



Washtenaw County Parks and Recreation Commission

NOTICE OF MEETING

Date: March 23, 2021

Time: 2:00 p.m.

Location: Virtual Working Session Meeting on Zoom available to the public at:
<https://us02web.zoom.us/j/85266667470>

AGENDA

- 1. *Call to Order / Moment of Silence***
- 2. *Roll Call and Announcement of Location***
- 3. *Public Comment***
- 4. *Discussion***
 - A. Overview of Capital Improvement Plan, budget, and fund balance
 - B. Staebler Farm County Park – Multi-purpose building, renovation of farm house, and potential acquisition of the Michigan Folk School
 - C. Border to Border Trail – 3-5 year schedule of projects
- 5. *Adjournment***

Washtenaw County will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon 7-day notice to Washtenaw County. Individuals requiring auxiliary aids or services should contact the County of Washtenaw by writing or calling the following: Human Resources, 734-994-2410, TTD# 734/994-1733.



SFCP

THE MICHIGAN FOLK SCHOOL
ANALYSIS AND MULTI-PURPOSE BUILDING
CONSTRUCTION FEASIBILITY



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EXECUTIVE SUMMARY

BACKGROUND AND EVALUATION

Staebler Farm is a 98-acre Washtenaw County park spread across both sides of Plymouth Road in Superior Charter Township. Staebler Farm County Park ("SFCP") currently consists of historical buildings, small lakes, farm fields, mature woodlands, wetlands, nature trails, and also houses The Michigan Folk School ("MFS").

Bonner Advisory Group ("Bonner AG") and Gritter Real Estate Services ("Gritter RES") have been tasked with providing direction to the Washtenaw County Parks and Recreation Commission ("WCPARC") on two opportunities that will shape the future of SFCP: 1) Assess and recommend the construction of a new multi-purpose building at Staebler Farm prioritized over other park improvements and; 2) Analyze and evaluate the acquisition of MFS.

PROCESS

To comprehensively evaluate both opportunities, Gritter RES and Bonner AG conducted the following research and analysis:

- Reviewed MFS operations
- Interviewed MFS, WCPARC staff, and other stakeholders of MFS
- Evaluated current and future MFS financial projections
- Performed analyses typical when evaluating an organization
- Studied the architectural estimates and general construction assumptions of the multi-purpose and farmhouse buildings
- Conducted interviews with WCPARC staff to further understand the financial capability to pay for and manage the operations of the new multi-purpose building
- Determined additional uses and users of the buildings by prospective occupants

Although having different scopes of work, Bonner AG and Gritter RES undertook a collaborative process which allowed a more thorough report and recommendations. The two evaluations: 1) Construction of the multi-purpose building; and 2) Acquisition of the MFS are inevitably tied together.

RECOMMENDATION

Our teams, collectively, recommend that the Washtenaw County Parks & Recreation Commission acquire The Michigan Folk School; or, at minimum, establish a long-term sustainable partnership, in conjunction with the construction of the multi-purpose building. There are benefits and risks for WCPARC to have MFS as part of its organization in conjunction with constructing the multi-purpose building; however, we feel that the benefits outweigh the risks based on these factors:

- A dedicated user, MFS, for SFCP that will further utilize and program the park
- Classes and programs currently not offered by WCPARC that will be able to be as a result of an acquisition and construction of the multi-purpose building
- Additional fundraising capabilities for SFCP and WCPARC
- An increase in the number and the diversity of visitors to the Washtenaw County Parks System

Capitalizing on these two opportunities, with proper execution, will transform SFCP for many years to come.



BACKGROUND RESEARCH

Documents and reports Gritter RES and Bonner AG reviewed during their engagement included:

- MFS at SFCP Acquisition Proposal
- MFS 2019 Tax Return
- Future Financial projections prepared by MFS
- Rate of Return (ROR) class worksheets prepared by MFS
- John C. Campbell Folk School 2019 Annual Report
- North House Folk School 2019 Annual Report
- Ely Folk School FAQ's
- Architectural Digest article "Forget Ibiza: This Summer I Want to Go to Folk School"
- The Folk School Fairbanks Alaska – Vision and Planning document
- MFS Partnership & Programming Report prepared by WCPARC staff dated August 25, 2020
- The lease agreement between the WCPARC and MFS
- The Collaborative Architects Conceptual Plan and Cost Estimates
- OX Studio Conditions Assessment Report of The Farmhouse
- Swint Consulting Multi-Purpose Facility Budget
- September 2020 Progress Set - Construction Documents
- Proposed WCPARC Operations Budget

Stakeholder's interviewed included:

- Jason Gold
- Meghan Bonfiglio
- Coy Vaughn
- Ginny Trocchio
- Kira Macyda
- Tom Freeman
- Rob Burroughs of OX Studios
- Justin Fogle of The Collaborative

Several site visits were also completed.



