

ACT 381 BROWNFIELD PLAN

**TO CONDUCT
ELIGIBLE DEQ
RESPONSE AND/OR
MSF NON-ENVIRONMENTAL
ACTIVITIES**

**Former Holiday Terraces Bowling Alley
2747 South 11th Street
Oshtemo Township
Kalamazoo County, Michigan**

**Kalamazoo County Brownfield Redevelopment Authority
201 W. Kalamazoo Avenue
Kalamazoo, Michigan 49007**

November 2017

Prepared by

**Phillips Environmental Consulting Services, Inc.
84757 28th Street
Lawton, MI 49065**

Recommended for Approval by the Brownfield Redevelopment Authority on: November 16, 2017

Supported by Oshtemo Township on: _____

Approved by the Kalamazoo County Commission on: _____

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ACT 381 BROWNFIELD PLAN

1. INTRODUCTION AND PURPOSE

The Kalamazoo County Brownfield Redevelopment Authority ("KCBRA") and Kalamazoo County ("County") have considered and adopted this Brownfield Plan ("Plan") to encourage the redevelopment of the property located at 2747 South 11th Street, Oshtemo Township, Kalamazoo County, Michigan (the "eligible property"). This Plan describes the property conditions and the redevelopment plan that is proposed to be implemented by the developer, Kalamazoo Hotel Group, LLC ("Developer").

The property qualifies as an eligible property based on a finding by the Oshtemo Township Assessor that the former bowling alley building is "functionally obsolete" (**Appendix F**). The eligible activities are primarily planned demolition costs for stripping the building of all current materials and equipment (**Appendix B**) to rehabilitate the building and create a conference center to support the adjoining hotel.

The purpose of this Plan, to be implemented by the Authority, is to satisfy the requirements for a Brownfield Plan as specified in Act 381 of the Public Acts of the State of Michigan of 1996, as amended, MCL 125.2651 et. seq., which is known as the Brownfield Redevelopment Financing Act" (Act 381). Terms used in the document are as defined in Act 381.

A copy of the resolution from the Oshtemo Township Board supporting the project and Plan, and the resolution of the Kalamazoo County Board of Commissioners approving the final Plan are included as **Appendix C**. A copy of the Notice of Public Hearing is included in **Appendix D** and a copy of the Notice to Taxing Jurisdictions is included in **Appendix E**.

2. ELIGIBLE PROPERTY INFORMATION

The eligible property consists of two contiguous parcels totaling approximately 9.21 acres located on the east side of South 11th Street and the south side of Holiday Terrace in Oshtemo Township, Kalamazoo County, Michigan. Identified as Parcel Number 05-25-405-112, the western property parcel is irregularly shaped and is developed with a 29,917 square-foot former bowling alley building situated at the southeast corner. The building is considered "functionally obsolete". Identified as Parcel Number 05-25-405-116, the eastern property parcel is also irregularly shaped and is developed with a hotel building situated near the middle of the parcel. This parcel qualifies as part of the eligible property since it is contiguous to the western property parcel, which is developed with a building that is considered "functionally obsolete". The eligible property is located in the northwest ¼ of the southeast ¼ of Section 25, Town 2 South, Range 12 West, Oshtemo Township, Kalamazoo County, Michigan. The legal description is included in **Appendix A** and a site location map is included as **Figure 1**. **Figure 2** is a Site Plan showing an outline of the eligible property with significant features.

The eligible property is located in a commercial and residential area of Oshtemo Township. Holiday Terrace extends east from South 11th Street to the eligible property. The eligible property is accessible via a paved driveway from the south side of Holiday Terrace. US 131 is located to the east, beyond the hotel.

A paved parking lot is located to the north and west of the former bowling alley building. The northwest corner, as well as the western edge of this parcel, is wooded. The wooded areas are bermed along the edges of the drive/parking lots, and a small storm water pond is present at the northwest corner, within the wooded area. The majority of the western parcel surrounding the hotel is a paved parking area, with the exception of strips of unpaved land along the northern and southern parcel boundaries, and landscaped plots around the building and within the parking lots. The eligible property is served by municipal water and sewer, as well as gas and electric for heating and cooling purposes. The topography is generally level, except for the berms and depression towards the storm water pond on the western parcel.

The main entrance and lobby areas of the former bowling alley building are at the north side. A hallway leads south past an office, locker room, and vending room, to a sales counter. A former restaurant with a bar, seating area, kitchen, washroom, liquor store room, restrooms, storage room and utility room are located at the northeast corner of the building. The northwest corner has a sales area, snack bar, offices, storage rooms, restrooms and another utility room. A customer seating area is located near the center of the building in front of 32 bowling terraces that extend across the entire southern two-thirds of the building. Thin walkways are present on the east and west sides of the terraces along the building perimeter to allow access to the back of the terraces and pin machines that line the southern edge of the building. An equipment repair room extends beyond the main building to the south. The room contains tools and equipment used in the repair and maintenance of the bowling alley.

Historical records indicate the former bowling alley parcel was agricultural or vacant until first structurally developed in 1973 as Holiday Terraces, a bowling alley. The building was used as such until 2014, when it became vacant. It remains developed with a vacant building.

