwest Michigan First
261 E. Kalamazoo Ave, Suite 200
Kalamazoo, MI 49007

First Amendment (12/4/2020):

Community Planning & Economic Development
City of Kalamazoo
241 W. South St
Kalamazoo, MI 49007

Second Amendment (05/20/2021):

David Stegink
Envirologic Technologies, Inc.
2960 Interstate Parkway
Kalamazoo, MI 49048

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- 1.2 Eligible Property Information

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- 2.2 Summary of Eligible Activities
- 2.3 Estimate of Captured Taxable Value and Tax Increment Revenues
- 2.4 Method of Financing and Description of Advances Made by the Municipality
- 2.5 Maximum Amount of Note or Bonded Indebtedness
- 2.6 Duration of Brownfield Plan
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TABLE

- Table 1 Eligible Activities Costs
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- Attachment A Brownfield Plan Resolutions
- Attachment B Development and/or Reimbursement Agreement
- Attachment C Parcel Listing and Eligible Property Qualification Status
- Attachment D Eligible Property Verification

ACT 381 BROWNFIELD PLAN

1.0 INTRODUCTION

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The purpose of this brownfield plan is to facilitate the construction of new single family and multifamily homes within the City of Kalamazoo. All parcels included in this plan contain site specific redevelopment challenges where the cost of construction is expected to exceed the value of the home upon completion. But-for the assistance of the public sector, it is anticipated that these parcels would continue to remain vacant for many years. This plan helps to offset the cost gap associated with infill housing on these sites through the reimbursement of eligible activities with the new tax increment generated by newly constructed homes. The resulting projects will increase the number of residents and increase the tax base of the city.

The developers have incurred and will incur "eligible activity" expenses in connection with the Property, as defined in the Brownfield Redevelopment Financing Act of 1996 ("Act 381"), lead and asbestos abatement, demolition, site preparation and infrastructure improvements. Contingencies, calculated at 15% of these eligible costs is also allowed as an eligible expense. The cost of preparing the Brownfield Plan including any fees is also an eligible expense.

The purpose of this Plan is to provide for reimbursement of the eligible activity expenses incurred and to be incurred by the developers on the Property and improvements that will directly benefit the Property. The proposed project includes the preparation of each lot for new residential construction which may include single family, duplex, triplex and multiplex homes (the "Project").

The combined total capital investment on the projects will be greater than \$2 million.

1.2 Eligible Property Information

Basis of Eligibility

The Properties are located in the City of Kalamazoo (the "City"), a qualified local governmental unit pursuant to Act 381. Each property qualifies separately as "eligible property" under Act 381 on the basis of being a "facility," "blighted" or "functionally obsolete" and/or adjacent and contiguous to one of the foregoing. A table listing each parcel in the plan, and its qualifying status, is included as Attachment C.

2.0 Information Required by Section 13(2) of the Statute

2.1 Description of Costs to Be Paid for With Tax Increment Revenues

Only local tax increment revenues will be used to reimburse the developers and City of Kalamazoo Brownfield Redevelopment Authority (KBRA) for the cost of eligible activities as authorized by the Brownfield Redevelopment Financing Act (Act 381).

The total cost of eligible activities are anticipated to be \$330,326. Authority administrative costs are anticipated to be \$51,252. Capture of TIR for the Local Brownfield Revolving Fund (LBRF) is estimated to be \$166,299. The estimated cost of all eligible activities under this plan are summarized in Table 1.

Non-Environmental Activities

Because the City of Kalamazoo is a Qualified Local Governmental Unit ("QLGU"), additional non-environmental costs ("Michigan Strategic Fund ("MSF") Eligible Activities") can be reimbursed through a brownfield plan. This plan will provide for reimbursement of eligible demolition; lead, asbestos & mold abatement; site preparation; and infrastructure improvements.

Authority Expenses

Actual eligible costs incurred by the City of Kalamazoo Brownfield Redevelopment Authority ("KBRA") are included in this plan as an eligible expense. These expenses will be reimbursed with local tax increment revenues only.

2.2 Summary of Eligible Activities

2.2..1 Lead and Asbestos Abatement

Developers may incur costs associated with initial surveys of Eligible Property and proper abatement and disposal of lead and asbestos prior to demolition activities. The cost of these activities are estimated to be \$3,900.

2.2..2 Demolition

Site demolition is anticipated on each eligible property. This demolition will include the removal of subsurface demolition debris, former building foundations, sidewalks, curb & gutters and utility connections. Additionally, three of the parcels in the plan contain existing structures which will be demolished as part of the project. The cost of these activities will vary by site and are anticipated to be \$42,900 for all parcels in the plan.

2.2..3 Infrastructure Improvements

Infrastructure improvements that directly benefit eligible property will include utility, road, sidewalks & approaches and other eligible infrastructure improvements. The cost of these activities is estimated to be \$14,400 for all parcels in the plan.

2.2..4 Site Preparation

Site preparation activities are anticipated on all parcels and may include: surveying & staking, geotechnical surveying and engineering, temporary soil erosion control, clearing and grubbing, cut & fill,

compaction and subbase preparation, grading, excavation for unstable material, fill, and foundation work to address special soil concerns. The cost of these activities is estimated to be \$216,040 for all parcels in this plan.

2.2..5 Contingency

A 15% contingency on future costs is included to cover unexpected cost overruns encountered during construction on the future costs. The contingency is \$41,586

2.2..6 Brownfield Plan Preparation

The cost to prepare the Brownfield Plan including any fees is anticipated to be \$11,500.

2.2..7 Local Brownfield Revolving Fund

The Authority intends to capture local only (non-school) tax increments for deposit in the local brownfield revolving fund for a full five years. This capture is estimated to be \$166,299.

2.3 Estimate of Captured Taxable Value and Tax Increment Revenues

An estimate of the captured taxable value for this redevelopment by year is depicted in Table 2. This plan captures all available TIR, including real and personal property TIR.

2.4 Method of Financing and Description of Advances Made by the Municipality

The eligible activities contemplated under this plan will be financed by the developer and reimbursed as outlined in this plan and accompanying development agreement. No advances from the City are anticipated at this time.

2.5 Maximum Amount of Note or Bonded Indebtedness

No note or bonded indebtedness for this project is anticipated at this time. Therefore, this section is not applicable.

2.6 Duration of Brownfield Plan

The duration of this plan is estimated to be 15 years, however, capture may continue until all eligible activities are reimbursed, subject to any development agreements between the KBRA and the developer. In no event shall capture extend beyond 30 years as required by Act 381. It is estimated that the redevelopment of the eligible property will be completed in 2022 and that it could take approximately 10 years to recapture eligible costs and eligible administrative costs of the authority through TIR. Capture of TIR is expected to begin in 2022, however could be delayed for up to 5 years after the approval of this plan as permitted by Act 381. An analysis showing the reimbursement schedule is attached as Table 3.

2.7 Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions is illustrated in detail within Table 2.

2.8 Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property

A map showing eligible property dimensions, is attached as Figure 1. A legal description and statement of qualifying characteristics for each parcel is included as Attachment C.

Taxable personal property, if any, is included in this plan.

2.9 Estimates of Residents and Displacement of Individuals/Families

No persons reside on the eligible property. Therefore, this section is not applicable.

2.10 Plan for Relocation of Displaced Persons

No persons reside on the eligible property. Therefore, this section is not applicable.

2.11 Provisions for Relocation Costs

No persons reside on the eligible property. Therefore, this section is not applicable.

2.12 Strategy for Compliance with Michigan's Relocation Assistance Law

No persons reside on the eligible property. Therefore, this section is not applicable.

2.13 Other Material that the Authority or Governing Body Considers Pertinent

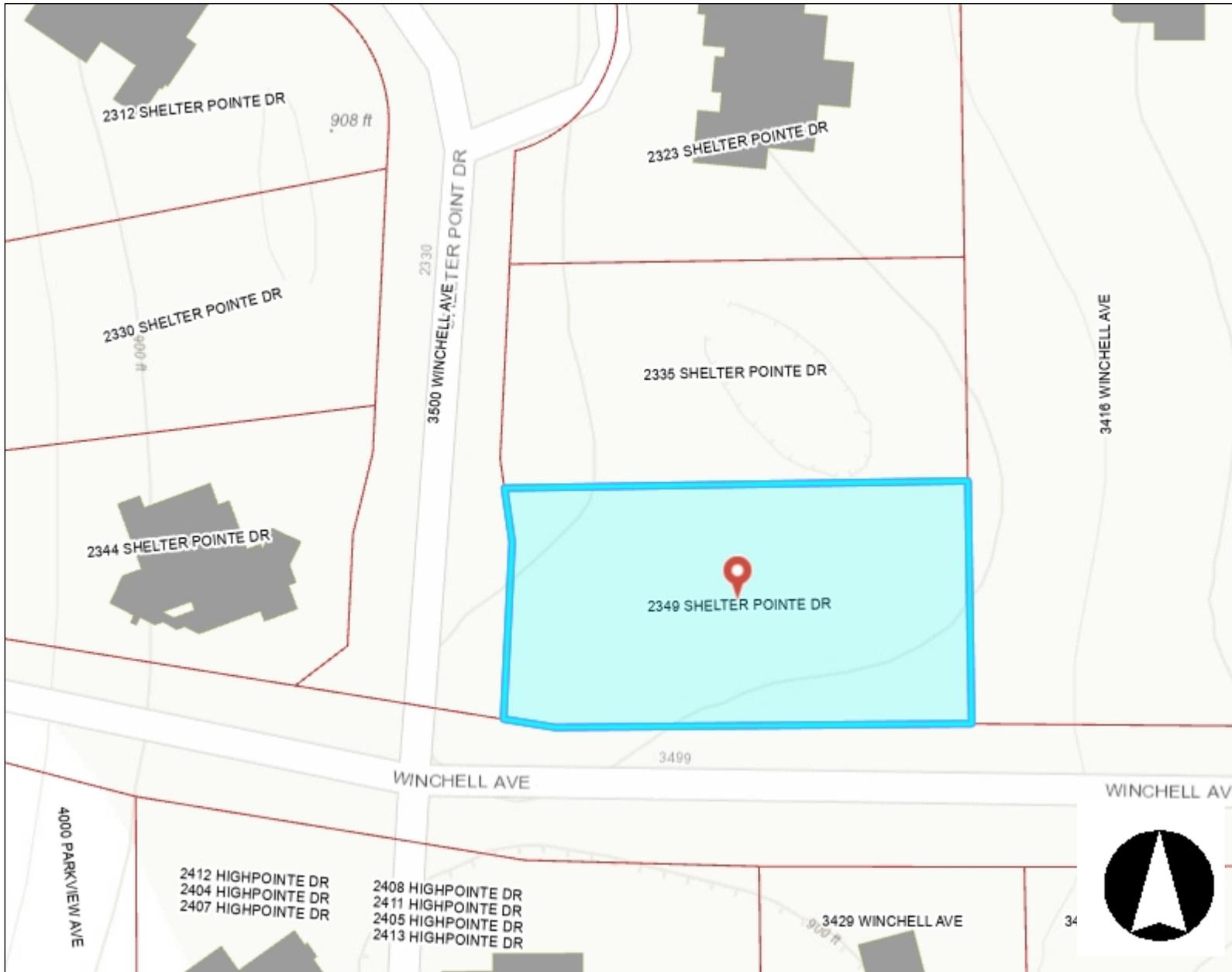
But for the assistance of the public sector, it is anticipated that these parcels would continue to remain vacant for many years. This plan helps to offset the cost gap associated with infill housing on these sites through the reimbursement of eligible activities with the new tax increment generated by newly constructed homes. The resulting projects will increase the number of residents and increase the tax base of the city.

Figure 1
Eligible Property Map

City of Kalamazoo GIS

Legend

-  City Boundary
-  Parcels
-  Parcel Addresses
-  Polygons



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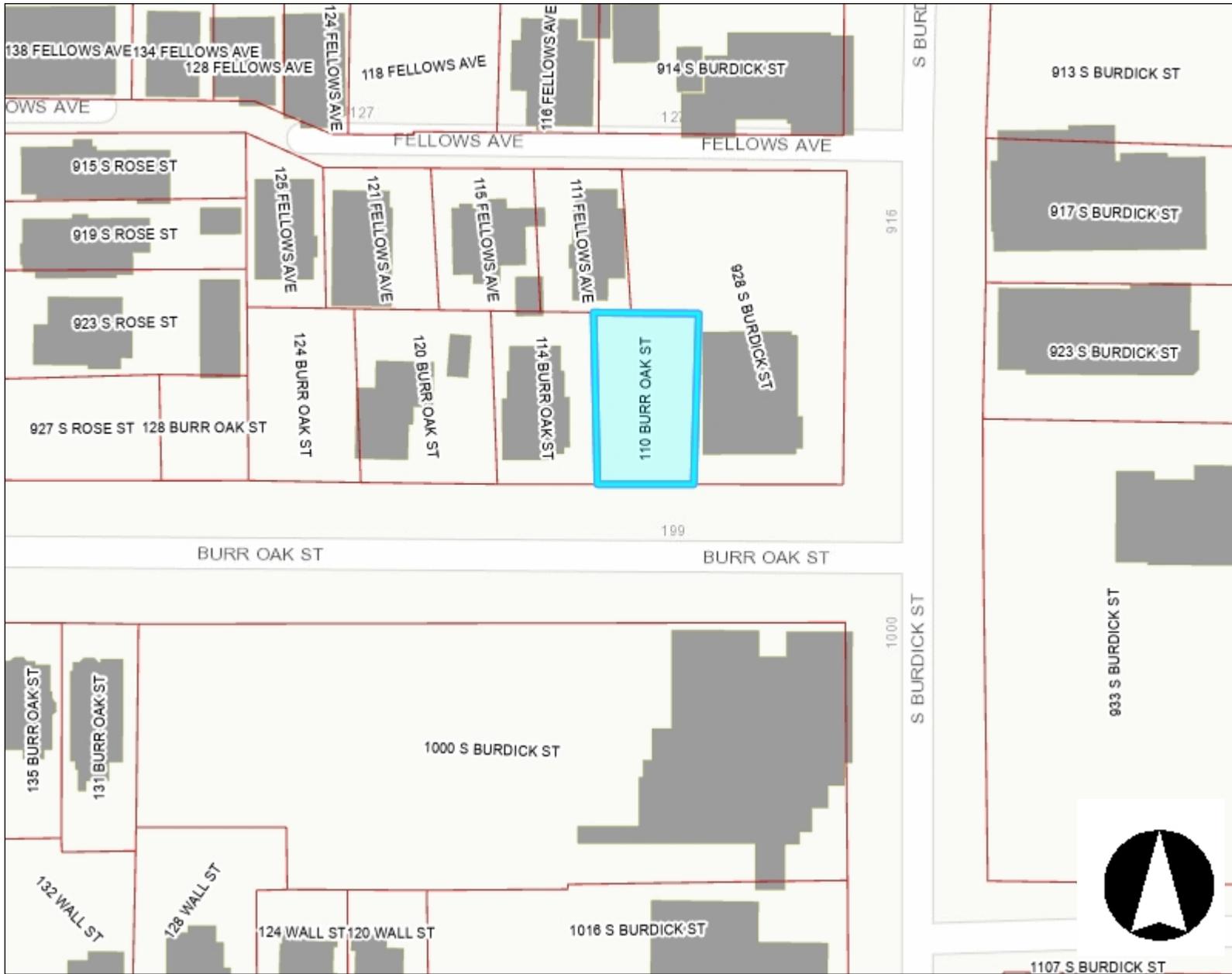
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City of Kalamazoo GIS