EVALUATION OF THE MICHIGAN FOLK SCHOOL

MICHIGAN FOLK SCHOOL HISTORY

The Michigan Folk School is a 501C3 non-profit based in Washtenaw County. MFS has exhibited steady growth since its inception in 2012, and this growth was further accelerated once MFS started leasing space from the WCPARC at SFCP in 2017. MFS uses facilities at SFCP for the majority of its class offerings while also providing mobile workshops throughout the county and hosting certain classes at other facilities in the area.

These classes; such as blacksmithing, broom making, and millinery, have generally been well subscribed and allow for many participants, both new and repeat, to take part in learning new crafts. Additionally, many of these offerings are unique to the Washtenaw County Parks system and the region, drawing participants from throughout the state and the Midwest.

MICHIGAN FOLK SCHOOL CHALLENGES

A challenge for MFS to grow and operate adequately has been the lack of space to house classes. The workshop building and blacksmith studio are being utilized regularly; however, these spaces are small and limited in size. The workshop building has to be regularly cleaned to account for different types of classes and materials are frequently moved to the storage building next door, leading to an excessive amount of time cleaning and moving supplies rather than administering classes.

An additional challenge is coordinating maintenance and the future strategic direction of Staebler Farm. There have been challenges maintaining the grounds and being involved with future park programming as MFS is a non-departmental entity. As such, the relationship is more “Tenant/Landlord” versus a partnership or departmental program.

Another MFS drawback, compared to most folk schools, is the lack of a centralized meeting space where all participants engage in group activity. Most leading folk schools have a large central meeting place where all students meet at the onset of the day. This interaction brings together a greater sense of purpose and allows participants of diverse backgrounds to mingle together and provide a forum for sharing interests.

Finally, the lack of a permanent location/structure is a significant deterrent for potential financial donors to MFS. Other leading folk schools attract \$500,000 or more on average per year in philanthropic support (John C. Campbell – 2017-2019 yearly donations, North House Folk School 2019 operating budget). MFS is confident it can implement a proper fundraising campaign so long as they secure a long-term facility for its use.



THE MICHIGAN FOLK SCHOOL GROWTH & FINANCIAL PROJECTIONS

MFS presented an Acquisition Proposal in August of 2020, expanding on many of the aforementioned challenges a detailing out opportunities. The Acquisition Proposal laid the groundwork for a plan for programming implementation in conjunction with the construction of the multi-purpose building and how it would be a “win-win” for WCPARC and MFS. If properly executed, WCPARC in partnership with MFS, could program one of the most successful folk schools in the country.

Gritter RES reviewed MFS Acquisition Proposal and its financial projections. MFS projects revenues would grow from **\$183,874** in the calendar year 2021 to over **\$448,000** in 2023; the projected first full year of the multi-purpose building in operation. This would yield a surplus of funds from operations of **\$91,000**. Profit margin is projected to be 20% and revenue and profit are projected to grow approximately 5% per year and included three FTE's – Operations Manager, Agricultural Manager, and Farm Manager. A summary of projected profit and loss is shown in Exhibit A-1.

Gritter RES adjusted these projections, upgrading the Operations Manager to a Park Manager position and adding a dedicated maintenance employee, which lowered the projected income to **\$12,079**, which is shown in Exhibit A-2.

A key focus of our analysis was to evaluate MFS's ability to scale its offerings as it grows and meets the financial projections. Gritter RES has a reasonable amount of confidence that MFS will be able to meet these financial projections as the following observations were made:

- MFS has good per-class profitability and class subscription. Gritter RES believes MFS has the wherewithal to scale and maintain profitability. Additional fundraising would counteract any loss of revenue.