3. PROPOSED REDEVELOPMENT

The Developer intends to redevelop the eligible property through refurbishing the former bowling alley building on the western parcel to serve as a hotel conference center to support hotel operations. The addition of the conference center will allow the hotel to meet increasing demand for function space. The redevelopment is planned to include rehabilitation of the existing former bowling alley building. The project will include interior demolition to strip the building of all current materials and equipment. The building is planned to remain the same size following redevelopment, except for the addition of a porte cochere and a covered walkway connecting the conference center with the adjoining hotel.

The total cost of the project investment by the Developer is estimated at \$4 million. The redevelopment project is anticipated to create 25 full-time equivalent jobs (excluding temporary and construction jobs). It is anticipated that the new development will have a significant impact on the local economy by attracting people to the area for various functions that are currently being lost to other cities as a result of the lack of the needed space requirements.

4. BROWNFIELD CONDITIONS

The former bowling alley building on the eligible property was confirmed functionally obsolete by the Oshtemo Township Assessor on July 6, 2017. The signed affidavit detailing the declaration of functional obsolescence is provided as **Appendix F**.

No environmental contamination is known to be present at the eligible property (it is not a “facility”). A Phase I Environmental Site Assessment (ESA) for the western property parcel was performed by Phillips Environmental Consulting Services, Inc., as described in an August 15, 2016 report. The Assessment revealed no evidence of recognized environmental conditions in connection with the eligible property.

5. BROWNFIELD PLAN ELEMENTS (as specified in Section 13(1) of Act 381)

A. Description of Costs to Be Paid for With Tax Increment Revenues

Tax increment revenues will be used to reimburse the Developer for the cost of eligible activities on the eligible property as authorized by Act 381. Only statutorily approved DEQ eligible activities will be reimbursed using non-local (school) tax incremental revenue (Phase I ESA). The remaining eligible activities will be reimbursed using non-school tax increment. No costs shall be reimbursed to the Developer unless they are for activities implemented pursuant to a Development Agreement approved by the Authority.

The cost of eligible activities including interest and contingency are estimated at **\$247,376**. Authority administrative costs are estimated at **\$18,000**. Funding to the state brownfield redevelopment fund (SBRF) is estimated at **\$3,368**, and funding to the local brownfield revolving fund (LBRF) is estimated at **\$219,192**. The estimated costs of eligible activities to be incurred during implementation of this Plan that would be subject to reimbursement with tax incremental revenues are summarized on **Table 1**.

B. Summary of Eligible Activities

The following eligible activities have been completed or are planned to be completed at the eligible property.

1. Phase I Environmental Site Assessment. A Phase I ESA compliant with ASTM E-1527-13 and the standards for all appropriate inquiry has been prepared by Phillips Environmental Consulting Services, Inc. (dated August 15, 2016). The assessment was funded by the Developer and cost **\$2,000**. This is a cost statutorily approved for reimbursement through school tax increment revenues.

2. Demolition. Renovation of the former bowling alley building on the eligible property will include interior demolition to strip the building of current materials and equipment and demolition of asphalt to restore the parking lot. The demolition will be funded by the Developer and is estimated to cost **\$183,154**. This will be reimbursed using only local tax increment revenues.
3. Brownfield Plan Preparation. Preparation of the Brownfield Plan will be funded by the Developer and the cost is estimated at **\$4,300**. This will be reimbursed using local and school tax increment revenues as statutorily approved.
4. Contingency. As allowed by Act 381, a 15% contingency is included in the Plan to address any unexpected conditions that might be encountered while eligible activities are being conducted. The contingency for this project is estimated at 15% of total demolition estimated costs. This is **\$27,473**.
5. Authority Administrative Cost. The Authority intends to capture non-school tax increment revenues for eligible and actual administrative costs as permitted by Act 381. The KCBRA has estimated that the annual administrative expenses will be about \$2,000 per year. The estimated capture is **\$18,000**.
6. Interest Cost. The Authority intends to pay the Developer interest using local taxes at a rate of 3%, calculated as simple interest, on the cost of eligible activities incurred until the Developer has been reimbursed for such eligible activities in accordance with a Development Agreement. Interest is calculated based on a principal of **\$212,627** for the non-Brownfield Plan preparation eligible activities and is estimated to be **\$30,449**.
7. Local Brownfield Revolving Fund. The Authority intends to capture school and non-school tax increments for deposit in the local brownfield revolving fund for a full five years. The estimated tax capture is **\$219,192**.

C. Estimate of Captured Taxable Value and Tax Increment Revenues

The **2017 base year** taxable value for the eligible property is **\$3,252,483**, based on information obtained from the Oshtemo Township Assessor. During the 2019 tax year, the Oshtemo Township Assessor has estimated that redevelopment activities will increase the taxable value to **\$4,357,000** following an investment of \$4 million to renovate the former bowling alley building (assuming completion in 2018). **Table 2** provides an estimate of total captured incremental taxes and **Table 3** summarizes the captured taxable value and tax incremental revenue by year and aggregate for each taxing jurisdiction.

D. Method of Financing and Description of Advances by the Municipality

The eligible activities are being financed by the Developer, to be reimbursed as approved by this Brownfield Plan and an associated Development Agreement.