Legend

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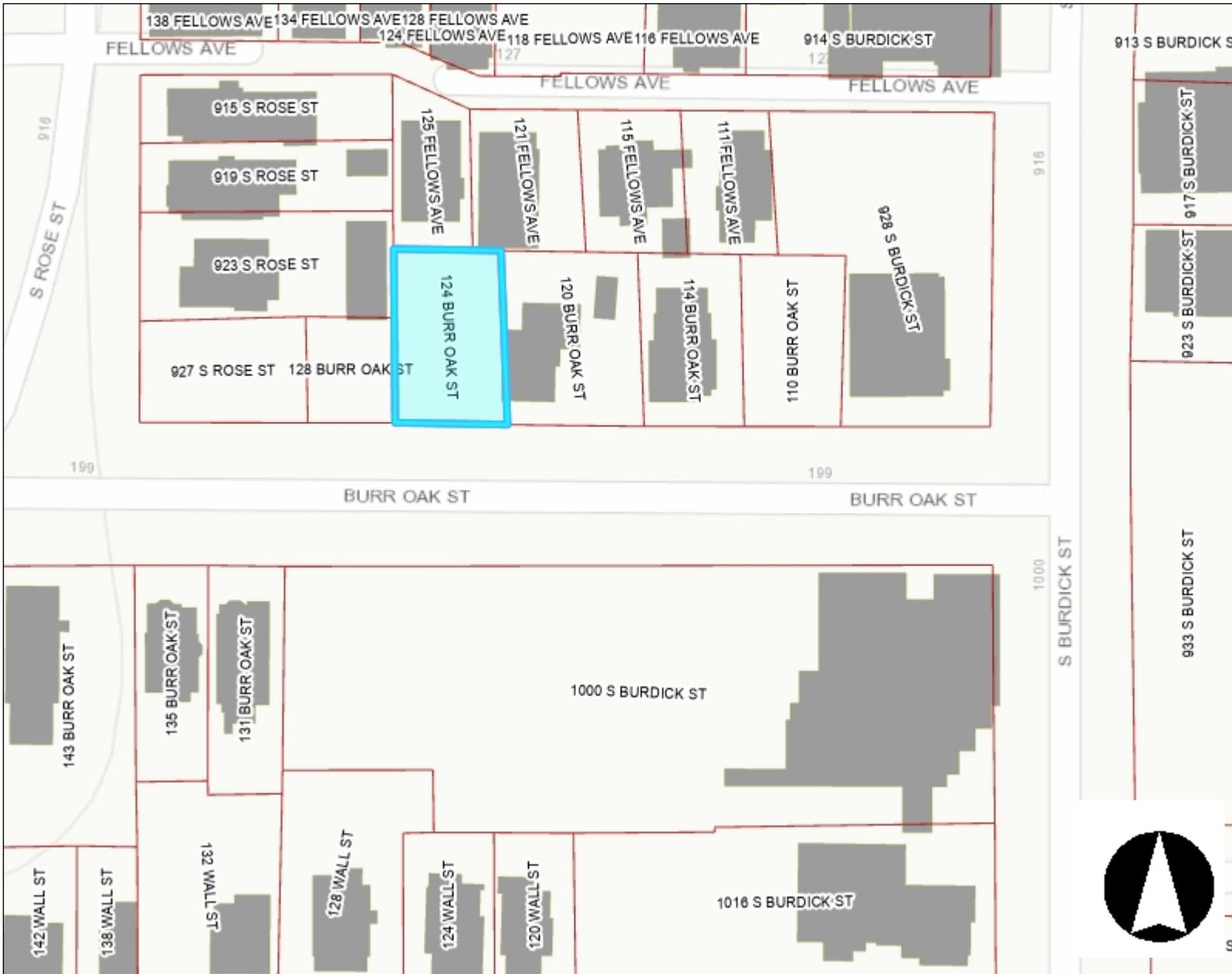
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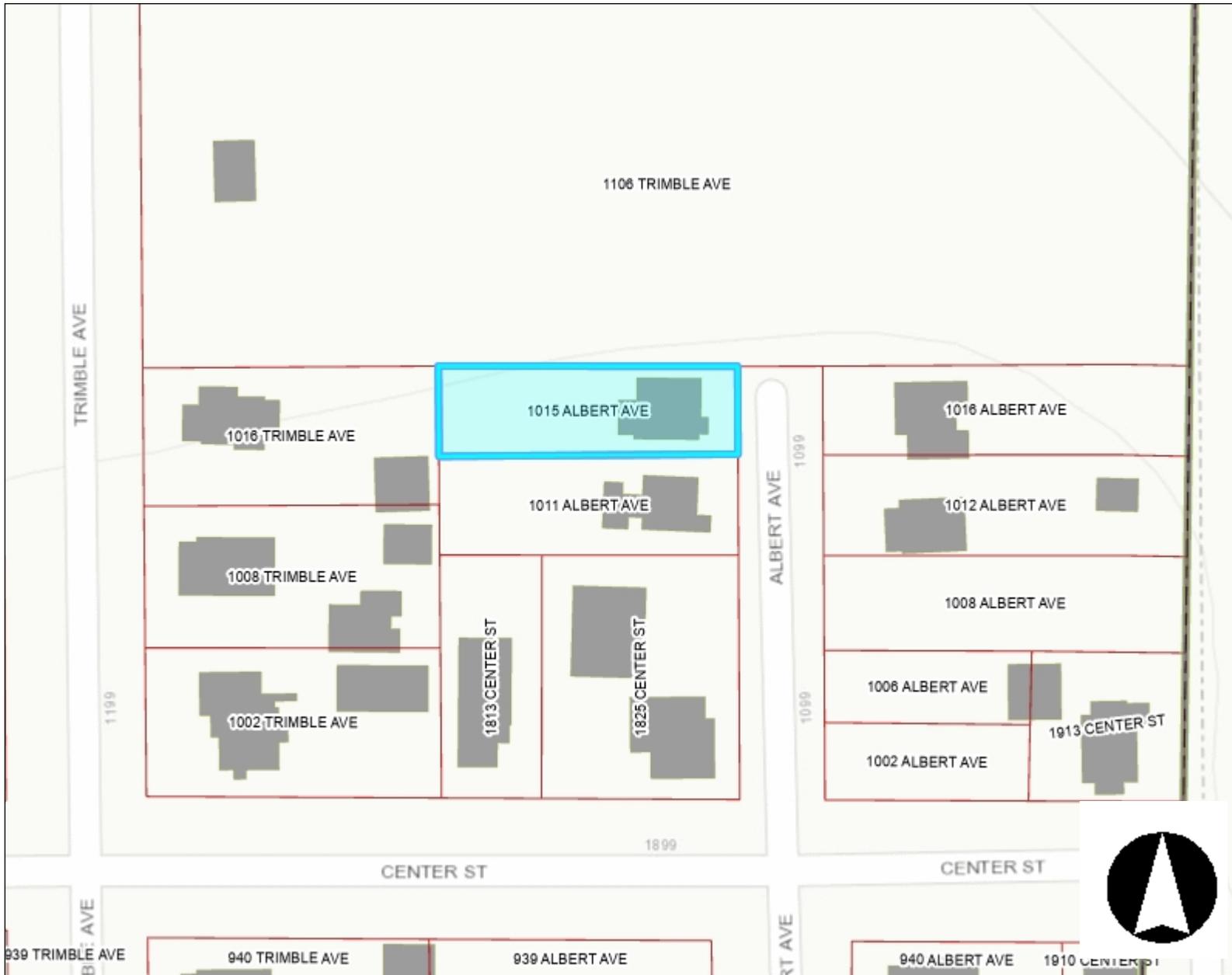
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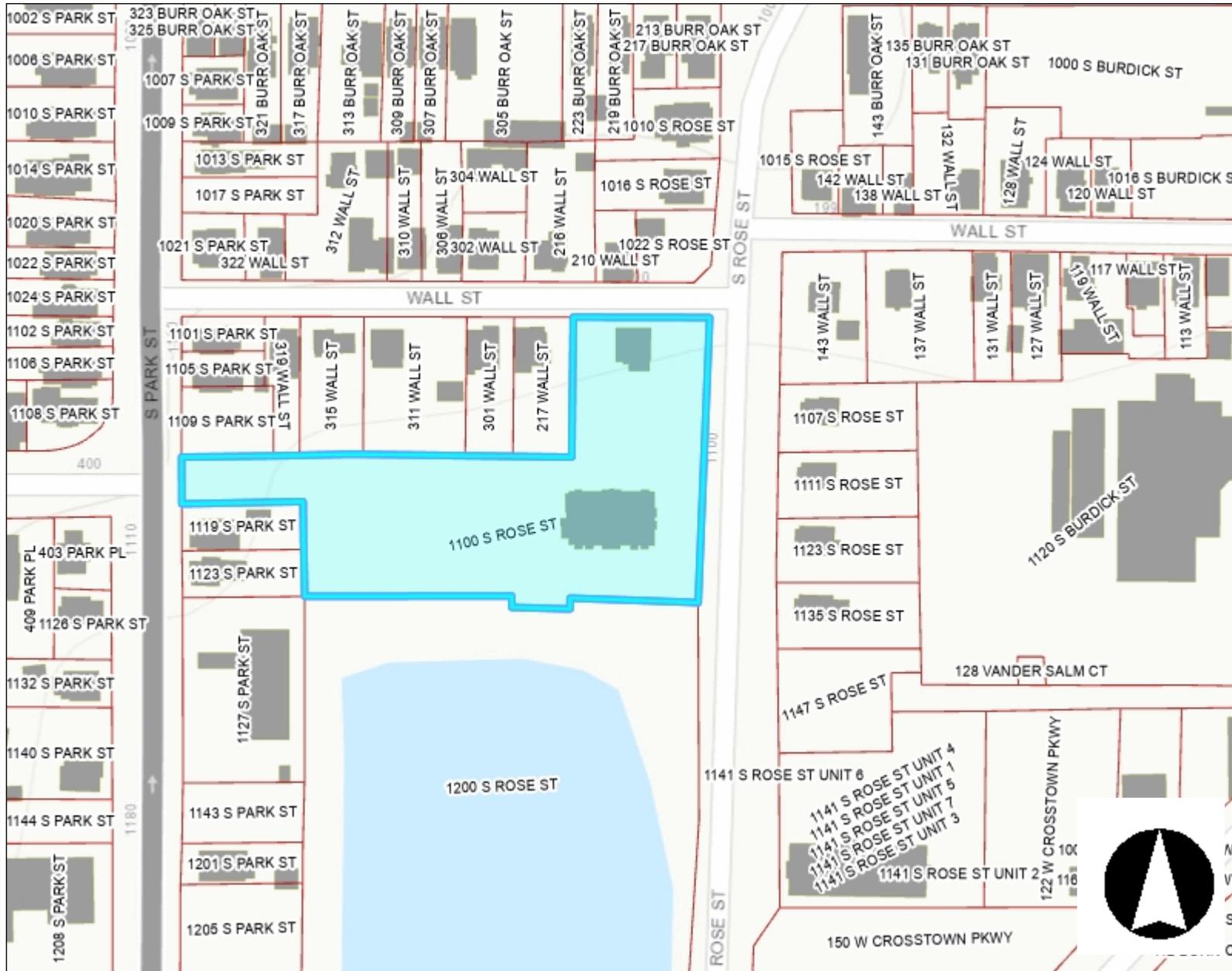
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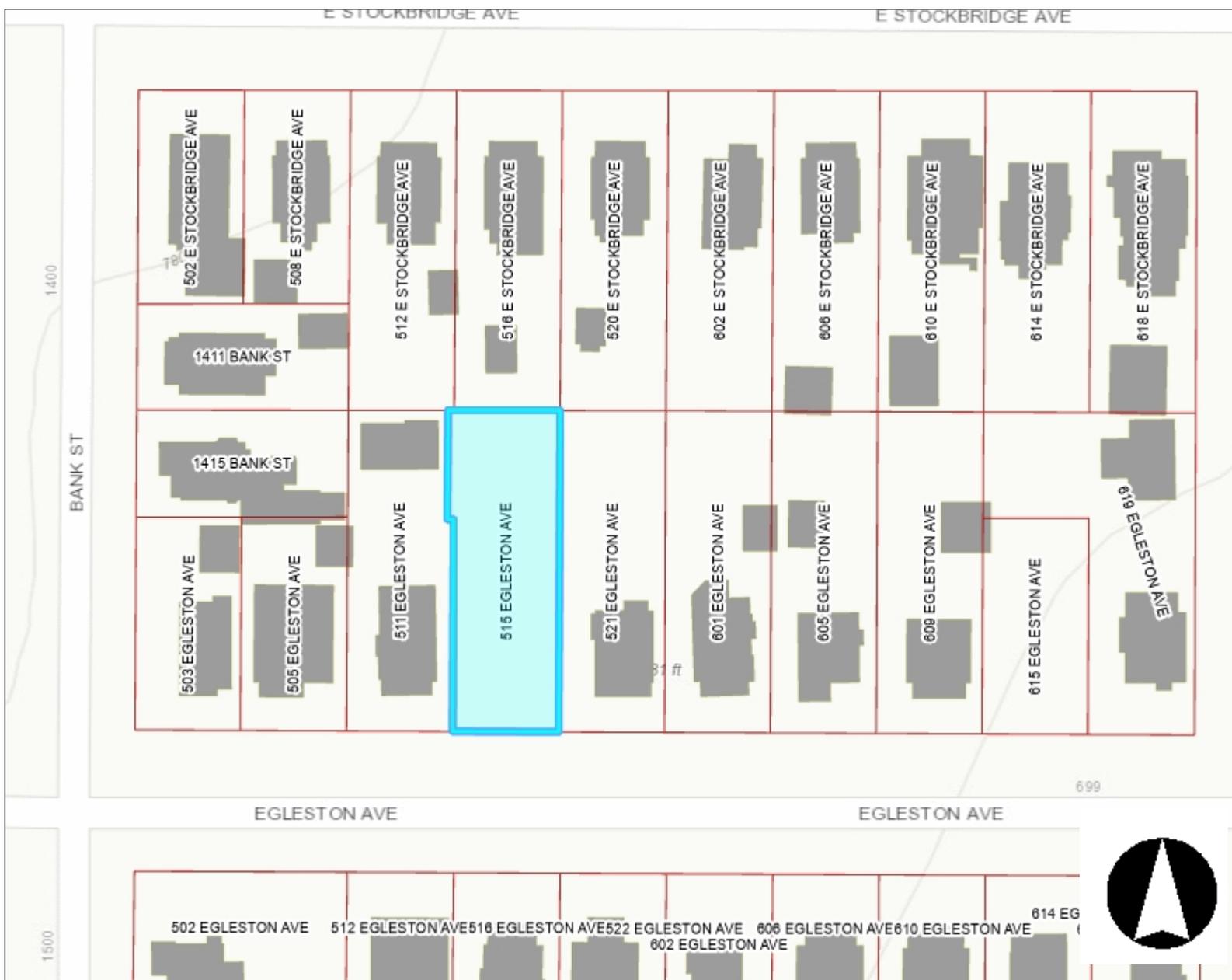
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City of Kalamazoo GIS