- MFS is led by the executive director, Jason Gold, who shows a passion for MFS that would like to see of any leader running an organization. Mr. Gold has immense expertise in this field and a detailed and well-thought-out financial plan. Mr. Gold has a background in running small businesses as a profit-center and Gritter RES has confidence the projections are attainable.
- The construction of the multi-purpose building will increase MFS programs multifold.
- From evaluating other folk schools, there will likely be an increase in overall park activity along with folk school programming, thus increasing overall utilization and engagement of SFCP and its facilities.
- This proposed merger/acquisition is not in part to any financial hardship currently experienced by MFS. On the contrary, the program is self-sustaining. MFS envisions many benefits being part of WCPARC and wants to permanently locate at SFCP rather than locate somewhere else

A projected SFCP income statement is shown in Exhibit B. This Pro-forma projection assumes MFS is acquired by WCPARC and the multi-purpose building is built. The financial projections that Gritter RES put together in Exhibit A-2 were inputted and additional park and multi-purpose building expenses were added along with MFS fundraising. Note, the additional off-site overhead incurred by WCPARC for SFCP/MFS was not considered. With MFS fundraising estimated at **\$100,000** per year, there is potential for MFS to create cash neutral or surplus position for SFCP once the multi-purpose building is fully operational, thereby alleviating any financial burden on WCPARC operations.

SUMMARY OF BENEFITS AND RISKS

Besides increasing engagement to SFCP and the entire WCPARC system, the potential to be a contributor of funds to the WCPARC system and a fundraising arm for SFCP, MFS offers other benefits to WCPARC including:

- Park Supervision and on-site maintenance
- Manufacturing ability to make products that can be used in other Washtenaw County Parks
- Preserving the natural character of the land
- Providing quality craft education

In addition to weighing the benefits, it is prudent to explore risks and potential downfalls if an acquisition or similar long-term arrangement occurs.

Pitfalls include:

- Merging of the two organizations and cultures
- Control and autonomy of MFS operations
- Inability of MFS to execute on its growth plans
- Additional overhead and bandwidth required of existing WCPARC staff in conjunction with acquiring MFS

If WCPARC decides to not acquire MFS and/or construct the multi-purpose building there is risk that MFS would not desire to continue in their current relationship as a tenant and would look to move to a location where they can have a permanent home.



RECOMMENDATION

Both the benefits and risks need to be weighed against each other in making a decision. Based on our evaluations, we believe Staebler Farm County Park needs The Michigan Folk School and vice versa. Gritter Real Estate Services recommends that the Washtenaw County Parks & Recreation Commission acquire MFS, where MFS is the primary user at SFCP operating out of the multi-purpose building. Acquiring MFS and having it as part of the WCPARC system is beneficial in numerous ways including:

- The potential to be a park that contributes funds to the park system
- Additional fundraising and manufacturing capabilities within the park system
- Many new programming options that currently do not exist within the park system
- A dedicated tenant for the multi-purpose building once constructed
- Significantly more visitors to SFCP which in turn will lead to additional visitors and engagement at other Washtenaw County Parks

There is a risk that the MFS may not grow as quickly or profitability as projected. Even if this is the case, the majority of the aforementioned benefits will still be realized, especially with the construction of the multi-purpose building.

EVALUATED ALTERNATIVE SCENARIOS

Gritter RES looked at other scenarios for WCPARC to consider besides the recommendation of the acquisition of MFS. These scenarios included:

1) Maintain WCPARC and MFS current organizational model with improved clarification and communication around respective roles and responsibilities.

- The current relationship does not appear to be optimal as neither organization is truly satisfied with the arrangement. There are too many occasions when both organizations have desired more from the other without a real ability to influence the decision making of either organization. This style of relationship was positive from the start and worked well to pilot or test the program, which ultimately has been a success, but clearly this needs to evolve to a new model.

2) Modify WCPARC and MFS relationship to be predominantly and directly a contractor/concessionaire relationship.

- This relationship is quite common amongst government organizations. There are many instances when a governmental entity contracts for services such as planning, engineering, legal. In more substantial cases governmental entities, such as public safety, contract out dispatch operations, emergency response, and policing duties. There are other service models, particularly in economic development, where a governmental entity may contract with another non-profit organization to perform those duties. Local examples are Ann Arbor SPARK and Visit Ann Arbor. This would involve maintaining MFS as an independent organization as it exists today, but would have a contract for services in a budgeted amount with WCPARC. The benefits of this model include a broader base of potential funding and increased opportunities to ensure dynamism of services and programs to align with customers interests, but also giving security and certainty to MFS, and WCPARC would have a popular program driving activation at SFCP. This model could also consider MFS as the operating entity of the park overall including maintenance and upgrades.