E. Maximum Amount of Note or Bonded Indebtedness

No note or bonded indebtedness will be incurred by the Authority.

F. Duration of Brownfield Plan

The Plan will remain in effect for as many years as required to fully reimburse all parties for the cost of all eligible activities incurred under this Plan in accordance with the Development Agreement and for a full five additional years for the deposit of tax increment revenue into the LBRF, or 30 years, whichever is less. It is anticipated that the **tax increment capture will begin in 2019** based on the schedule for implementation of eligible activities and the Developer construction schedule. School tax capture will be limited to the first year of the plan to pay for the statutorily eligible environmental activities. The tax tables included in this Plan assume that there will be sufficient tax revenues generated from future development to fully reimburse the Developer, the Authority and the LBRF by **2032**, as illustrated on **Table 4**. This timeline may need to be amended based on actual tax revenues generated in the future.

G. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

An estimate of the impact of tax incremental financing on all taxing jurisdictions is summarized on **Table 3**.

H. Legal Description, Eligible Property Map, Statement of Qualifying Characteristics and Personal Property

The eligible property consists of two contiguous parcels totaling approximately 9.21 acres located on the east side of South 11th Street and the south side of Holiday Terrace in Oshtemo Township, Kalamazoo County, Michigan. Identified as Parcel Number 05-25-405-112, the western property parcel is irregularly shaped and is developed with a 29,917 square-foot former bowling alley building situated at the southeast corner. Identified as Parcel Number 05-25-405-116, the eastern property parcel is also irregularly shaped and is developed with a hotel building situated near the middle of the parcel. The eligible property is located in the northwest $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 25, Town 2 South, Range 12 West, Oshtemo Township, Kalamazoo County, Michigan. The legal description is included in **Appendix A** and a site location map is included as **Figure 1**. **Figure 2** is a Site Plan showing significant features of the eligible property.

The former bowling alley building on the western parcel of the eligible property has been designated as “functionally obsolete” by the Oshtemo Township Assessor. A copy of the affidavit is included as **Appendix F**. The eastern parcel qualifies as part of the eligible property since it is contiguous to the western parcel.

Personal property will be included as part of the eligible property.

I. Estimates of Residents and Displacement of Families

No families or individuals will be displaced for this project.

J. Plan for Relocation of Displaced Persons

Not applicable.

K. Provisions for Relocation Costs

Not applicable.

L. Strategy for Compliance with Michigan's Relocation Assistance Law

Not applicable.

M. Description of Proposed Use of Local Brownfield Revolving Fund

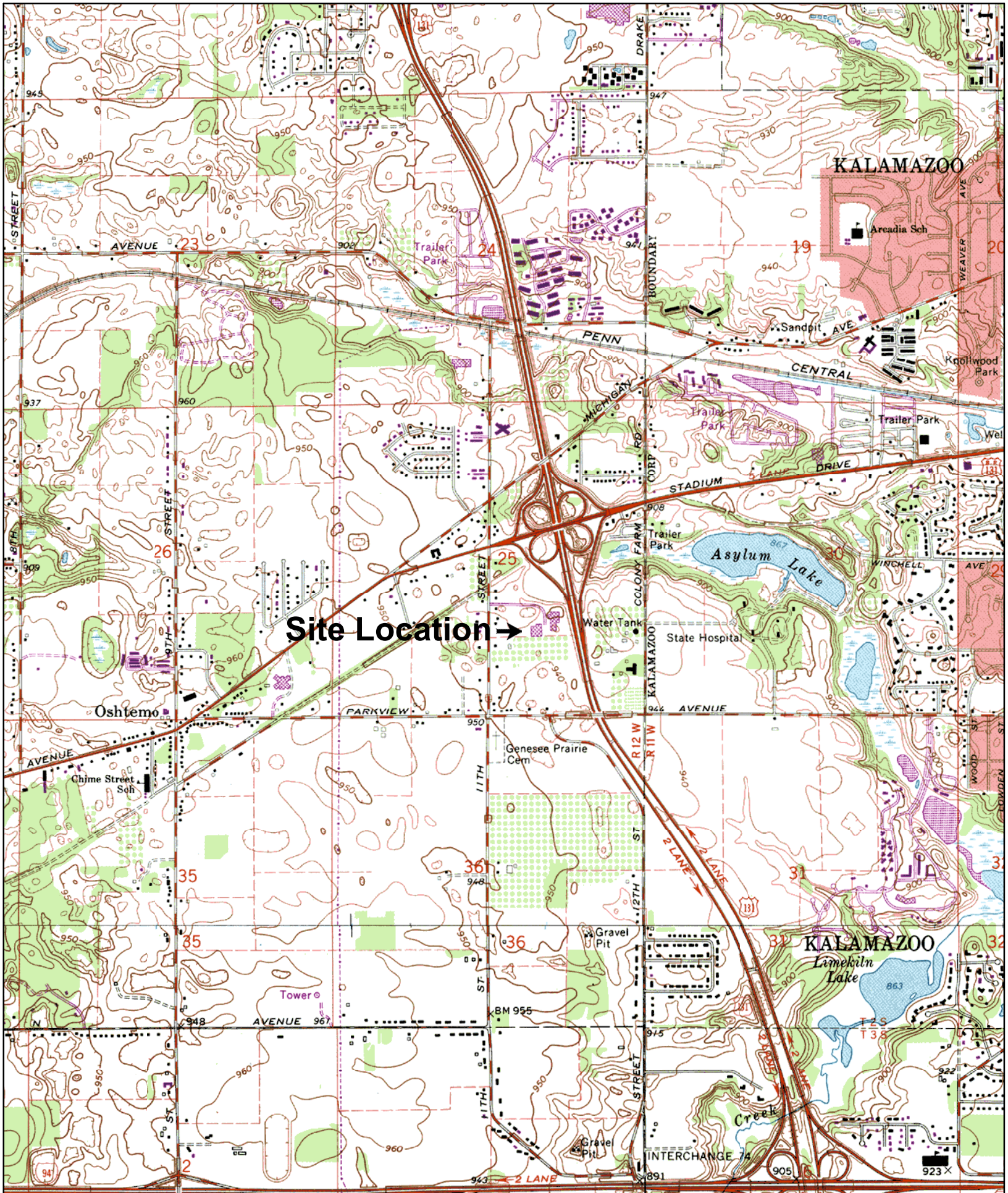
Tax increment revenues will be captured for a full five years after the eligible activities are reimbursed to the Developer for deposit into the LBRF. The LBRF will be used to finance eligible activities at other eligible properties within the County. The estimated capture to the LBRF is less than the amount of local tax capture estimated to pay eligible activities. No school taxes will be captured for deposit into the LBRF for MSF activities. The estimated school tax capture to the LBRF is equal to the cost of DEQ Eligible Activities.