Legend

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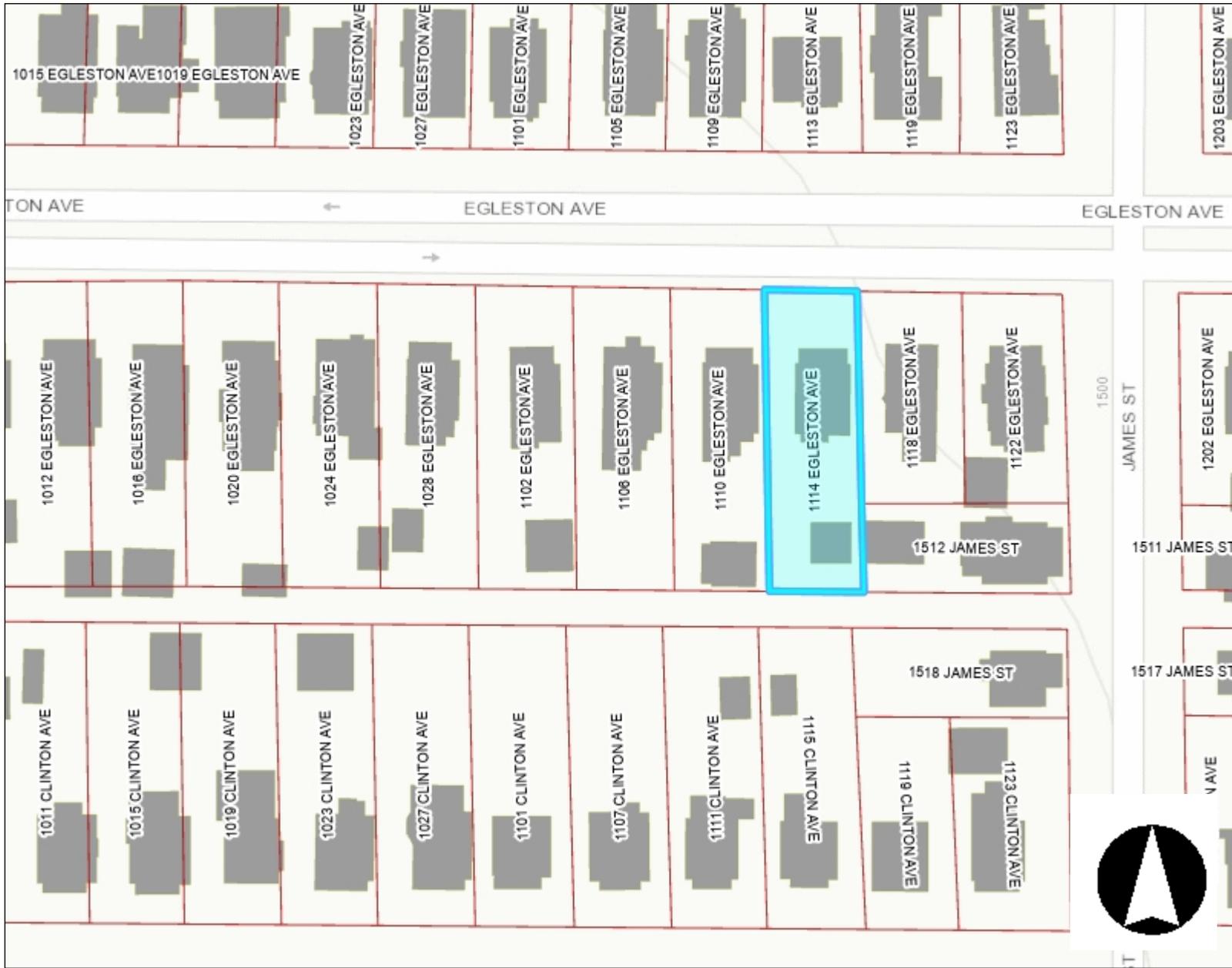
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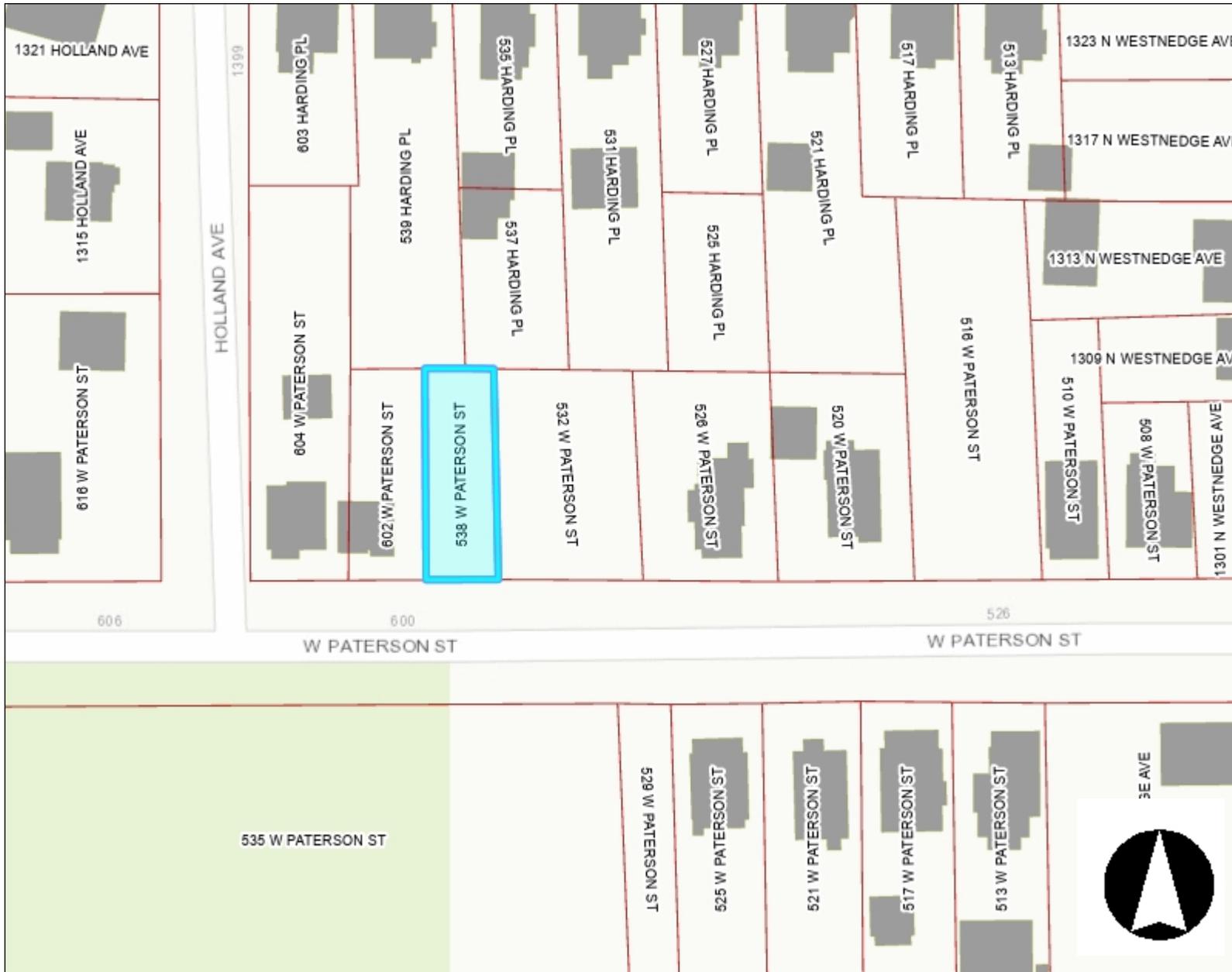
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City of Kalamazoo GIS



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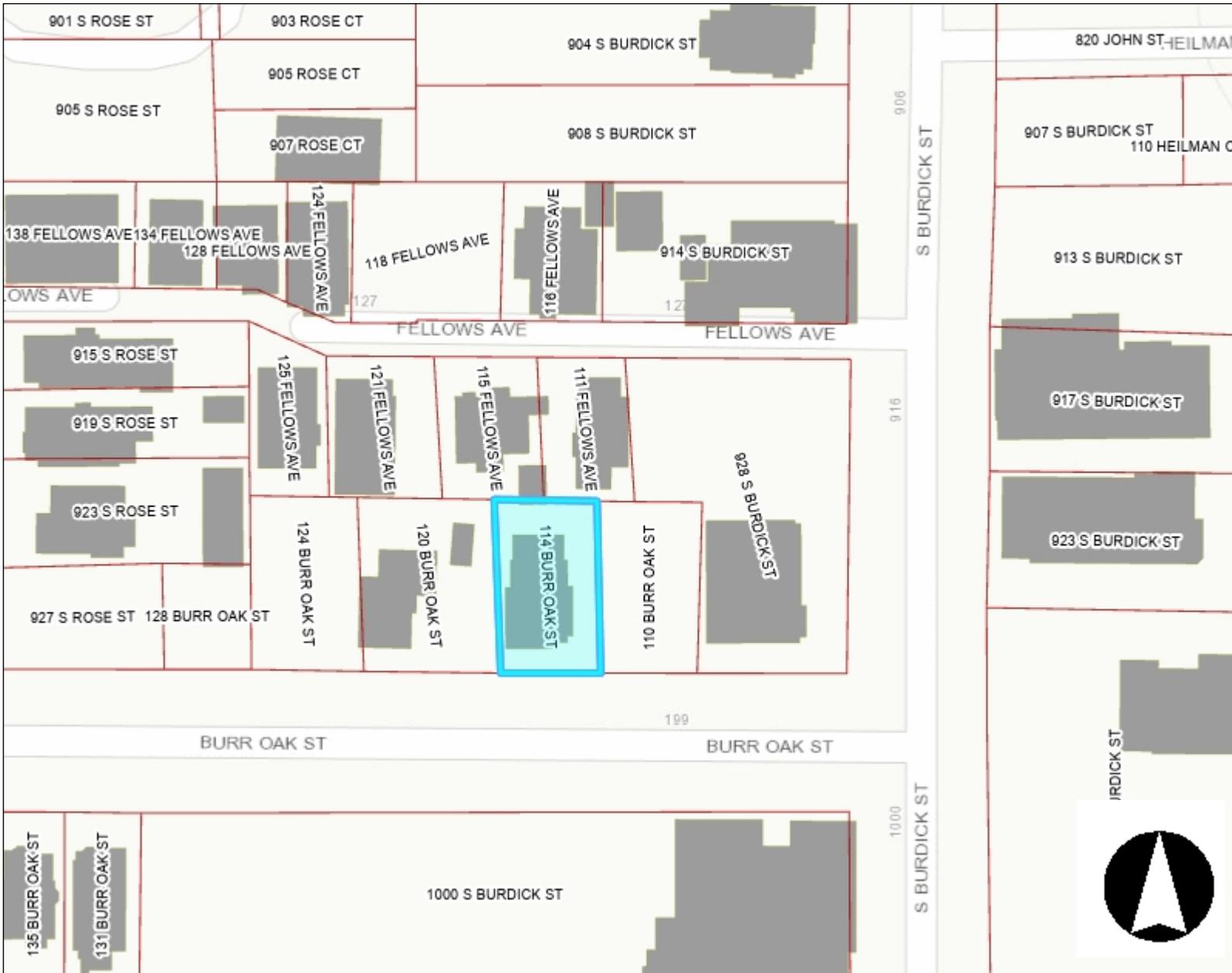
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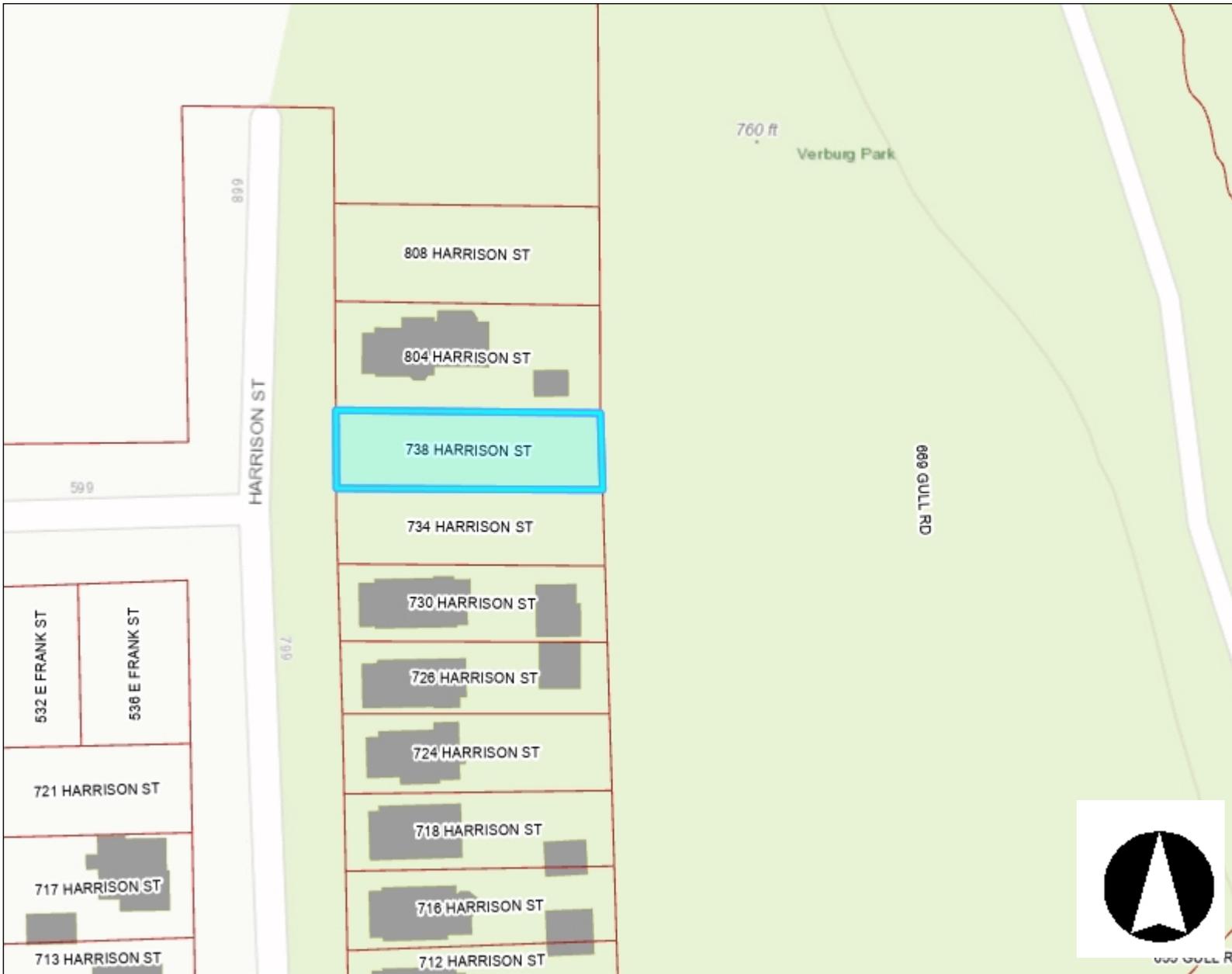
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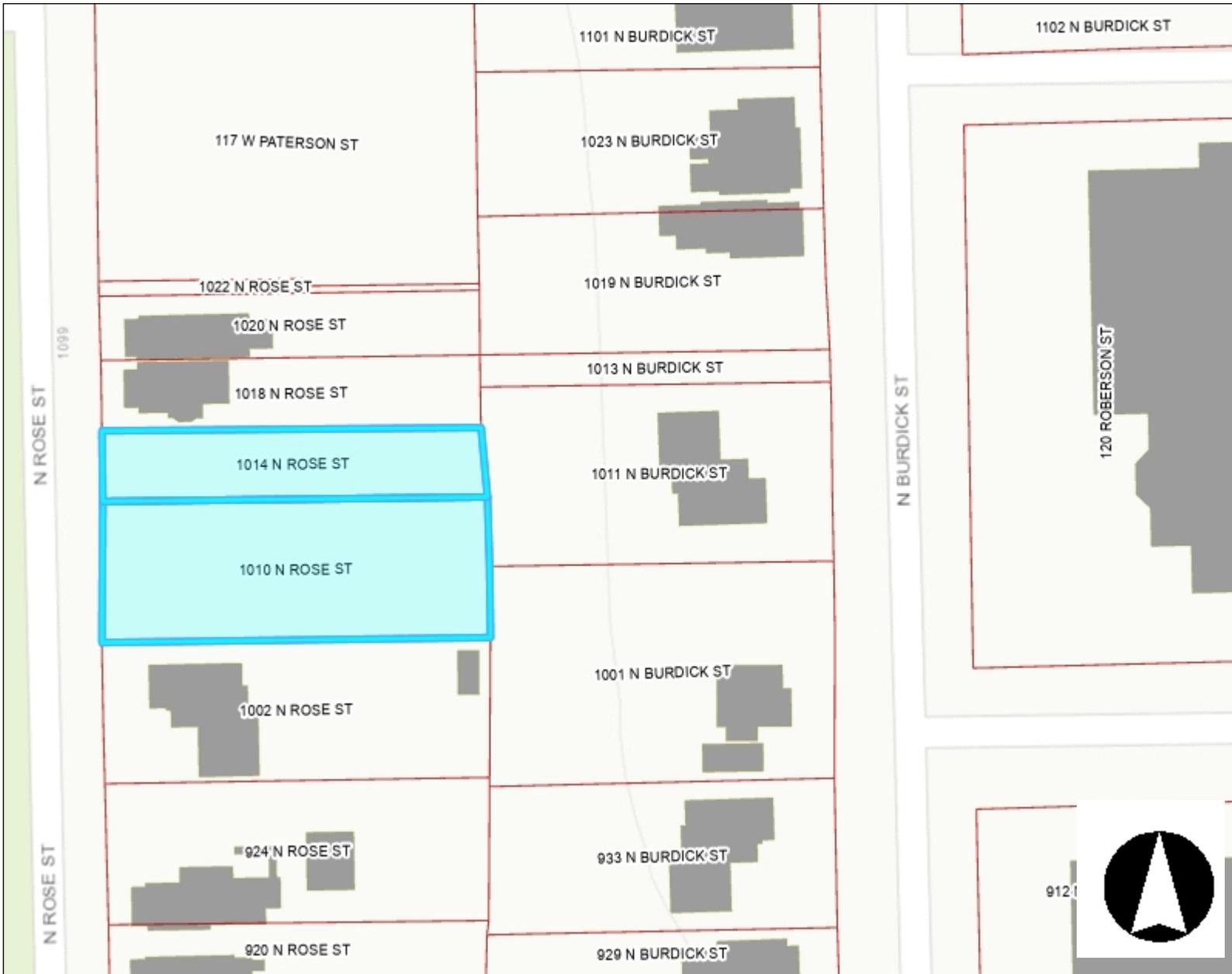
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-  City Boundary
-  Parcels
-  Parcel Addresses
-  Polygons



