

Brownfield Redevelopment Authority

Minutes of Meeting – Wednesday, March 11, 2015

The meeting of the City of Portage Brownfield Redevelopment Authority was called to order by Secretary King at 8:17 a.m. in Council Chambers, Portage City Hall, 7900 South Westnedge Avenue, Portage, Michigan.

MEMBERS PRESENT: Tom King, Devrim Yaman, Jeff Monroe, Bradley Galin, Jeffrey Kalmbach, Robert Kelber, Daniel Vomastek (arrived at approximately 8:30 a.m.).

MEMBERS EXCUSED: A motion was offered by Monroe, seconded by Kelber to excuse members Alburto, Lewandowski and Vomastek. The motion was approved 6-0.

IN ATTENDANCE: Vicki Georgeau, Community Development Director; Lotta Jarnefelt and Rachel Grover, Kalamazoo County Department of Planning and Community Development, Joe Agostinelli, Chair of Kalamazoo County Brownfield Redevelopment Authority and Dave Stegink, Envirollogic Technologies.

APPROVAL OF MINUTES: The minutes from the November 6, 2013 meeting were introduced for approval. A motion was offered by Yaman, seconded by Monroe to approve the minutes as submitted. The motion was approved 7-0.

BUSINESS:

1. Election of Officers. A motion was offered by Monroe, seconded by Yaman to nominate the existing slate of officers for re-election: King as Chairman, Alburto as Vice-Chairman, and Kalmbach as Secretary/Treasurer of the Brownfield Redevelopment Authority. There being no further discussion, the motion was approved 7-0.

Chairman King asked each Board member to review the member listing included in the agenda to ensure the information is correct. King also noted that Rules of Procedure were included in the agenda and inquired of staff if the document has been reviewed by the Authority for necessary revisions. Georgeau indicated that the Rules of Procedure were provided in the agenda for reference purposes only, but agreed it may be appropriate for the staff and the Authority to review the document for necessary changes at the next Authority meeting.

2. Revised Brownfield Redevelopment Incentive Policy. Georgeau provided an overview of the proposed revisions to the policy and explained that City Council had preliminarily reviewed policy revisions during the Committee of the Whole meeting on February 10th, concurrent with recommended revisions to the city's Industrial Tax Abatement Policy and in the context of enhancing the city's role in economic development. Georgeau further explained the policy revisions included: elimination of references to state tax credits; an extension of the time period permitted for tax increment financing (TIF) from five to 15 years, revisions to criteria for Council to consider in granting TIF revenue capture for longer than 15 years; criteria for considering functionally obsolete and/or blighted properties; and the addition of process and criteria to review when brownfield plans are proposed through the Kalamazoo County Brownfield Redevelopment Authority (KCBRA). King requested clarification of the process for review and approval of KCBRA plans. Georgeau explained that state statute requires the elected body of the local unit of government to pass a resolution of

support for all county brownfield plans. King also requested clarification regarding the criteria for use of TIF revenue capture in Section 3 of the policy. Georgeau explained that this criteria is for review only when a TIF capture period beyond 15 years is requested by an applicant. After further discussion, a motion was offered by Monroe and seconded by Galin to recommend to City Council approval of the proposed Brownfield Redevelopment Incentive Policy revisions. The motion was approved 7-0.

3. Kalamazoo County Brownfield Redevelopment Plan, 4460 Commercial Drive. Georgeau summarized the Brownfield Redevelopment Plan for 4460 Commercial Drive prepared by the KCBRA. Georgeau also introduced Lotta Jarnefelt and Rachel Grover with the Kalamazoo County Department of Planning and Community Development, Joe Agostinelli, Chairman of the KCBRA and Dave Stegink, environmental consultant for the KCBRA. Georgeau explained that the applicant, Accu-Mold, LLC, is proposing to utilize the KCBRA program due to the availability of funds to pay for up front expenses and because the KCBRA policy allows for a longer tax increment financing (TIF) revenue capture period compared to the existing Portage Brownfield Redevelopment Incentive Policy. Furthermore, the Accu-Mold expansion project is on a fast track with acquisition slated for early April 2015 and building and site improvements slated to begin in late April 2015. Georgeau noted the subject property is improved with a 20,000 square foot building and parking lot and the property is eligible under the Brownfield Redevelopment Act because the building is functionally obsolete. The applicant will be investing \$1.8 million to acquire and renovate the building, and \$125,000 will be spent on selective building and site demolition to cure the functional obsolescence.

Monroe and Galin inquired if there are any environmental concerns and/or underground tanks on the property. Joe Agostinelli and David Stegink indicated there are no known environmental issues with the property. Monroe inquired as to the age and prior use of the building. Agostinelli indicated the building was first constructed in the 1980's and had been divided up into several smaller tenant suites used for small scale manufacturing, assembly and offices. Agostinelli further indicated that the redevelopment project will be supported by the Michigan Economic Development Corporation.

After further discussion, a motion was offered by Kalmbach, seconded by Monroe that the Brownfield Redevelopment Authority recommend to City Council that the resolution of support involving the KCBRA Brownfield Redevelopment Plan for 4460 Commercial Drive be approved. The motion was approved 7-0.

STATEMENT OF CITIZENS: None.

ADJOURNMENT: There being no further business to come before the Authority, the meeting was adjourned at 8:25.

Respectfully submitted,

Vicki Georgeau, Director