N. Other Material that the Authority or Governing Body Considers Pertinent

No other material is considered pertinent to this Brownfield Plan.

FIGURES





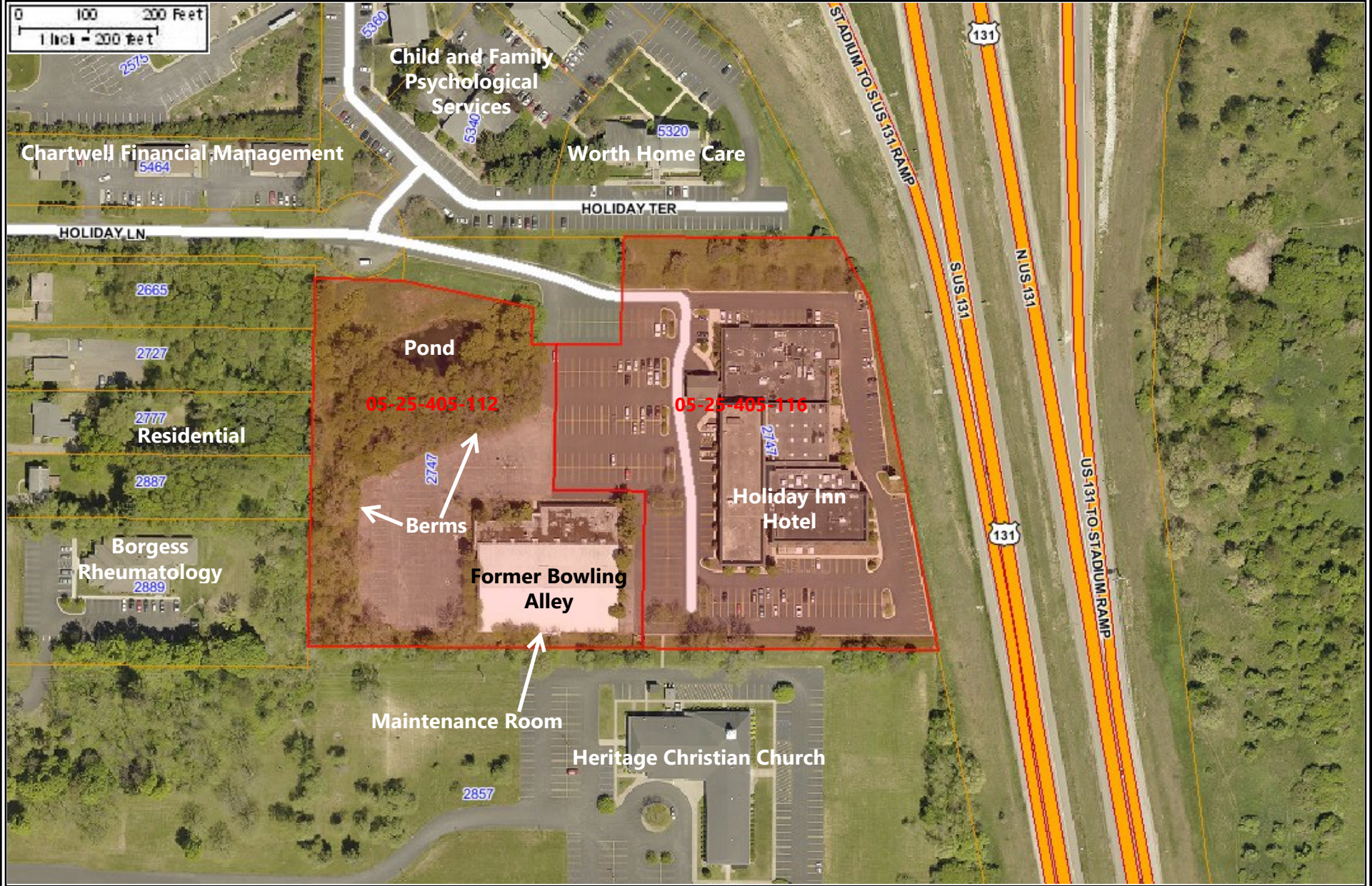
Site Location →

Name: KALAMAZOO SW
 Date: 8/15/2016
 Scale: 1 inch equals 2000 feet

Location: 042° 15' 54.46" N 085° 39' 25.66" W NAD27
 Caption: Figure 1 - Site Location
 2747 South 11th Street
 Kalamazoo, Michigan

Figure 2 - Site Plan

2747 11th Street, Oshtemo Township, Michigan



This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. The user of this map acknowledges that the State/County/Cities/Townships/Villages shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the State/County/Cities/Townships/Villages from any and all claims brought by the User, its employees or agents, or third parties which arise out of the User's access or use of data provided. Map Created: 8/2/2017

TABLES



Table 1
Eligible Activities Costs and Schedule
 2747 11th Street
 Oshtemo Township, Michigan

DEQ Eligible Activities Costs and Schedule		
DEQ Eligible Activities	Cost	Completion Season/Year
Baseline Environmental Assessment (Pre-Development) Activities		
<i>Phase I ESA - Former Bowling Alley Parcel</i>	\$ 2,000	Complete
DEQ Eligible Activities Sub-Total	\$ 2,000	
Contingency (15% - excludes \$2,000 of completed activities)	\$ 0	
Interest (3%)	\$ 286	
Brownfield Plan Preparation	\$ 2,150	
DEQ ELIGIBLE ACTIVITIES TOTAL COSTS	\$ 4,436	

MSF Eligible Activities Costs and Schedule		
MSF Eligible Activities	Cost	Completion Season/Year
Demolition Activities		
<i>Interior Demolition</i>	\$ 183,154	Spring 2018
MSF Eligible Activities Sub-Total	\$ 183,154	
Contingency (15%)	\$ 27,473	
Interest (3%)	\$ 30,163	
Brownfield Plan Preparation	\$ 2,150	
MSF ELIGIBLE ACTIVITIES TOTAL COSTS	\$ 242,940	

Eligible Activities Total Cost	\$ 247,376
Total Interest	\$ 30,449
Eligible Activities Cost Minus Interest	\$ 216,927
Principal for Interest Calculation (\$216,927-\$4,300*)	\$ 212,627
*Brownfield Plan Cost	

Summary of Estimated Reimbursement

Eligible Activities to Developer	\$ 247,376
Kalamazoo County Brownfield Redevelopment Authority Administration	\$ 18,000
State Brownfield Redevelopment Fund	\$ 3,368
Local Brownfield Revolving Fund (LBRF)	\$ 219,192