0.0 0 0.02 0.0 Miles

WGS_1984_Web_Mercator_Auxiliary_Sphere

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

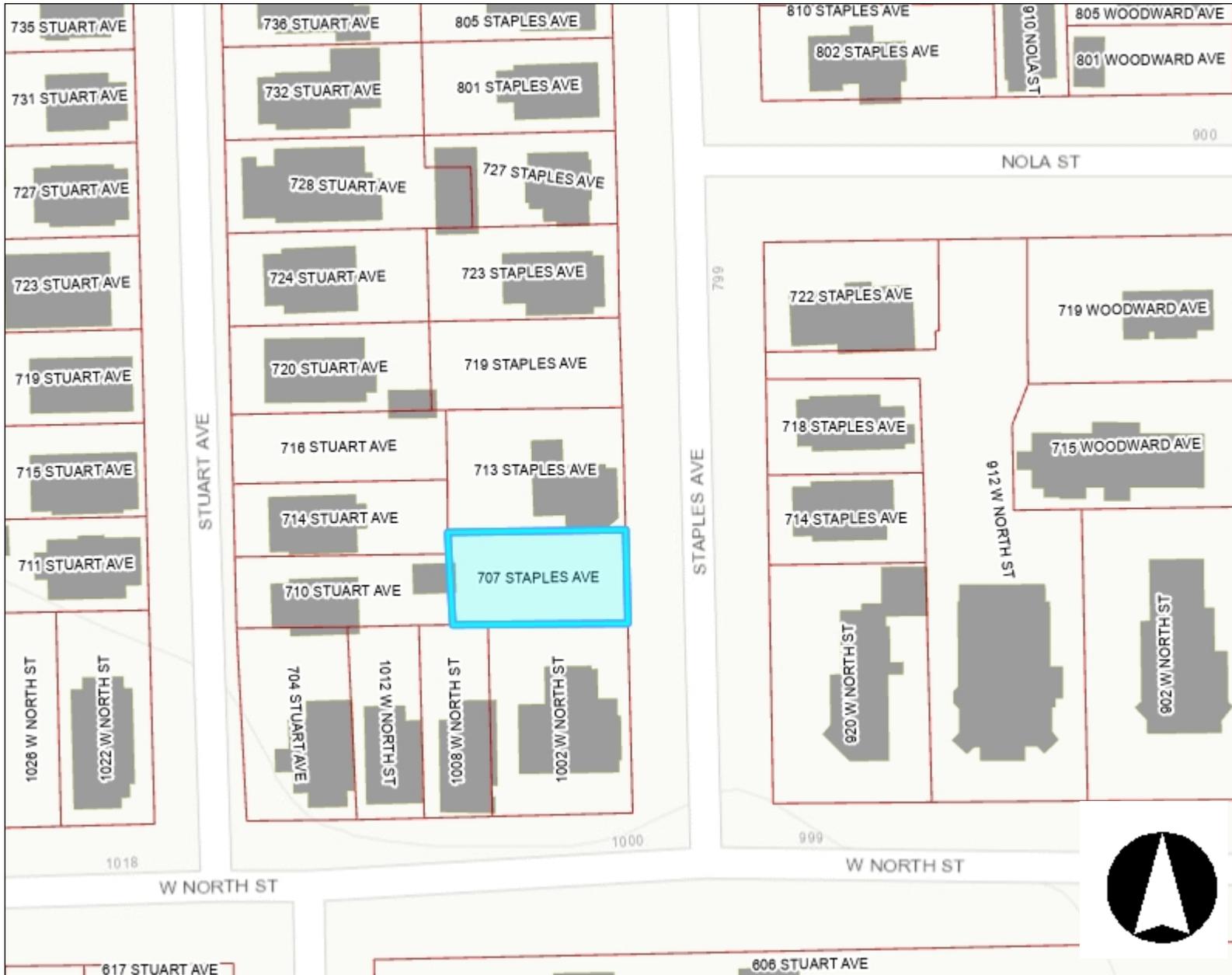
THIS MAP IS NOT TO BE USED FOR NAVIGATION



City of Kalamazoo GIS

Legend

-  City Boundary
-  Parcels
-  Parcel Addresses
-  Polygons



0.0 0 0.02 0.0 Miles

WGS_1984_Web_Mercator_Auxiliary_Sphere

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION



Table 1

Eligible Activity Costs

TABLE 1

Local Only Eligible Activities Costs and Schedule	
Local Only Eligible Activities	Cost
<u>Demolition</u>	
<i>2349 Shelter Pointe - Subsurface demolition debris removal</i>	\$ 4,500
<i>124 Burr Oak - Subsurface demolition debris removal</i>	\$ 16,500
<i>1100 S. Rose - Building & site demolition</i>	\$ 21,900
Subtotal - Demolition	\$ 42,900
<u>Lead and Asbestos Abatement</u>	
<i>1100 S. Rose - Lead and Asbestos Survey</i>	\$ 3,900
Subtotal - Lead and Asbestos Abatement	\$ 3,900
<u>Infrastructure Improvements</u>	
<i>110 Burr Oak - Sidewalks and approaches in Right of Way</i>	\$ 1,300
<i>1015 Albert - Sidewalks and approaches in Right of Way</i>	\$ 1,300
<i>124 Burr Oak - Sidewalks and approaches in Right of Way</i>	\$ 1,300
<i>1100 S. Rose - Sidewalks and approaches in Right of Way</i>	\$ 2,500
<i>515 Egleston - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>1114 Egleston - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>538 W Patterson - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>114 Burr Oak - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>738 Harrison - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>1010 N Rose - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>1014 N Rose - Sidewalks and approaches in Right of Way</i>	\$ 1,000
<i>707 Staples - Sidewalks and approaches in Right of Way</i>	\$ 1,000
Subtotal - Infrastructure	\$ 14,400
<u>Site Preparation</u>	
<i>2349 Shelter Pointe - geotechnical investigation, excavation to address special soil concerns, geopiers</i>	\$ 82,500
<i>110 Burr Oak - Survey & staking, soil excavation</i>	\$ 5,500
<i>1015 Albert - Survey & staking, soil excavation</i>	\$ 5,500
<i>124 Burr Oak - Survey & staking, soil excavation</i>	\$ 5,500
<i>1100 S. Rose - Survey & staking, soil excavation</i>	\$ 18,600
<i>515 Egleston - Survey & staking, soil excavation</i>	\$ 8,000
<i>1114 Egleston - Survey & staking, soil excavation</i>	\$ 8,000
<i>538 W Patterson - Survey & staking, soil excavation</i>	\$ 16,610
<i>114 Burr Oak - Survey & staking, soil excavation</i>	\$ 8,000
<i>738 Harrison - Survey & staking, soil excavation</i>	\$ 16,610
<i>1010 N Rose - Survey & staking, soil excavation</i>	\$ 16,610
<i>1014 N Rose - Survey & staking, soil excavation</i>	\$ 8,000
<i>707 Staples - Survey & staking, soil excavation</i>	\$ 16,610

TABLE 1

Sub-Total – Site Prep	\$ 216,040
Local Only Eligible Activities Sub-Total	\$ 277,240
Contingency (15%)	\$ 41,586
Brownfield Plan Preparation	\$ 11,500
Local Only Eligible Activities Total Costs	\$ 330,326

Table 2

Tax Capture Schedule

Estimated Total
Years of Plan: 15

Estimated Capture	\$ 512,519
Administrative Fees	\$ 51,252
State Brownfield Redevelopment Fund	\$ -
Local Brownfield Revolving Fund	\$ 166,299

CAPTURE

Estimated Taxable Value (TV) Increase Rate: 1%

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	TOTAL
Calendar Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
*Base Taxable Value	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ 96,689	\$ -
Estimated New TV	\$ 1,002,000	\$ 1,012,020	\$ 1,022,140	\$ 1,032,362	\$ 1,042,685	\$ 1,053,112	\$ 1,063,643	\$ 1,074,280	\$ 1,085,022	\$ 1,095,873	\$ 1,106,831	\$ 1,117,900	\$ 1,129,079	\$ 1,140,369	\$ 1,151,773	\$ -
Incremental Difference (New TV - Base TV)	\$ 905,311	\$ 915,331	\$ 925,451	\$ 935,673	\$ 945,996	\$ 956,423	\$ 966,954	\$ 977,591	\$ 988,333	\$ 999,184	\$ 1,010,142	\$ 1,021,211	\$ 1,032,390	\$ 1,043,680	\$ 1,055,084	\$ -

School Capture	Millage Rate																
State Education Tax (SET)	6.0000																\$ -
School Operating Tax*	17.8704																\$ -
School Total	23.8704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Tax Reverted Property Specific Tax	Millage Rate																
Tax Reverted Property Specific Tax	25.2146	\$ 8,059	\$ 8,142	\$ 7,197	\$ 7,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,666

Local Capture	Millage Rate																
CITY OPERATING	12.0000	\$ 7,028	\$ 7,109	\$ 7,680	\$ 7,769	\$ 11,352	\$ 11,477	\$ 11,603	\$ 11,731	\$ 11,860	\$ 11,990	\$ 12,122	\$ 12,255	\$ 12,389	\$ 12,524	\$ 12,661	\$ 161,550
CCTA	0.7470	\$ 438	\$ 443	\$ 478	\$ 484	\$ 707	\$ 714	\$ 722	\$ 730	\$ 738	\$ 746	\$ 755	\$ 763	\$ 771	\$ 780	\$ 788	\$ 10,057
SOLID WASTE	1.8000	\$ 1,054	\$ 1,066	\$ 1,152	\$ 1,165	\$ 1,703	\$ 1,722	\$ 1,741	\$ 1,760	\$ 1,779	\$ 1,799	\$ 1,818	\$ 1,838	\$ 1,858	\$ 1,879	\$ 1,899	\$ 24,233
KCTA	0.3131	\$ 183	\$ 185	\$ 200	\$ 203	\$ 296	\$ 299	\$ 303	\$ 306	\$ 309	\$ 313	\$ 316	\$ 320	\$ 323	\$ 327	\$ 330	\$ 4,215
KVCC	2.7970	\$ 1,638	\$ 1,657	\$ 1,790	\$ 1,811	\$ 2,646	\$ 2,675	\$ 2,705	\$ 2,734	\$ 2,764	\$ 2,795	\$ 2,825	\$ 2,856	\$ 2,888	\$ 2,919	\$ 2,951	\$ 37,655
COUNTY OPERATING - Summer	4.6608	\$ 2,730	\$ 2,761	\$ 2,983	\$ 3,017	\$ 4,409	\$ 4,458	\$ 4,507	\$ 4,556	\$ 4,606	\$ 4,657	\$ 4,708	\$ 4,760	\$ 4,812	\$ 4,864	\$ 4,918	\$ 62,746
COUNTY OPERATING - Winter - Public Sa	1.4409	\$ 844	\$ 854	\$ 922	\$ 933	\$ 1,363	\$ 1,378	\$ 1,393	\$ 1,409	\$ 1,424	\$ 1,440	\$ 1,456	\$ 1,471	\$ 1,488	\$ 1,504	\$ 1,520	\$ 19,398
COUNTY 911	0.6500	\$ 381	\$ 385	\$ 416	\$ 421	\$ 615	\$ 622	\$ 629	\$ 635	\$ 642	\$ 649	\$ 657	\$ 664	\$ 671	\$ 678	\$ 686	\$ 8,751
COUNTY HOUSING	0.0993	\$ 58	\$ 59	\$ 64	\$ 64	\$ 94	\$ 95	\$ 96	\$ 97	\$ 98	\$ 99	\$ 100	\$ 101	\$ 103	\$ 104	\$ 105	\$ 1,337
COUNTY SENIOR	0.3484	\$ 204	\$ 206	\$ 223	\$ 226	\$ 330	\$ 333	\$ 337	\$ 341	\$ 344	\$ 348	\$ 352	\$ 356	\$ 360	\$ 364	\$ 368	\$ 4,690
KRESA OPERATING	3.0260	\$ 1,772	\$ 1,793	\$ 1,937	\$ 1,959	\$ 2,863	\$ 2,894	\$ 2,926	\$ 2,958	\$ 2,991	\$ 3,024	\$ 3,057	\$ 3,090	\$ 3,124	\$ 3,158	\$ 3,193	\$ 40,738
KRESA SPECIAL ED	1.4925	\$ 874	\$ 884	\$ 955	\$ 966	\$ 1,412	\$ 1,427	\$ 1,443	\$ 1,459	\$ 1,475	\$ 1,491	\$ 1,508	\$ 1,524	\$ 1,541	\$ 1,558	\$ 1,575	\$ 20,093
KRESA ENHANCEMENT	1.5000	\$ 879	\$ 889	\$ 960	\$ 971	\$ 1,419	\$ 1,435	\$ 1,450	\$ 1,466	\$ 1,483	\$ 1,499	\$ 1,515	\$ 1,532	\$ 1,549	\$ 1,566	\$ 1,583	\$ 20,194
KRESA CTE	0.9958	\$ 583	\$ 590	\$ 637	\$ 645	\$ 942	\$ 952	\$ 963	\$ 973	\$ 984	\$ 995	\$ 1,006	\$ 1,017	\$ 1,028	\$ 1,039	\$ 1,051	\$ 13,406
KALAMAZOO LIBRARY	3.9213	\$ 2,297	\$ 2,323	\$ 2,510	\$ 2,539	\$ 3,710	\$ 3,750	\$ 3,792	\$ 3,833	\$ 3,876	\$ 3,918	\$ 3,961	\$ 4,004	\$ 4,048	\$ 4,093	\$ 4,137	\$ 52,791
Local Total	35.7921	\$ 20,963	\$ 21,204	\$ 22,908	\$ 23,172	\$ 33,859	\$ 34,232	\$ 34,609	\$ 34,990	\$ 35,375	\$ 35,763	\$ 36,155	\$ 36,551	\$ 36,951	\$ 37,356	\$ 37,764	\$ 481,852

Non-Capturable Millages	Millage Rate																
COUNTY JUV. HOME DEBT	0.1620	\$ 140	\$ 142	\$ 143	\$ 145	\$ 146	\$ 148	\$ 150	\$ 151	\$ 153	\$ 155	\$ 156	\$ 158	\$ 160	\$ 162	\$ 163	\$ 2,272
SCHOOL DEBT	8.2000	\$ 7,097	\$ 7,175	\$ 7,254	\$ 7,334	\$ 7,414	\$ 7,495	\$ 7,577	\$ 7,660	\$ 7,744	\$ 7,828	\$ 7,914	\$ 8,000	\$ 8,087	\$ 8,175	\$ 8,264	\$ 115,019
KRESA DEBT	0.2750	\$ 238	\$ 241	\$ 243	\$ 246	\$ 249	\$ 251	\$ 254	\$ 257	\$ 260	\$ 263	\$ 265	\$ 268	\$ 271	\$ 274	\$ 277	\$ 3,857
Total Non-Capturable Taxes	8.6370	\$ 7,475	\$ 7,558	\$ 7,641	\$ 7,724	\$ 7,809	\$ 7,895	\$ 7,981	\$ 8,068	\$ 8,157	\$ 8,246	\$ 8,336	\$ 8,426	\$ 8,518	\$ 8,611	\$ 8,704	\$ 121,149

Total Tax Increment Revenue (TIR) Available for Capture \$ 20,963 \$ 21,204 \$ 22,908 \$ 23,172 \$ 33,859 \$ 34,232 \$ 34,609 \$ 34,990 \$ 35,375 \$ 35,763 \$ 36,155 \$ 36,551 \$ 36,951 \$ 37,356 \$ 37,764 \$ 481,852

Table 3

Reimbursement Schedule

REIMBURSEMENT

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	TOTAL
Calendar Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Total Local Incremental Revenue	\$ 29,022	\$ 29,346	\$ 30,105	\$ 30,440	\$ 33,859	\$ 34,232	\$ 34,609	\$ 34,990	\$ 35,375	\$ 35,763	\$ 36,155	\$ 36,551	\$ 36,951	\$ 37,356	\$ 37,764	\$ 512,519
BRA Administrative Fee 10%	\$ 2,902	\$ 2,935	\$ 3,010	\$ 3,044	\$ 3,386	\$ 3,423	\$ 3,461	\$ 3,499	\$ 3,537	\$ 3,576	\$ 3,616	\$ 3,655	\$ 3,695	\$ 3,736	\$ 3,776	\$ 51,252
Local TIR Available for Reimbursement	\$ 26,120	\$ 26,411	\$ 27,094	\$ 27,396	\$ 30,473	\$ 30,809	\$ 31,148	\$ 31,491	\$ 31,837	\$ 32,187	\$ 32,540	\$ 32,896	\$ 33,256	\$ 33,620	\$ 33,987	\$ 461,267
Total State & Local TIR Available	\$ 26,120	\$ 26,411	\$ 27,094	\$ 27,396	\$ 30,473	\$ 30,809	\$ 31,148	\$ 31,491	\$ 31,837	\$ 32,187	\$ 32,540	\$ 32,896	\$ 33,256	\$ 33,620	\$ 33,987	\$ 461,267
DEVELOPER	Beginning Balance															
Local Only Costs	\$ 330,326	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KNHS Reimbursement	\$ 238,826	\$ 18,602	\$ 18,813	\$ 19,414	\$ 19,634	\$ 22,628	\$ 22,880	\$ 23,135	\$ 23,392	\$ 23,652	\$ 23,914	\$ -	\$ -	\$ -	\$ -	\$ 216,063
Shelter Point Reimbursement	\$ 85,000	\$ 6,766	\$ 6,839	\$ 6,912	\$ 6,986	\$ 7,061	\$ 7,136	\$ 7,212	\$ 7,289	\$ 7,367	\$ 8,273	\$ -	\$ -	\$ -	\$ -	\$ 71,841
BRA BF Plan Cost Reimbursement	\$ 6,500	\$ 752	\$ 760	\$ 768	\$ 776	\$ 785	\$ 793	\$ 801	\$ 810	\$ 255	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,500
Total Local Only Reimbursement Balance	\$ 304,206	\$ 277,794	\$ 250,700	\$ 223,304	\$ 192,831	\$ 162,021	\$ 130,873	\$ 99,382	\$ 68,108	\$ 35,922	\$ -					
Total Annual Developer & BRA Reimbursement	\$ 19,354	\$ 19,573	\$ 20,182	\$ 20,410	\$ 23,413	\$ 23,673	\$ 23,936	\$ 24,202	\$ 23,907	\$ 23,914	\$ -					
LOCAL BROWNFIELD REVOLVIN																
LBRF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,540	\$ 32,896	\$ 33,256	\$ 33,620	\$ 33,987	\$ 166,299
Total LBRF Capture																

Footnotes:

Attachment A

Brownfield Plan Resolution(s)

Attachment B

Development and/or Reimbursement Agreement

Attachment C

Parcel Listing and Eligible Property Qualification Status

Sites 1-5 are already in the brownfield plan; sites 6-13 are proposed for addition in May, 2021.

Site No.	Address	Eligible Property Qualification	Parcel ID	Parcel Size (acres)	Legal Description
1	2349 Shelter Pte	"Blighted"; property has substantial buried subsurface demolition debris present so that the property is unfit for its intended use. [MCL 125.2652(c)vii]	06-30-295-001	0.563	Kalamazoo County Condominium Subdivision Plan No. 197 Shelter Pointe Condominiums according to the master deed recorded 2006- 016782, First Amendment recorded 2009-007420 Unit 1.
2	110 Burr Oak	"Blighted." The property was declared a public nuisance by the City. {MCL 125.2652(c)i	06-22-196-002	0.091	14484 BLEYKERS ADDITION W 48.42 FT OF E 118.92 FT OF LOT 124 EXC N 1 R.
3	1015 Albert	"Blighted." The property was declared a public nuisance by the City. {MCL 125.2652(c)i	06-14-209-097	0.133	23548 HAZARDS SUBDIVISION OF SECTION 14; The North 44 feet of Lot 97.
4	124 Burr Oak	"Blighted." The property was declared a public nuisance by the City. {MCL 125.2652(c)i	06-22-195-003	0.094	14502 BLEYKERS ADDITION E 3R OF S 5R OF LOT 127.
5	1100 S Rose	"Blighted." The property was declared a public nuisance by the City. {MCL 125.2652(c)i	06-22-308-003	1.693	NEWELLS ADDITION The North 16 Rods of Lot 12, excluding the North 132ft. The East 1 Rods of the South 8 Rods of the North 16 Rods of Lot 13. The North 16 Rods of Lot 9, excluding the North 132ft. The North 16 Rods of the East 1/2 of Lot 10, excluding the North 132ft. The West 1/2 of the North 16.5 Rods of Lot 10, excluding the North 132ft. The North 16 Rods of Lot 11, excluding the North 132ft. Excluding that part of foregoing described land which lies Easterly of the following described line: Commencing at the northeast corner thereof; thence West parallel to the south line of Wall Street 14ft more-or-less for the point of beginning of this excluding; thence Southerly parallel to the relocated center line of South Rose Street to a point 19ft more-or-less West of the southeast corner of the foregoing

					described land for the place of ending. Also NEWELLS ADDITION The South 44ft of the North 176ft of the West 7 Rods of the East 8 Rods of Lot 13. Also NEWELLS ADDITION The North 8 Rods of Lot 9, excluding that portion lying easterly of the West right-of-way line of South Rose Street as relocated. The East 1/2 of the North 8 Rods of Lot 10.
6	515 Egleston	"Blighted." The property is owned by a land bank fast track authority. {MCL 125.2652(c)vi	06-22-480-101	0.176	SOUTH SIDE IMPROVEMENT COMPANY'S ADDITION, Liber 5 of Plats Page 39; Lot 101. Also the East 3ft of the North 50ft of Lot 102.
7	1114 Egleston	"Blighted." The property is owned by a land bank fast track authority. {MCL 125.2652(c)vi	06-23-364-412	0.143	22400 REVISED PLAT OF HAYS PARK LOT 412.
8	538 W Paterson	"Blighted." The property is owned by a land bank fast track authority. {MCL 125.2652(c)vi	06-09-498-002	0.075	18908 DUDGEON & COBBS SUB-DIVISION OR ADD ON SEC 10 & 9 E 2 R OF S 6 R OF LOT 7.
9	114 Burr Oak	Adjacent and contiguous to 110 Burr Oak St	06-22-196-001	0.086	14486 BLEYKERS ADDITION W 48.42 FT OF LOT 124 EXC N 1 R
10	738 Harrison	{MCL 125.2652(c)v. Municipally owned Tax Foreclosed property in 1994.	06-15-275-008	0.099	3914 Commencing on the East line of Harrison Street 22.75 Rods North of the north line of East North Street; thence East 7 Rods; thence North 2.25 Rods; thence West 7 Rods; thence South 2.25 Rods to beginning.
11	1010 N Rose	"Blighted." The property is owned by a land bank fast track authority. {MCL 125.2652(c)vi	06-15-140-021	0.268	18510 DUDGEON & COBBS REVISED PLAT LOT 21
12	1014 N Rose	"Blighted." The property is owned by a land bank fast track authority. {MCL 125.2652(c)vi	06-15-135-020	0.134	18508 DUDGEON & COBBS REVISED PLAT S 1/2 OF LOT 20
13	707 Staples	"Blighted." The property is owned by a land bank fast track authority. {MCL 125.2652(c)vi	06-16-261-004	0.081	4328 COM ON W LI STAPLES AVE 89 FT N OF N LI NORTH ST W PAR WITH SD N LI 4 R N 1 FT W 1 R N PAR WITH STAPLES AVE 42 FT TH E PAR WITH NORTH ST 5 R TO W LI STAPLES AVE S ALG SD W LI 43 FT TO BEG

Attachment D

Eligible Property Verification



Community Planning & Development
Code Administration
415 Stockbridge Avenue
Kalamazoo, MI 49001
Phone: 269-337-8026/Fax: 269-337-8513
www.kalamazoocity.org

NOTICE OF CONDEMNATION - HOUSING

05/11/2015

**TURNER, RODNEY
724 BETH
KALAMAZOO, MI 49004**

This notice is given under the Code of Ordinances of Kalamazoo, Michigan. Your rights, including any right of appeal, are set out in the Code of Ordinances herein referenced:

**CASE NUMBER: EN15-1762
PROPERTY ADDRESS: 110 BURR OAK ST CCN#: 06-22-196-002**

The above dwelling is **CONDEMNED** and shall be **VACATED**. It is the owner(s)/local agent responsibility to correct the conditions and schedule an inspection with the inspector(s) within 24 hours or commence legal action to vacate the premises and to provide our office with proof of the notice and court date. Failure to comply with this notice shall result in further legal action.

VIOLATIONS ARE ATTACHED

AS AUTHORIZED BY CHAPTER 17 OF THE KALAMAZOO CODE OF ORDINANCES,

Sec. 17-2: The above property is found to be UNFIT, A NUISANCE, AND IS HEREBY CONDEMNED due to serious violations of the Kalamazoo Housing Code.

Sec. 17-4: The premises SHALL NOT BE OCCUPIED until it is confirmed by inspection to be in compliance with all applicable provisions of this Chapter.

Sec. 17-9: No rent shall be recoverable during this condemnation and no action or special proceedings shall be maintained for possession of these premises for NON-PAYMENT OF RENT during the condemnation period.

NOTE: PERMITS WILL BE REQUIRED FOR ALL STRUCTURAL, ELECTRICAL, MECHANICAL, PLUMBING AND/OR HISTORICAL WORK.

A building remaining vacant and boarded longer than six months is deemed a "dangerous building" and may be subject to Dangerous Building Board proceedings. A building remaining vacant longer than one year becomes subject to zoning restrictions then in force which may affect its possible future uses. The property has been posted CONDEMNED. Do not remove the condemnation sign. If reposting becomes necessary, a \$27 reposting charge will be recovered. Failure to pay any of the charges will result in a tax lien against the property.

Nancy Hess, Inspector
HessN@kalamazoocity.org

C: DOUGLAS, LAURENCE
34270 SHARON AVE
PAW PAW, MI 49079

Housing Inspection Supervisor
Project Coordinator

CASE NUMBER: EN15-1762

110 BURR OAK ST

<PENDING>

PROPERTY ADDRESS: 110 BURR OAK ST
CCN: 06-22-196-002

Principal Violations Include: **Property unfit for occupancy.**

INSPECTOR COMMENTS: Property suffered a major fire.