TOTAL:	\$ 487,936

Table 2
Estimate of Incremental Taxable Value Available for Capture
 2747 11th Street
 Oshtemo Township, Michigan

Year	Millages			Initial Taxable Value	Estimated Tax Revenue from Initial Taxable Value	Estimated Future Taxable Value ¹	Estimated Future Tax Revenues			Incremental Taxable Value Available for Capture
	Estimated Annual School Millage	Estimated Annual Non-school Millage	Total Estimated Annual Millage				Estimated Future School Tax Revenues	Estimated Future Non-School Tax Revenues	Total Estimated Future Tax Revenues	
2018	23.8704	19.5583	43.4287	3,252,483	141,251.11	3,252,483	77,638.07	63,613.04	141,251.11	0
2019	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,375,000	104,433.00	85,567.56	190,000.56	1,122,517
2020	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,462,500	106,521.66	87,278.91	193,800.57	1,210,017
2021	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,551,750	108,652.09	89,024.49	197,676.59	1,299,267
2022	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,642,785	110,825.14	90,804.98	201,630.12	1,390,302
2023	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,735,641	113,041.64	92,621.08	205,662.72	1,483,158
2024	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,830,354	115,302.47	94,473.50	209,775.97	1,577,871
2025	23.8704	19.5583	43.4287	3,252,483	141,251.11	4,926,961	117,608.52	96,362.97	213,971.49	1,674,478
2026	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,025,500	119,960.69	98,290.23	218,250.92	1,773,017
2027	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,126,010	122,359.90	100,256.04	222,615.94	1,873,527
2028	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,228,530	124,807.10	102,261.16	227,068.26	1,976,047
2029	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,333,101	127,303.24	104,306.38	231,609.63	2,080,618
2030	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,439,763	129,849.31	106,392.51	236,241.82	2,187,280
2031	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,548,558	132,446.30	108,520.36	240,966.65	2,296,075
2032	23.8704	19.5583	43.4287	3,252,483	141,251.11	5,659,529	135,095.22	110,690.77	245,785.99	2,407,046

¹ Estimated Future Taxable Value Increase of 2% per year.