Application Views

- Owner of Record: BUSFIELD, JOHN R
- Transactions: \$1,170.00 Due: \$0.00
- User Fields
- AB INITIAL, Violation(s) 11/1/2011
 - Attachments
 - CONDEMN**
 - ARS FEE ADVISORY
 - ARS REGISTRATION
 - 113
 - 113 - Mechanical
 - ADEQUATE ELE SERVICE
 - DAMAGING VEGETATION
 - EXT SURFACE FINISH
 - EXT. GOOD REPAIR
 - FENCES
 - FOUNDATION/FLOORS
 - GOOD REPAIR/SOUND
 - OTCE
 - BOARDING REQMTS.
 - BOARDING/PAINTED
 - PLUMBING MAINTAINED
 - ROOF MATERIALS
 - ROOF STRUC SOUND
 - TRASH/DEBRIS NUISANCE
- AB REINSPECTION, Violation(s) 2/7/2012
 - Attachments
 - ADV
- AB REINSPECTION, Complied 6/6/2013
- EN12-0907 DANGEROUS BLDGS
- EN12-1821 WEED CANCELED
- EN17-0329 PRIVATE PROPERTY ABATED
- Certificates
- Certificates of Occupancy
- Inspection Groups

Quick Search

Property Address	F6
Property Name	F7
Parcel Number	F8

Property Summary

[View import names...](#)

Amount Due: €0.00

Property Information

Address: 124 BURR OAK ST, KALAMAZOO Parcel Number: 06-22-195-003
 Owner: KALAMAZOO NEIGHBORHOOD HOUSING Other owner properties...

Violation Information

Filed As: CONDEMN

Type: HOUSING Date Found: 11/01/2011

Corrected Date Corrected: 06/06/2013

Building: Unit:

Area: ATTENTION

Area Description: Quick Entry

Violation: 17-8A PT 1: The city has authority to condemn any dwelling that is unfit for human habitation/constitutes a nuisance. A notice of condemnation shall be posted on property and written notice shall be mailed to property owner.

INSPECTOR COMMENTS:

- 1) Significant structural failure of west foundation and wall, significantly impacting entire structure: roof has separation at the ridge, ridge failure: saddle-back sag, rafter failure at mid-point on west side; uneven setting, pressure on both east and west walls causing significant deflection.
- 2) Significant roof deterioration, deteriorated asphalt shingles.
- 3) Broken windows.
- 4) Hazardous site conditions: debris scattered in rear yard: yards unmaintained; overgrown vegetation.
- 5) Dangerous structure.

Viewing Existing Property

Discard Changes



Community Planning & Development
Code Administration
415 Stockbridge Avenue
Kalamazoo, MI 49001
Phone: 269-337-8026/Fax: 269-337-8513
www.kalamazoocity.org

NOTICE OF CONDEMNATION - HOUSING

05/19/2017

**ROEKLE, DWAIN & DELORIS
5513 FAIRVIEW RD
INDIAN TRAIL, NC 28079**

This notice is given under the Code of Ordinances of Kalamazoo, Michigan. Your rights, including any right of appeal, are set out in the Code of Ordinances herein referenced:

CASE NUMBER: EN17-1650

PROPERTY ADDRESS: 1015 ALBERT AVE CCN#: 06-14-209-097

The above dwelling is **CONDEMNED** and shall be **VACATED**. It is the owner(s)/local agent responsibility to correct the conditions and schedule an inspection with the inspector(s) within 24 hours or commence legal action to vacate the premises and to provide our office with proof of the notice and court date. Failure to comply with this notice shall result in further legal action.

VIOLATIONS ARE ATTACHED

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Sec. 17-9: No rent shall be recoverable during this condemnation and no action or special proceedings shall be maintained for possession of these premises for NON-PAYMENT OF RENT during the condemnation period.

NOTE: PERMITS WILL BE REQUIRED FOR ALL STRUCTURAL, ELECTRICAL, MECHANICAL, PLUMBING AND/OR HISTORICAL WORK.

A building remaining vacant and boarded longer than six months is deemed a "dangerous building" and may be subject to Dangerous Building Board proceedings. A building remaining vacant longer than one year becomes subject to zoning restrictions then in force which may affect its possible future uses. This Notice of Condemnation has generated a \$138 fee that will be invoiced separately. The property has been posted CONDEMNED. Do not remove the condemnation sign. If reposting becomes necessary, a \$28 reposting charge will be invoiced. Failure to pay any of the charges will result in a tax lien against the property.

Marvella Vincent, Inspector VincentM@kalamazoocity.org

C:

ROEKLE, DWAIN & DELORIS
5513 FAIRVIEW RD
INDIAN TRAIL, NC 28079

Housing Inspection Supervisor
Project Coordinator

1015 ALBERT AVE

EN17-1650

CASE NUMBER: EN17-1650
PROPERTY ADDRESS: 1015 ALBERT AVE
CCN: 06-14-209-097

Principal Violations Include: 604.3: Electrical systems that are dangerous to the occupants or the structure due to inadequate service, improper fusing, insufficient receptacle and lighting outlets, improper wiring or installation, deterioration or damage, or similar reasons, shall be corrected to eliminate the hazard. [See IPMC for repair/replacement standards]

INSPECTOR COMMENTS: Per Consumer's Energy, no electric.



**Community Planning and Development
Code Administration**

245 N. Rose ST.
Kalamazoo, MI 49001
Telephone: (269) 337-8026
FAX (269) 337-8513
www.kalamazoocity.org

08/26/2020

REGARDING: Blight Condition of 1100 S. Rose [Parcel number 06-22-308-003]

The abandoned residential structure on the north side of the property facing Wall Street has been vacant and boarded for more than 30 days, the site has unexposed foundations along Wall St. that cause devaluation of the subject property or other properties in the area.

Chapter 21-2 Conditions. Blight

The City of Kalamazoo has determined that this property meets the definition of blighted property, this determination is based on the property located at 1100 S. Rose St. AKA 207 Wall St. being in violation of Chapter 9 — Building Regulations and/or Chapter 17 — Housing Code or Chapter 21 Nuisances of the City of Kalamazoo Code of Ordinances: are otherwise dangerous to human life or the public welfare; or that involve illegal or improper occupancy or inadequate maintenance; shall be deemed an unsafe condition. Unsafe structures shall be taken down and removed or made safe, as the building official deems necessary. A vacant structure that is not secured against casual entry shall be deemed unsafe.

Based on its current condition, it has been determined that this property is eligible to qualify for demolition /site clearance assistance and meets the definition of "blight" and such demolition prepares the site for future redevelopment in this area.

Property Status: Vacant Occupied Single Family Residential Multi-Family Residential
(4 units or Less)

Blight Criteria:

Public Nuisance according to Local Code Ordinance Yes No

Public Nuisance because of age, physical condition or use Yes No

Utilities/Plumbing/Heating/Sewage Ineffective Yes No Ronick510

Roger Iveson
Building Official
City of Kalamazoo

FIRST AMENDMENT TO THE BROWNFIELD PLAN DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO THE BROWNFIELD PLAN DEVELOPMENT AGREEMENT (the "Agreement"), is entered into on _____, 21__ between the **CITY OF KALAMAZOO BROWNFIELD REDEVELOPMENT AUTHORITY**, a Michigan public body corporate established pursuant to Act 381 of the Public Acts of 1996, as amended, MCL 125.2651 et seq. ("Act 381"), whose address is 241 W. South St. , Room 101, Kalamazoo, Michigan 49007 (the "Authority"), and Kalamazoo Neighborhood Housing Services, Inc., 1219 S. Park Street, Kalamazoo, MI 49001 (the "Developer").

RECITALS

- A. The Authority, and the City of Kalamazoo (the "City"), have determined that brownfield redevelopment constitutes the performance of an essential public purpose which protects and promotes the public health, safety and welfare.
- B. The City has established a Brownfield Redevelopment Authority and the Authority, and the City have adopted a Brownfield Plan specifically for this site (the "Plan"), pursuant to the provisions of Act 381.
- C. The Authority and the City have designated certain properties that have conditions of environmental contamination, blight or obsolescence as appropriate sites for creating a Plan.
- D. Act 381 permits the use of the real and personal property tax revenues generated from the increase in value (the "Increment") to brownfield sites constituting Eligible Property under Act 381 resulting from their redevelopment to pay or reimburse the payment of costs of conducting Eligible Activities (these costs are referred to as "Eligible Costs") and permits the reimbursement to Developer of Eligible Costs it has incurred.
- E. Developer owns or will own Properties in the City located at 110 and 124 Burr Oak Street, 1015 Albert Street, 1100 S. Rose Street, 515 and 1114 Egleston Avenue, 538 W. Paterson Street, 114 Burr Oak Street, 738 Harrison Street, 1010 and 1014 N. Rose Street, and 707 Staples Avenue (the "Properties") and legally described on the attached Exhibit A.
- F. The Properties have been included in the Plan and qualified as an "Eligible Property" under the terms of Act 381.
- G. Developer intends to develop the residential Properties by constructing ten new single family or multi-family homes. The total investment by Developer is estimated at more than \$1,500,000.00.
- H. The Project will require the Developer to incur Eligible Costs associated with certain Eligible Activities including lead and asbestos abatement, demolition, infrastructure improvements, site preparation) asbestos surveys, environmental due diligence, asbestos abatement and demolition, which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals. The Developer's Eligible Costs shall not exceed \$238,826 or actual expenses incurred.
- I. The parties are entering into this Agreement to establish the procedure for the reimbursement from Tax Increment Revenues under Act 381 as amended.

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth herein, the parties agree as follows:

1. Recitals. The above recitals are acknowledged as true and correct, and are incorporated by reference into this Paragraph.

2. The Plan. The Plan, approved by the Authority and the Kalamazoo City Commission, is attached as Exhibit B and incorporated as part of this Agreement. To the extent provisions of the Plan or this Agreement conflict with Act 381, Act 381 controls.

3. Term of Agreement. Pursuant to the Plan, the Authority shall capture that amount of Tax Increment Revenues generated from real and personal property taxes allowed by law on the Eligible Property. Capture will begin in the first full year after the year the project is completed, which is achieved once a final certificate of occupancy is obtained, and will continue until the earlier of:

3.1 Full reimbursement to the Authority of its Administrative Costs and any eligible cost the Authority incurs to support the project, plus reimbursement to the Developer of the Properties as outlined in the Plan, including reimbursement of Eligible Costs for those Eligible Activities set forth in Paragraph 5, plus an additional amount captured by the Authority for an additional five full years of tax capture ("Additional Authority Amount") such Additional Authority Amount to be designated for the Local Brownfield Revolving Fund "Local Fund"; or

3.2 15 years. With five of the 15 years designated for Local Brownfield Revolving Fund (LBRF) only.

4. Evidence of Ownership or Land Control. Prior to the execution of this Agreement, Developer shall provide to the Authority each of the following: (a) evidence satisfactory to the Authority that the Developer has or is in the process of acquiring fee simple title to the Properties, which evidence shall include (without limitation) a copy of a recorded deed to the Properties in favor of the Developer; and (b) a copy of a commitment for owner's title insurance with respect to the Properties (the "Commitment"), which Commitment shall show the Developer as record owner of the Properties shall reflect that all material conditions to the issuance of a policy thereunder have been satisfied, and shall otherwise be in form and substance satisfactory to the Authority or (c) a copy of a purchase agreement.

5. Eligible Activities. The Developer shall diligently pursue completion of the Eligible Activities summarized in the Plan and set forth in this Paragraph. The Authority shall reimburse the Developer for Eligible Costs incurred on or after the date of the inclusion of this Project in the Plan, unless otherwise agreed upon by the Authority and included in the Plan, and may include environmental due diligence and Due Care Activities, demolition, lead and asbestos abatement, site preparation, and infrastructure improvements which may require the services of various contractors, engineers, environmental consultants, attorneys and other professionals. Further, any Eligible Cost incurred by the Authority and/or the City of Kalamazoo shall be reimbursed as well.

6. Reimbursement Source. During the term of this Agreement and except as otherwise set forth in this Agreement, the Authority shall reimburse the Developer for its Eligible Costs, as limited under this Agreement, from all available Tax Increment Revenues collected from the real and personal property taxes on the Properties,

7. Reimbursement Process.

7.1 Cost Reimbursement Request. The Developer will provide sufficient documentation of the Eligible Costs incurred including the dates of each Eligible Activity, a complete description of the work, proof of payment, detailed invoices for the costs involved for each Eligible Activity, sworn statements, lien waivers and other back up documentation reasonably requested by the Authority; a written statement certifying to the Authority that all such costs are "Eligible Costs"; and a final certificate of occupancy to document project completion. Failure to provide the above noted information when due, or within the time permitted by the Authority under Paragraph 7.2, may result in foregone reimbursement, to the Developer by the Authority, for Eligible Costs that have not been requested within the timeframe described above.

7.2 Authority Staff Review. The Authority Staff shall review each reimbursement request within 30 days after receiving it. If Authority Staff determines that the documentation submitted by the Developer is not complete, then Developer shall cooperate in the Authority's review by providing, within 30 days of the Authority's request, any additional documentation of the Eligible Costs as deemed reasonable and necessary by the Authority in order to complete its review. Within 45 days following the receipt of such supplemental information, the Authority shall make the determination of whether the costs are eligible for reimbursement. If the Developer wishes to challenge that determination, it shall provide written notice to the Authority within 15 days of the determination, and the issue shall be brought to the Authority within 45 days thereafter for a final determination. The Developer shall not have any further appeal rights to challenge the final determination of the Authority and shall not be entitled to any claim or cause of action against the Authority as a result of any determinations made in good faith regarding whether or not any cost submitted by the Developer constitutes an "Eligible Cost," and hereby grants the City and the Authority and their respective officers, agents and employees, a complete release and waiver of any claims or causes of action as a result of the foregoing.

7.3 Reimbursement. After both the summer and winter taxes are captured and collected on the Properties, the Authority shall reimburse its Eligible and Administrative Costs and pay approved Eligible Costs to the Developer from Tax Increment Revenues that are generated from the Properties in accordance with the Plan and Paragraph 7 to the extent that taxes have been captured and are available in that fiscal year. The Authority shall receive ten (10) percent of Tax Increment Revenues each year until fully reimbursed, unless otherwise designated by the Authority. Additionally, any eligible costs for eligible activities that the Authority and/or the City of Kalamazoo incur in the implementation and support of this project, Tax Increment Revenues shall be shared between the Developer and the Authority and/or the City of Kalamazoo at a percentage equal to the amount of capital invested in the project by each party. In the event that there are insufficient Tax Increment Revenues available in any given year to reimburse all of the Authority's and Developer's Eligible Costs, as described in Paragraph 5, then the Authority shall reimburse the Developer only from available Tax Increment Revenues. The Developer shall receive the available Tax Increment Revenue, less Administrative Costs, during the term of this Agreement, until all of the amounts for which submissions have been made have been fully paid to the Developer, or the repayment obligation expires, whichever occurs first. The Developer shall not be entitled to receive any interest on amounts for which reimbursement is requested under this Agreement. The Developer shall not be entitled to reimbursement under this Agreement unless all real and personal property taxes have been timely and completely paid, including all penalties, interest and other amounts due in relation thereto when due. For purposes of this Agreement, to be timely paid, taxes must be paid before the date on which they can no longer be paid without penalties or interest. The repayment obligation under this Agreement shall expire upon the earlier of the full payment by the Authority to the Developer of all amounts due the Developer from the Tax Increment Revenues or 10 years from the beginning of Tax Increment Revenue capture.