Table 3
Estimate of Taxable Value and Incremental Tax Revenue by Year for Each Taxing Jurisdiction
 2747 11th Street
 Oshtemo Township, Michigan

Taxing Jurisdiction	Kalamazoo Co. Transportation	Central Co. Transportation	Kalamazoo Public Library	Oshtemo Twp	KVCC	County Operating	Public Safety	Housing Assistance	KRESA	School Tax Increment		Total School Taxes Available for Capture	Total Non-school Taxes Available for Capture	TOTAL INCREMENTAL TAXES AVAILABLE
										State Education Tax	Public School Operation			
Operating Mills (2017)	0.3145	0.7500	3.9488	0.9703	2.8089	4.6810	1.4472	0.0998	4.5378	6.0000	17.8704	23.8704	19.5583	43,4287
Year	Taxable Value Available for Capture													
2018	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2019	1,122,517	353.03	841.89	4,432.60	1,089.18	3,153.04	5,254.50	1,624.51	112.03	5,093.76	6,735.10	20,059.83	26,794.93	48,749.45
2020	1,210,017	380.55	907.51	4,778.12	1,174.08	3,398.82	5,664.09	1,751.14	120.76	5,490.82	7,260.10	21,623.49	0.00	23,665.88
2021	1,299,267	408.62	974.45	5,130.55	1,260.68	3,649.51	6,081.87	1,880.30	129.67	5,895.81	7,795.60	23,218.42	0.00	25,411.45
2022	1,390,302	437.25	1,042.73	5,490.02	1,349.01	3,905.22	6,508.00	2,012.05	138.75	6,308.91	8,341.81	24,845.25	0.00	27,191.94
2023	1,483,158	466.45	1,112.37	5,856.69	1,439.11	4,166.04	6,942.66	2,146.43	148.02	6,730.27	8,898.95	26,504.62	0.00	29,008.04
2024	1,577,871	496.24	1,183.40	6,230.70	1,531.01	4,432.08	7,386.01	2,283.49	157.47	7,160.06	9,467.22	28,197.18	0.00	30,860.46
2025	1,674,478	526.62	1,255.86	6,612.18	1,624.75	4,703.44	7,838.23	2,423.30	167.11	7,598.44	10,046.87	29,923.58	0.00	32,749.93
2026	1,773,017	557.61	1,329.76	7,001.29	1,720.36	4,980.23	8,299.49	2,565.91	176.95	8,045.60	10,638.10	31,684.52	0.00	34,677.19
2027	1,873,527	589.22	1,405.15	7,398.18	1,817.88	5,262.55	8,769.98	2,711.37	186.98	8,501.69	11,241.16	33,480.67	0.00	36,643.00
2028	1,976,047	621.47	1,482.04	7,803.01	1,917.36	5,550.52	9,249.88	2,859.74	197.21	8,966.91	11,856.28	35,312.75	0.00	38,648.12
2029	2,080,618	654.35	1,560.46	8,215.94	2,018.82	5,844.25	9,739.37	3,011.07	207.65	9,441.43	12,483.71	37,181.47	0.00	40,693.34
2030	2,187,280	687.90	1,640.46	8,637.13	2,122.32	6,143.85	10,238.66	3,165.43	218.29	9,925.44	13,123.68	39,087.56	0.00	42,779.47
2031	2,296,075	722.12	1,722.06	9,066.74	2,227.88	6,449.44	10,747.93	3,322.88	229.15	10,419.13	13,776.45	41,031.78	0.00	44,907.32
2032	2,407,046	757.02	1,805.28	9,504.94	2,335.56	6,761.15	11,267.38	3,483.48	240.22	10,922.69	14,442.28	43,014.87	0.00	47,077.73
Total Captured Taxes	7,658.46	18,263.41	96,158.09	23,627.99	68,400.13	113,988.05	35,241.08	2,430.25	110,500.95	146,107.30	435,166.00	26,794.93	476,268.42	503,063.35

Notes:
 (1) The debt portion of the KRESA millage (1.865 Mills) is not eligible for reimbursement.
 (2) The County Juvenile Home Debt (0.2301 Mills) is not eligible for reimbursement.
 (3) School debt taxes (6.95 Mills) are not eligible for reimbursement.