7.4 Method of Reimbursement. The Authority will reimburse the Developer for Eligible Costs as follows:

Checks shall be payable to and delivered by certified mail (or through electronic transfer if available through Developer) to:

Kalamazoo Neighborhood Housing Services, Inc.,
Attn: Matthew Lager, Executive Director
Kalamazoo, Michigan 49007

8. Adjustments. The parties acknowledge that adjustments regarding the amount of Tax Increment Revenue paid to the Developer may occur under any of the following circumstances:

8.1 Audit or Court Ruling: In the event that a state agency of competent jurisdiction conducting an audit of payments made to the Developer under this Agreement or a court of competent jurisdiction determines that any portion of the payments made to the Developer under this Agreement is unlawful, the Developer shall pay back to the Authority that portion of the payments made to the Developer within 30 days of the determination made by a state agency or the court as the case may be. However, the Developer shall have the right, before any such repayment is made, to appeal on its or the Authority's behalf, any such determination made by a state agency or court as the case may be. If the Developer is unsuccessful in such an appeal, the

Developer shall repay the portion of payments found to be unlawful to the Authority within thirty (30) days of the date when the final determination is made on the appeal. The Developer shall be responsible for payment of all of the City's and Authority's legal fees associated with any determination of whether a cost for which reimbursement is requested constitutes an "Eligible Cost" and all of the City's and Authority's legal fees associated with the review or determination of such issues by any state agency or court.

8.2 Property Tax Appeal: In the event the Developer, or any other owner of real estate on the Properties, files an appeal with the Michigan Tax Tribunal, related to the taxable value of parcels of property included in the Brownfield Plan, the Authority shall do the following:

- a. The Authority will hold the Tax Increment Financing Reimbursement payments in a separate account for the Authority until the pending appeal is adjudicated;
- b. Once any tax appeals are adjudicated, the Authority with either return the funds held in escrow to the local unit in compliance with any tax appeal rulings or will make payments pursuant to Section 7 of this agreement.

8.3 Reduction of Property Assessments: If the Authority (i) incurs Costs on behalf of the Developer with respect to the Project, Site or Application and (ii) the Developer initiates, participates in or supports any proceeding or process which results in a reduction of the tax increment capture for the Project from that projected and along the same term as contained within the Plan, the Developer indemnifies and will fully reimburse the Authority within 30 days of notification from the Authority as to the amount and the due date for all Costs as defined within the Plan, expenses or reduction in revenue from what was projected as the tax increment capture.

9. Responsibilities of Developer. In consideration of the inclusion of the Properties into the Plan and the resulting financial benefits, which it expects to receive, Developer agrees to the following:

9.1 Project. At its sole expense, Developer shall use its best efforts to conduct the activities described in the Plan and to demolish the existing buildings on the Properties and construct the Project. The Developer intends to transform the Properties into new single family or multi-family homes for an initial planned investment of more than \$1,500,000. The redevelopment of these Properties shall commence no later than one year after the execution of this agreement and shall be completed no later than one year after that. Under no circumstances shall the Authority have any responsibility or liability for remediation or redevelopment of the Properties, or for conducting any "Eligible Activities" at the Properties, except for its obligations under this Agreement to provide funds to the extent available as permitted in Paragraph 7 hereof with respect to payments from Tax Increment Revenues.

9.2 Employment Opportunities. To make every reasonable effort to work with the City and community employment agencies to hire city residents for new employment opportunities created by the Project, and to encourage the local contracting of employment opportunities through re-entry employment programs. Regardless of Developer's ability to hire city residents it shall make every reasonable effort to follow, and to cause any contractors hired to perform work on the Project, to follow the City's "Ex-Offender Purchasing" policy regarding hiring new employees

who will work on the Project. A copy of this policy is attached as Exhibit C. and Developer will provide a copy of it to its general contractor prior to performing any work on the Project.

9.3 Ordinances. Develop the Properties, including landscaping and all other improvements required for the Project, in compliance with all local ordinances, site plan reviews and this Agreement. The redevelopment of the Properties shall be subject to all zoning approvals. This Agreement does not obligate any governing municipality to grant any such approvals.

9.4 Project Sign. Place on the Properties during rehabilitation/redevelopment a development sign provided by the Authority to promote the Project and the Authority's participation in it. Upon completion of the Project, the sign will be returned to the Authority.

9.5 Promotion and Marketing. Permit the Authority to cite or to use any renderings or photographs or other materials of the Project as an example of private/public partnership and brownfield site redevelopment.

9.6 Cooperation. Assist and cooperate with the Authority in providing information that the Authority may require in providing necessary reports to governmental or other agencies, including, but not limited to, information regarding the amount of Developer expenditures and capital investments, jobs created, and square footage developed or rehabilitated with respect to the Project.

9.7 Payment of Authority Legal and Professional Fees. To the extent the following costs and fees are not paid to the Authority from Tax Increment Revenues, the Developer shall reimburse the Authority for its legal and professional fees and disbursements incurred in connection with the review, approval and administration of the Plan for this Project, including any further amendments thereto; the preparation and negotiation of this Agreement, as it may be amended from time to time; and all documents and matters related thereto, including future expense. Developer shall reimburse the Authority for such expenses within 30 days from the date that the Authority sends an invoice and request for payment to Developer, provided Developer shall be eligible for reimbursement for such expenses to the extent permitted by law from Tax Increment Revenues.

10. Responsibilities of the Authority. In consideration of the preceding commitments of Developer the Authority further agrees to:

10.1 Agency Contacts. Provide Developer with appropriate service/employment agency contacts for the identification of City residents to interview for potential employment; and

10.2 Cooperation. Cooperate and utilize its best efforts to obtain any governmental approvals required to close the transaction contemplated by this Agreement.

11. Developer's Representations, Warranties and Covenants. The Developer hereby makes the following representations, warranties and covenants:

11.1 Eligible Property. The Properties are "eligible property" as defined in Act 381 and is eligible for the capture of Tax Increment Revenues pursuant to Act 381.

11.2 Eligible Costs. The Developer will only submit for reimbursement under Paragraph 7 hereof such costs that it has reasonably determined are "Eligible Costs" within the meaning of Act 381.

11.3 Due Authorization. The representatives signing this Agreement are duly authorized by the Developer to enter into this Agreement.

12. Events of Default. Each of the following shall constitute an event of default:

12.1 Any representation or warranty made by the Developer in this Agreement proves to have been incorrect or incomplete in any material respect when made or deemed to be made.

12.2 The Developer fails to observe or perform any covenant or agreement contained in this Agreement for 30 days after written notice thereof shall have been given to the Developer by the Authority.

12.3 The Developer abandons or withdraws from the reuse and redevelopment of the Properties or indicates its intention to do so.

12.4 The Developer fails to pay any funds within 30 days of the date due which are required to be paid to the Authority pursuant to this Agreement, including but not limited to its real and personal property taxes as set forth in Paragraph 7 hereof.

12.5 The Developer terminates its existence.

12.6 Any material provision of this Agreement shall cease to be valid and binding on the Developer or shall be declared null and void; the validity or enforceability of such provision shall be contested or denied by the Developer; or the Developer denies that it is bound by this Agreement.

13. Remedies upon Default. If any event of default as defined above shall occur and be continuing for 30 days after written notice of default from the Authority, the Authority shall have the right, but not the obligation, to exercise any of the following rights and remedies either individually or concurrently:

- (a) Terminate this Agreement effective immediately upon notice to the Developer;
- (b) Receive reimbursement from the Developer for all costs which the Authority has incurred in connection with the Project, the Properties, or this Development Agreement (within 30 days following demand); and
- (c) All other remedies available at law or in equity.

In addition, if the Developer fails to substantially complete the Project within the timelines required by this Agreement, or if Developer otherwise defaults prior to substantial

19. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

20. Binding Effect/Third Parties. This Agreement is binding on and shall inure to the benefit of the parties to this Agreement and their respective successors, but it may not be assigned by any party without the prior written consent of the other party. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.

21. Waiver. No failure of either party to complain of any act or omission on the part of the other party, no matter how long this same may continue, is considered as a waiver by that party to any of its rights hereunder. No waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.

22. Authorization. Each of the parties represents and warrants to the other that this Agreement and its execution by the individual on its behalf are authorized by the board of directors or other governing body of that party.

23. Entire Agreement. This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them.

24. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

25. Definitions. The following capitalized terms are used in this Agreement with the following meanings:

"Administrative Costs" means the Authority's out-of-pocket costs associated with the Project (including reasonable attorney fees and costs, environmental consulting fees and costs, and similar fees and costs) as well as the Authority's indirect costs associated with the Project (including allocation of the fixed costs of the Authority staff.)

"Brownfield Plan" is defined by Section 2(e) of Act 381;

"Due Care Activities" is defined by Section 2(m) of Act 381;

"Eligible Activities" is defined by Section 2(o) of Act 381;

"Eligible Property or Properties" is defined by Section 2(p) Act 381;

"Tax Increment Revenues" is defined by Section 2(ss) of Act 381, and, for purposes of this Agreement, includes school taxes and local (non-school) taxes.

In witness of their intent to be legally bound by the terms of this Agreement, each of the parties has set forth its signature below by its duly authorized representative.

CITY OF KALAMAZOO BROWNFIELD
REDEVELOPMENT AUTHORITY

By _____

Title _____

Date _____

Kalamazoo Neighborhood Housing Services, Inc.

By Matthew Lager

Title Executive Director

Date _____

EXHIBITS:

A (Legal Description of Properties)

B (Copy of Brownfield Plan)

C (Ex-Offender Purchasing Policy)

EXHIBIT A
(Legal Description of Properties)

Parcel ID 06-22-196-002: 14484 BLEYKERS ADDITION W 48.42 feet of E 118.92 FT of lot 124 EXC N 1 R.

Parcel ID 06-14-209-097: 23548 HAZARDS SUBDIVISION OF SECTION 14; The North 44 feet of Lot 97.

Parcel ID 06-22-195-003: 14502 BLEYKERS ADDITION E 3R of S 5R of lot 127.

Parcel ID 06-22-308-003: NEWELLS ADDITION The North 16 Rods of Lot 12, excluding the North 132ft. The East 1 Rods of the South 8 Rods of the North 16 Rods of Lot 13. The North 16 Rods of Lot 9, excluding the North 132ft. The North 16 Rods of the East 1/2 of Lot 10, excluding the North 132ft. The West 1/2 of the North 16.5 Rods of Lot 10, excluding the North 132ft. The North 16 Rods of Lot 11, excluding the North 132ft. Excluding that part of foregoing described land which lies Easterly of the following described line: Commencing at the northeast corner thereof; thence West parallel to the south line of Wall Street 14ft more-or-less for the point of beginning of this excluding; thence Southerly parallel to the relocated center line of South Rose Street to a point 19ft more-or-less West of the southeast corner of the foregoing described land for the place of ending. Also NEWELLS ADDITION The South 44ft of the North 176ft of the West 7 Rods of the East 8 Rods of Lot 13. Also NEWELLS ADDITION The North 8 Rods of Lot 9, excluding that portion lying easterly of the West right-of-way line of South Rose Street as relocated. The East 1/2 of the North 8 Rods of Lot 10.

Parcel ID 06-22-480-101: SOUTH SIDE IMPROVEMENT COMPANY'S ADDITION, Liber 5 of Plats Page 39; Lot 101. Also the East 3ft of the North 50ft of Lot 102.

Parcel ID 06-23-364-412: 22400 REVISED PLAT OF HAYS PARK LOT 412.

Parcel ID 06-09-498-002: 18908 DUDGEON & COBBS SUB-DIVISION OR ADD ON SEC 10 & 9 E 2 R OF S 6 R OF LOT 7.

Parcel ID 06-22-196-001: 14486 BLEYKERS ADDITION W 48.42 FT OF LOT 124 EXC N 1 R

Parcel ID 06-15-275-008: 3914 Commencing on the East line of Harrison Street 22.75 Rods North of the north line of East North Street; thence East 7 Rods; thence North 2.25 Rods; thence West 7 Rods; thence South 2.25 Rods to beginning.

Parcel ID 06-15-140-021: 18510 DUDGEON & COBBS REVISED PLAT LOT 21

Parcel ID 06-15-135-020: 18508 DUDGEON & COBBS REVISED PLAT S 1/2 OF LOT 20

Parcel ID 06-16-261-004: 4328 COM ON W LI STAPLES AVE 89 FT N OF N LI NORTH ST W PAR WITH SD N LI 4 R N 1 FT W 1 R N PAR WITH STAPLES AVE 42 FT TH E PAR WITH NORTH ST 5 R TO W LI STAPLES AVE S ALG SD W LI 43 FT TO BEG.

EXHIBIT B
(Copy of Brownfield Plan)

EXHIBIT C
(Ex-Offender Purchasing Policy)

Subject: EX-OFFENDER PURCHASING POLICY**No. 70.7****Date: May 16, 2016****Page: 1 of 2**

PURPOSE:

The City Commission has committed to taking a leadership role in fostering collective action to reduce unacceptable poverty in Kalamazoo. Part of that effort includes ensuring that the local firms with whom the City does business shares the commitment of the City that hiring practices do not unfairly deny people with arrest and conviction records gainful employment, thereby encouraging rehabilitation, reducing recidivism, and strengthening families.

SCOPE:

The following policy shall be in effect regarding the purchasing and contracting of materials, supplies, capital outlay or services, including professional services, for the construction, maintenance, repair, and operation of City facilities. As used in this Policy, the term “bidder” includes subcontractors used by the bidder to provide the contracted for goods and services to the City.

POLICY:

1. For the purposes of determining a responsible bidder, including any subcontractor of the bidder, in the award of a purchase or contract of over \$25,000, such bidder shall certify that it has eliminated any question or inquiry about prior arrests or convictions from initial job applications and that it does not preclude an individual with a criminal conviction from being considered for employment, except for reasons that are a) job—related and consistent with business necessity or b) to comply with federal or state law.
2. A bidder subject to this policy shall, at the time of response to an invitation for bids or a request for proposals, submit a copy of its current application for employment form and certify in writing that it satisfies one or more of the following conditions:
 - That pursuant to federal or state law bidder is precluded from hiring persons with certain criminal records from holding particular positions or engaging in certain occupations by providing a cite to the applicable statute or regulation;
 - That bidder conducts criminal history background checks only as necessary, and only after making a conditional offer of employment; that any withdrawal of an offer of employment to an individual because of a past criminal history is job-related and consistent with business necessity after the individual has been provided an individualized assessment opportunity to review and challenge or supplement the history of past criminal conduct being relied upon by the bidder;

Subject: EX-OFFENDER PURCHASING POLICY**No. 70.7****Date:** May 16, 2016**Page: 2 of: 2**

- That the use by bidder of criminal history background checks complies with the U.S. Equal Employment Opportunity Commission's Enforcement Guidance on the Consideration of Arrest and Conviction Records in Employment Decisions and there has not been a finding of unlawful employment discrimination by a state or federal agency or court of competent jurisdiction regarding the use of arrest or conviction records by the bidder for the past 7 years.
3. The failure to submit the documentation required by this policy shall render the bid or proposal submitted as being deemed non-responsive.

EFFECTIVE DATE: June 1, 2016**SEE ALSO:**City Commission Policy 70.5 entitled *Purchasing Policy***HISTORY:**

On August 18, 2008 the City Commission adopted Resolution 08-68, which created an Ex- Offender Purchasing Policy.

On May 16, 2016 the City Commission adopted Resolution 16-XX which defined the term "bidder"; required documentary proof that a bidder had eliminated any question regarding criminal history on its application for employment; and required that bidder employed practices to prevent the use of criminal history to unlawfully discriminate.

INTER-OFFICEMEMO

To: Economic Development Corporation Board Members

From: Rebekah Kik, Community Planning & Economic Development Director
Prepared by Jamie McCarthy, Sustainable Development Coordinator

Date: May 18, 2021

Subject: Approval of a Consent to Enter and Statement of Disclaimer with EGLE for environmental assessment activities at 508 Harrison Street

BACKGROUND

In March 2021 the EDC approved a request from River Caddis, LLC (“developer”) to submit on behalf of the River’s Edge Development Project a grant proposal to the Michigan Department of Environment, Great Lakes, and Energy (EGLE). The purpose of the grant was to assist with due care obligations and development costs associated with historic contamination and high groundwater for the mixed-use construction of a commercial and multifamily residential project at 508 Harrison Street and 660 Gull Road.

In April 201 staff was notified that the project proposal was not selected for grant funding this cycle. EGLE offered technical assistance to perform further environmental assessments on the site to determine contamination levels in soil, groundwater, and soil gas. The new data would be used in a future grant proposal to EGLE to better estimate the environmental costs on the site. For the assessment, EGLE will be contracting directly with PM Environmental to develop a scope of work and EGLE will fund the implementation. The resulting data report will be shared with the BRA and City Staff and the estimated timeline for work is approximately four months.

To authorize EGLE to conduct the assessment at 508 Harrison, a Consent to Enter (“CTE”) the property and a Statement of Disclaimer (“SOD”) were provided to the BRA for approval. Once approved, EGLE will finalize the scope of work with PM Environmental and work is anticipated to begin as early as mid-June.

RECOMMENDATION

It is recommended that the BRA support the redevelopment of the property at 508 Harrison by authorizing EGLE to access the property to complete the necessary environmental assessments. Staff recommend the BRA approve the CTE between the BRA and EGLE and authorize the CPED Director to sign the CTE and SOD.

Attachment

Consent to Enter
Statement of Disclaimer

PART 201 CONSENT TO ENTER PRIVATE PROPERTY FORM

Property Owner or Authorized Representative Information

Name of Individual Signing this Document: Rebekah Kik		<input type="checkbox"/> Signer is an owner of the property <input checked="" type="checkbox"/> Signer is an authorized representative of the owner.	
Title: Owner's Representative		Business Name: City of Kalamazoo Brownfield Redevelopment Authority	
Mailing Address: 245 N Rose Street, Ste 100			
City: Kalamazoo	State: Michigan	Zip: 49007	
Telephone Number: 269-337-8000		Email: development@kalamazoocity.org	

Location Information (fill in known information)

Location Name (if applicable): Former Kalamazoo Tank and Silo		Location ID (if applicable): 39000734	
Property Owner Name: City of Kalamazoo Brownfield Redevelopment Authority		Assessor's Property Tax ID Number: 06-15-295-101	
Street Address of the Location: 508 Harrison Street			
City: Kalamazoo	State: Michigan	Zip: 49007	
Other:			

I, Rebekah Kik, as an owner (or representative authorized by the owner to) grant access to the property described in Attachment A (Property), having been informed of the request by the Michigan Department of Environment, Great Lakes, and Energy (Department or EGLE) to conduct response activities on the Property, hereby voluntarily permit and authorize the Department, its employees, contractors, or authorized representatives to enter, and if necessary re-enter, the Property to undertake response activities, including but not limited to, conducting inspections, collecting wastewater, soil, groundwater, surface water, soil gas, air and/or suspected regulated substance samples. This authorization permits photography, videography and data collection from ground level and/or by a small unmanned aerial vehicle.

I understand that the Department has the authority pursuant to Section 20117 of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), to enter public or private property at all reasonable times for purposes that include, but are not limited to, investigating the existence, origin, nature, or extent of a release or threatened release of a hazardous substance into the environment.

The due care provisions in Section 20107a(1) of the NREPA, in part provide that a person who owns or operates Property that he or she has knowledge is a facility shall provide reasonable cooperation, assistance, and access to the persons that are authorized to conduct response activities at the facility, including the cooperation and access necessary for the installation,

integrity, operation, and maintenance of any complete or partial response activity at the facility. I understand that the access granted herein covers a portion of the due care obligations that I, as an owner (or representative authorized by the owner to act on his or her behalf for this access) have pursuant to Section 20107a(1) of the NREPA.

I understand that I am entitled to accompany the Department, its employees, contractors, or authorized representatives during these activities; to participate in the collection of any split samples taken as part of these activities; and, if I so request, to receive a copy of any sample analysis results, photographs, or video taken as part of these activities.

I agree and understand that all information collected by the Department is subject to disclosure under the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246.

I agree to comply with the requirements of any Department health and safety plan while on the Property during these sampling activities.

I agree that the duration of this entry authorization shall be of such reasonable length to enable the Department, its employees, contractors, or authorized representatives to satisfactorily complete the activities described above. If I choose to revoke this entry authorization, I agree that I will provide a revocation of entry in writing to Ms. Janet Michaluk, Brownfield Coordinator, Brownfield Assessment and Redevelopment Section, Remediation and Redevelopment Division, EGLE, via email: michalukj@michigan.gov or mail: 5th Floor, Constitution Hall, 525 West Allegan Street, Michigan 48933, at least thirty (30) days prior to the effective date of the revocation of entry authorization. I agree that the duration of this entry authorization shall continue until either I revoke it, or the activities described above are completed. I also agree that as long as this entry authorization remains in force, I will not interfere with, interrupt, change, or otherwise disturb any systems or equipment installed or utilized by the Department, its employees, contractors, or authorized representatives.

Upon completion of the response activities performed pursuant to this Part 201 Consent to Enter Private Property Form, the Department will undertake reasonable efforts to restore the Property to the conditions that existed at the time this access was granted including any property, vegetation, and structures damaged by the Department. The Department will properly abandon any monitor wells installed by the Department or its contractors on the Property within a reasonable time following completion of the other response activities to be performed. I understand that the Department contractors are required through their contract with the State of Michigan to carry certain insurance coverages with respect to their activities.

This voluntary written permission is granted to the Department by:

Signature of Property Owner or Authorized Representative

Date

City of Kalamazoo Brownfield Redevelopment Authority

Attachment A

Legal Description of the Property

Section 15 T2S R11W a parcel of land bounded on the south by the northerly right-of-way line of Michigan Central Railroad; bounded on the west by the easterly right-of-way line of Harrison Avenue (now Street) as shown on the Original Plat of the Town (now City) of Kalamazoo, Liber J of Deeds Page 640; bounded on the north by the southeasterly right-of-way line of Gull Street as shown on Cave's Addition, Liber 5 of Plats Page 13; bound on the east by the westerly shore of the Kalamazoo River. Excluding the following described parcel: commencing at the intersection of the easterly right-of-way line of Harrison Avenue (now Street) as shown on the Original Plat of the Town (now City) of Kalamazoo, Liber J of Deeds Page 640, and the northerly right-of-way line of Michigan Central Railroad; thence North 00deg 41min 57sec West 361.91 feet along the easterly right-of-way line of Harrison Avenue (now Street) to the southeasterly right-of-way line of Gull Street as shown on Cave's Addition, Liber 5 of Plats Page 13; thence North 45deg 55min 30sec East 462.36 feet along the southeasterly right-of-way line of Gull Street to the point of beginning of this exclusion; thence North 45deg 55min 30sec East 269.44 feet along the southeasterly right-of-way line of Gull Street to the easterly right-of-way line of Caves Court (now vacated); thence South 25deg 08min 10sec East 313.02 feet along the easterly right-of-way line of Caves Court (now vacated) and its extension southeasterly; thence South 22deg 35min 20sec West 80.85 feet; thence South 34deg 01min 55sec West 73.65 feet; thence North 66deg 48min 36sec West 61.00 feet; thence North 43deg 40min 11sec West 287.03 feet to the point of beginning of this exclusion. Also excluding commencing at the intersection of the easterly right-of-way line of Harrison Avenue (now Street) as shown on the Original Plat of the Town (now City) of Kalamazoo, Liber J of Deeds Page 640, and the northerly right-of-way line of Michigan Central Railroad; thence North 00deg 41min 57sec West 9.89 feet along the easterly right-of-way line of Harrison Avenue (now Street) to the point of beginning of this exclusion; thence North 00deg 41min 57sec West 352.02 feet along the easterly right-of-way line of Harrison Avenue (now Street) to the southeasterly right-of-way line of Gull Street as shown on Cave's Addition, Liber 5 of Plats Page 13; thence North 45deg 55min 30sec East 462.36 feet along the southeasterly right-of-way line of Gull Street; thence South 43deg 40min 11sec East 14.01 feet to the southeasterly right-of-way of Gull Street as relocated; thence South 45deg 23min 06sec West 59.68 feet along the southeasterly right-of-way of Gull Street as relocated; thence South 40deg 21min 31sec West 216.59 feet along the southeasterly right-of-way of Gull Street as relocated; thence Southwesterly 19.99 feet along the southeasterly right-of-way of Gull Street as relocated along a 71.93 foot radius curve to the left whose chord bears South 27deg 51min 12sec West 19.93 feet; thence South 20deg 23min 41sec West 74.42 feet along the southeasterly right-of-way of Gull Street as relocated; thence Southwesterly 88.62 feet along the southeasterly right-of-way of Gull Street as relocated along a 102.84 foot radius curve to the right whose chord bears South 44deg 41min 39sec West 85.90 feet; thence Southwesterly 36.54 feet along the southeasterly right-of-way of Gull Street as relocated along a 32.12 foot radius curve to the left whose chord bears South 38deg 44min 54sec West 34.61 feet to the easterly right-of-way line of Harrison Street as relocated; thence South 11deg 44min 15sec West 159.76 feet along the easterly right-of-way line of Harrison Street as relocated; thence Southwesterly 10.65 feet along the easterly right-of-way line of Harrison Street as relocated along a 49.00 foot radius curve to the left whose chord bears South 05deg 29min 52sec West 10.63 feet; thence South 00deg 43min 37sec East 80.08 feet along the easterly right-of-way line of Harrison Street as relocated; thence Southwesterly 12.49 feet along the easterly right-of-way line of Harrison Street as relocated along a 51.00 foot radius curve to the right whose chord bears South 06deg 17min 28sec West 12.46 feet; thence South 13deg 18min 33sec West 8.37 feet along the easterly right-of-way line of Harrison Street as relocated; thence

Southwesterly 13.61 feet along the easterly right-of-way line of Harrison Street as relocated along a 87.58 foot radius curve to the left whose chord bears South 07deg 11min 38sec West 13.60 feet to the point of beginning of this exclusion. Resulting parcel contains approximately 8.168 acres.

Statement of Disclaimer

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) conducts environmental site assessments (ESAs) to assist non-labile owners or purchasers evaluate environmental conditions at brownfield properties. This work is funded through the U.S. Environmental Protection Agency's 128(a) Brownfield Cooperative Agreement with EGLE. As it relates to its conducting of ESAs, EGLE makes the following disclaimers:

1. The ESAs are intended to assist the user in the identification of potential environmental conditions at the property at the time the ESA is conducted and to assist in determining whether a property is a facility as defined in Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended (Part 201) and/or a site as defined in Part 213, Leaking Underground Storage Tanks of the NREPA (Part 213). The owner and/or operator of a facility or site, may have due care responsibilities under Section 20107a of Part 201, and/or Section 21304c of Part 213. The nature of any response activities or corrective actions that may be required on the part of the owner of the property is dependent on the intended use of the property, the contamination present, and the owner's and/or operator's obligations under the above laws.
2. In most cases, EGLE retains an environmental professional under state contract, to perform the assessment activities using commercially reasonable best efforts consistent with the level and skill ordinarily exercised by members of the profession currently practicing under similar conditions. Conclusions and recommendations are made that reflect the environmental professional's best professional judgment and are based upon the conditions observed and information made available at the time of the assessment. EGLE field staff and the environmental professionals follow an approved Quality Assurance Project Plan (QAPP) for all on-site sampling activities and laboratory analyses based upon agreed-to sampling and analysis plans. The environmental professional is responsible for reviewing the results of the data collected. EGLE takes no responsibility for errors and omissions of the environmental professional however, EGLE does review documents produced by the environmental professional for obvious errors or deviations from the assigned scope of work.
3. The ESAs are conducted based on the limited scope of work appropriate for the site and known or potential environmental conditions. The ESA may not be in all cases, and should not be interpreted as a complete investigation or inventory of all potential environmental conditions at the property.

4. EGLE offers no warranty that an ESA is complete and contains sufficient information for the applicant or any other person to meet their obligations under the statutes identified in #1.
5. The ESA does not alter or affect the applicant's liability with regard to a past release, subsequent release, threat of release, or exacerbation of existing environmental contamination under Part 201 or Part 213.

The signature of the applicant or person legally authorized to sign on their behalf is an acknowledgement they have read and understand this disclaimer.

Authorized Person

Via E-Mail and Federal Express

April 30, 2021

City of Kalamazoo
Brownfield Redevelopment Authority
241 W. South Street,
Kalamazoo, Michigan 49007
Attention: Rebekah Kik
Fax: 269.337.8429
E-Mail: kikr@kalamazoocity.org

With a copy to:

City of Kalamazoo
City Attorney
241 West South Street
Kalamazoo, MI 49007

Re: Request for Extension of Investigation Period under that certain Purchase and Sale Agreement dated effective October 19, 2020 (the "Agreement"), between River Caddis Development, LLC, a Michigan limited liability company, having an address of 1038 Trowbridge Road, East Lansing, MI 48823, or its assigns, ("River Caddis"), and the Brownfield Redevelopment Authority of the City of Kalamazoo, 241 W. South Street, Kalamazoo Michigan 49007 ("BRA"), for the purchase and sale of certain real property located in the City of Kalamazoo, Michigan, having a common address of 508 Harrison Street, Kalamazoo, Michigan and more particularly described in the Agreement (the "Property")

Dear Rebekah:

This firm represents River Caddis in connection with the above-referenced Agreement. This letter shall serve as River Caddis' written request pursuant to Section 4.f. of the Agreement to extend the Investigation Period, which is set to expire on June 1, 2021.

As you are aware, River Caddis has applied for a reservation of 9% low-income housing tax credits in MSHDA's February 2021 funding round. The round was highly subscribed and extremely competitive, due in large part to the COVID-19 pandemic and its impact on 2020 application rounds. While River Caddis has not yet received official word from MSHDA as to the award of credits, it has been diligently working with MSHDA on a number of other financing packages and options including financing of the project in whole or in part through MSHDA's tax-exempt bond program and the non-competitive 4% low-income housing tax credit. River Caddis has requested a meeting with you and other involved City/BRA staff for a general discussion of the February round, our ongoing discussions with MSHDA and the various financing options that

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are available for the project. Each of these options will carry their own requirements and associated timelines and thus it is critical that both River Caddis and the City/BRA are aligned on these timelines and requirements. We look forward to meeting with the City as soon as possible to discuss these matters and to develop a comprehensive plan and timeline to bring this project to fruition.

Very truly yours,

HONIGMAN LLP



Steven J. Rypma

cc: Kevin McGraw, River Caddis Development, LLC
(via e-mail: kmgraw@rivercaddis.com)

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ACKNOWLEDGMENT OF SELLER'S CONSENT TO EXTENSION OPTION

By signing below, Seller hereby acknowledges its consent to Purchaser's exercise of the Extension Option pursuant to Section 4.f. of the Agreement.

Date: _____, 2021

City of Kalamazoo
Brownfield Redevelopment Authority

By: _____

Name: _____

Its: _____