Table 4
Reimbursement Schedule
 2747 11th Street
 Oshtemo Township, Michigan

Year	Estimated Incremental Taxes Captured				BRA Administration ¹				Reimbursement to Developer				State Brownfield Redevelopment Fund		LBRF Capture				Interest Calculations (3%)				
	Annual			Cumulative	Annual			Cumulative	Annual			Cumulative	3 Mils SET	Cumulative	Annual			Cumulative	Principal	Interest	Principal Payment	Interest Payment	Total Payment Amount
	School	Non-School	Total		School	Non-School	Total		School	Non-school	Total				School	Non-school	Total						
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	11,667.55	21,954.52	33,622.08	33,622.08	-	2,000.00	2,000.00	2,000.00	4,150.00	19,954.52	24,104.52	24,104.52	3,367.55	3,367.55	4,150.00	-	4,150.00	4,150.00	212,627.00	6,378.81	24,104.52	-	24,104.52
2020	-	23,665.88	23,665.88	57,287.95	-	2,000.00	2,000.00	4,000.00	-	21,665.88	21,665.88	45,770.40	-	-	-	-	-	4,150.00	188,522.48	5,655.67	21,665.88	-	21,665.88
2021	-	25,411.45	25,411.45	82,699.40	-	2,000.00	2,000.00	6,000.00	-	23,411.45	23,411.45	69,181.85	-	-	-	-	-	4,150.00	166,856.60	5,005.70	23,411.45	-	23,411.45
2022	-	27,191.94	27,191.94	109,891.35	-	2,000.00	2,000.00	8,000.00	-	25,191.94	25,191.94	94,373.80	-	-	-	-	-	4,150.00	143,445.15	4,303.35	25,191.94	-	25,191.94
2023	-	29,008.04	29,008.04	138,899.39	-	2,000.00	2,000.00	10,000.00	-	27,008.04	27,008.04	121,381.84	-	-	-	-	-	4,150.00	118,253.20	3,547.60	27,008.04	-	27,008.04
2024	-	30,860.46	30,860.46	169,759.86	-	2,000.00	2,000.00	12,000.00	-	28,860.46	28,860.46	150,242.31	-	-	-	-	-	4,150.00	91,245.16	2,737.35	28,860.46	-	28,860.46
2025	-	32,749.93	32,749.93	202,509.79	-	2,000.00	2,000.00	14,000.00	-	30,749.93	30,749.93	180,992.24	-	-	-	-	-	4,150.00	62,384.69	1,871.54	30,749.93	-	30,749.93
2026	-	34,677.19	34,677.19	237,186.99	-	2,000.00	2,000.00	16,000.00	-	32,677.19	32,677.19	213,669.43	-	-	-	-	-	4,150.00	31,634.76	949.04	31,634.76	1,042.43	32,677.19
2027	-	36,643.00	36,643.00	273,829.98	-	2,000.00	2,000.00	18,000.00	-	33,706.57	33,706.57	247,376.00	-	-	-	936.43	936.43	5,086.43	-	-	-	29,406.64	29,406.64
2028	-	38,648.12	38,648.12	312,478.10	-	-	-	-	-	-	-	-	-	-	-	-	38,648.12	38,648.12	43,734.55	-	-	-	-
2029	-	40,693.34	40,693.34	353,171.45	-	-	-	-	-	-	-	-	-	-	-	-	40,693.34	40,693.34	84,427.90	-	-	-	-
2030	-	42,779.47	42,779.47	395,950.92	-	-	-	-	-	-	-	-	-	-	-	-	42,779.47	42,779.47	127,207.37	-	-	-	-
2031	-	44,907.32	44,907.32	440,858.24	-	-	-	-	-	-	-	-	-	-	-	-	44,907.32	44,907.32	172,114.69	-	-	-	-
2032	-	47,077.73	47,077.73	487,935.97	-	-	-	-	-	-	-	-	-	-	-	-	47,077.73	47,077.73	219,192.42	-	-	-	-
	11,667.55	476,268.42	487,935.97		-	18,000.00	18,000.00		4,150.00	243,226.00	247,376.00		3,367.55		4,150.00	215,042.42	219,192.42		30,449.07	212,627.00	30,449.07	243,076.07	243,076.07

TOTAL REIMBURSEMENT FOR TAX INCREMENT: 487,935.97

¹ Actual amount may vary based on actual costs and state formula.

APPENDIX A

LEGAL DESCRIPTION



General Property Information

Oshtemo Township

[\[Back to Non-Printer Friendly Version\]](#) [\[Send To Printer\]](#)

Parcel: 05-25-405-112 Unit: OSHTEMO

Property Address [\[collapse\]](#)

2747 S 11TH ST
KALAMAZOO, MI 49009

Owner Information [\[expand\]](#)

Taxpayer Information [\[expand\]](#)

General Information for Tax Year 2017 [\[expand\]](#)

Land Information [\[expand\]](#)

Legal Information for 05-25-405-112 [\[collapse\]](#)

SEC 25-2-12 COM C1/4 POST TH S 0DEG11MIN56SC W ALG N&S1/4 LI 799.95 FT TO EXT W OF SLY LI HOLIDAY TERRACE TH N 89DEG24MIN01SC E THEREON 501.35 FT TH S 0DEG08MIN57SC W 27 FT FOR PL BEG TH CONT S 0DEG08MIN57SC W 503.45 FT TO S LI NW1/4 SE1/4 TH N 89DEG21MIN58SC E THEREON 454.51 FT TH N 0DEG08MIN57SC E 214.26 FT TH S 89DEG21MIN58SC W 124 FT TH N 0DEG08MIN57SC E 199 FT TH S 89DEG24MIN01SC W 33.5 FT TH N 0DEG08MIN57SC E 50 FT TH N 79DEG42MIN01SC W 179.8 FT TH N 0DEG08MIN57SC E 4.42 FT TH N 89DEG51MIN03SC W 120 FT TO BEG * **1-87 1986 SPLIT FROM 25-405-111

Sales Information

2 sale record(s) found.

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms Of Sale	Liber/Page
11/17/2016	\$425,000.00	PTA	THREE KINGS REALTY LLC	KALAMAZOO HOTEL GROUP LLC	WARRANTY DEED	2016-039600
10/30/2001	\$0.00	WD	EASTLAND HOLDINGS INC	THREE KINGS REALTY LLC	WARRANTY DEED	2001-050114

Building Information

1 building(s) found.

Description	Floor Area	Yr Built	Est. TCV
+ Commercial/Industrial Building 1 - <i>Bowling Alley</i>	29917 Sq. Ft.	1973	\$90,333

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General Property Information

Oshtemo Township

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Parcel: 05-25-405-116 Unit: OSHTEMO

Property Address [\[collapse\]](#)

2747 S 11TH ST
KALAMAZOO, MI 49009

Owner Information [\[expand\]](#)

Taxpayer Information [\[expand\]](#)

General Information for Tax Year 2017 [\[expand\]](#)

Land Information [\[expand\]](#)

Legal Information for 05-25-405-116 [\[collapse\]](#)

SEC 25-2-12 COM C1/4 POST TH S 0DEG11MIN56SC W ALG S1/4 LI 799.95 FT TO EXT W OF SLY LI HOLIDAY TERRACE TH N 89DEG24MIN01SC E THEREON 501.35 FT TH S 0DEG08MIN57SC W 530.45 FT TO S LI NW1/4 SE1/4 TH N 89DGE21MIN58SC E 454.51 FT FOR PL BEG TH CONT N 89DEG21MIN58SC E 402.71 FT TO WLY LI US HWY 131 TH N 12DEG10MIN22SC W THEREON 488.62 FT TH N 28DEG33MIN24SC W ALG SD WLY LI 95.34 FT TH S 89DEG24MIN01SC W 290.12 FT TH S 0DEG08MIN57SC W 150 FT TH S 89DEG21MIN58SC W 86.5 FT TH S 0DEG08MIN57SC W 199 FT TH N 89DEG21MIN58SC E PAR S LI NW1/4 SE1/4 124 FT TH S 0DEG 08MIN57SC W 214.26 FT TO BEG * **1-87 1986 SPLIT FROM 25-405-111

Sales Information

1 sale record(s) found.

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms Of Sale	Liber/Page
06/27/2014	\$3,000,000.00	CV	GREENLEAF HOLDINGS LLC	KALAMAZOO HOTEL GROUP LLC	ARMS LENGTH	14-021413

Building Information

5 building(s) found.

Description	Floor Area	Yr Built	Est. TCV
+ Commercial/Industrial Building 1 - <i>Hotel - Limited Service</i>	14117 Sq. Ft.	1973	\$751,852
+ Commercial/Industrial Building 2 - <i>Hotel - Limited Service</i>	53492 Sq. Ft.	1973	\$2,881,826
+ Commercial/Industrial Building 3 - <i>Hotel - Limited Service</i>	6601 Sq. Ft.	1973	\$594,011
+ Commercial/Industrial Building 4 - <i>Hotel - Limited Service</i>	38024 Sq. Ft.	1986	\$2,112,711
+ Commercial/Industrial Building 5 - <i>Hotel - Limited Service</i>	4324 Sq. Ft.	1986	\$263,415

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APPENDIX B

DEMOLITION PLANS



TO BE INCLUDED IN FINAL



APPENDIX C

OSHTEMO TOWNSHIP AND KALAMAZOO COUNTY RESOLUTIONS



TO BE INCLUDED IN FINAL



APPENDIX D

NOTICE OF PUBLIC HEARING



TO BE INCLUDED IN FINAL



APPENDIX E

NOTICE TO TAXING JURISDICTIONS



TO BE INCLUDED IN FINAL



APPENDIX F

AFFIDAVIT OF FUNCTIONAL OBSOLESCENCE

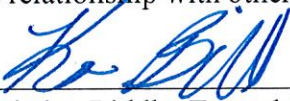


AFFIDAVIT OF OSHTEMO CHARTER TOWNSHIP ASSESSOR

I, Kristine Biddle, being duly sworn, states that if called upon will testify to the following facts:

1. I am employed by Oshtemo Charter Township as the Township Assessor, and have held that position for approximately a year and three-quarters, or 22 months.
2. I am a certified Michigan Advanced Assessing Officer (3).
3. I am familiar with the property located at 2747 South 11th Street, in the Charter Township of Oshtemo.
4. This affidavit is given in accordance with MCL 125.2663(1)(h) and is made to confirm this property qualifies as "Functionally Obsolete Property" as that term is defined under MCL 125.2652(r). The following facts, without limitation, form the basis for my expert opinion:

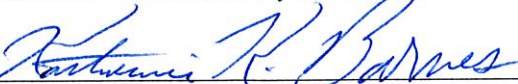
The property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or super adequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.



Kristine Biddle, Township Assessor

Subscribed and sworn to before me by Kristine Biddle on July 6, 2017

Katherine K. Barnes
Notary Public, State of Michigan
County of Kalamazoo
Commission Expires 3/11/2020



Katherine K. Barnes, Notary Public
Kalamazoo County, Michigan
Acting in Kalamazoo County, Michigan
My commission expires: 3/11/2020

Prepared by:
James W. Porter
Township Attorney
Oshtemo Charter Township
7275 W. Main Street
Kalamazoo, MI 9009
(269) 375-7195