3) Transition MFS to become a program/extension of WCPARC

- The advantage of this approach is that WCPARC and MFS could further integrate back-office support services to gain operational efficiencies and streamline overall park management. This model also acknowledges the financial scarcity of fundraising and would provide certainty to programming. Organizational leadership would need to determine how WCPARC and MFS align and how best to brand and deliver services through this model, as well properly integrate and personnel of both entities. Additionally, WCPARC leadership would need come together to update strategic plans and budgets.

No matter the selected course of action, MFS should have a defined operating agreement along with an associated budget commensurate with the services requested to provide. Ultimately, Gritter RES chose that the full acquisition of MFS is the recommended course of action but it does not mean other scenarios could not be successful if executed properly.

EVALUATION OF MULTI-PURPOSE BUILDING

WCPARC has been evaluating a longer-term partnership with MFS for the benefit of residents throughout the region. To that end, both parties have expressed interest in constructing an additional facility to house the operations and provide additional event space and programs. WCPARC conducted two cost estimating projects: 1) Utilizing the Collaborative Architects for the building of a new multi-purpose building; and 2) OX Studios for a renovation to the existing Staebler Farmhouse. Bonner AG evaluated both proposals and reviewed the MFS financials along with Gritter RES to better understand additional financial support available to the construction projects. Ultimately, our recommendation is to move forward with the construction of the multi-purpose building and farmhouse renovation. Ideally, this is done in tandem with the acquisition of or a long-term partnership with MFS but ultimately we recommend moving forward even if an ongoing relationship with MFS does not occur.

COST BENEFIT ANALYSIS

Multi-Purpose Building – 5,859 square feet

*The Collaborative Cost Estimate for Multi-Purpose Construction - **\$3,336,000** (we recommend a value-engineering approach to reduce cost as the proposal is nearly **\$600 per square foot** in total construction cost which is well above what we normally see).*

Specific steps that we recommend include:

- Evaluate all of the spaces programmed in the building and a deeper analysis to determine if all of the square feet is needed.
- Site costs are extremely high in the estimate provided, evaluation of the ideal location of the multi-purpose building should be weighed against the most cost-effective location to construct the multi-purpose building.
- Coordinate and involve GC, Architect, Engineer, Project Manager, and Users to discuss what features of the building design are required versus desired (potentially not needed), and collaboratively work with all stakeholders to target a specific budget amount (e.g. 20% reduction over current estimate).
- Work with MFS to fundraise to pay for a portion of the building and look to see if MFS can manufacture any of the materials needed for construction or for internal fixtures, furniture, and equipment (e.g. 20% of the cost).
- Do a percentage rent lease or cost-sharing agreement with MFS or other tenants in the multi-purpose building to tie their success with helping to pay for the multi-purpose building and its operating expenses.
- We recommend projecting a construction schedule in 2022 as prices for wood and steel are currently at all time highs due to the pandemic and a shortage of supply.
- Any preference for zero net carbon, or LEED certification of the facility could add a significant amount of cost to the project that we do not account for.



Exhibit C depicts the original budget as well as revised comparison budget reflecting the cost-reduction and fundraising strategies with the savings to the county of over \$1,000,000.

OX Studio Farmhouse Renovation Estimate - \$250,000 (this budget is in addition to the \$100,000 that has been spent to date to improve existing conditions to maintain the home as vacant without further deterioration). This number may potentially be a low estimate as renovation projects have seen a significant increase in cost. Reasons to move forward on the Farmhouse at the same time as the multi-purpose building include:

- Efficiencies and economies of scale with contractors and construction costs
- Having a “finished” southern section of SFCP
- More spaces to program and utilize for WCPARC and MFS or other uses

The Bonner AG recommends moving forward first with the construction of the new multi-purpose facility and subsequently restoring the former Staebler Farmhouse while the multi-purpose building is completed. There could be economies of scale drawn by using the same contractor to do both projects and sequencing trades and subcontractors.

Both facilities can be opened and operated as independent recreational facilities and are well within budgeted funds within WCPARC.

PROJECTED ANNUAL OPERATING BUDGET

UTILITIES	\$8,500
JANITORIAL & SERVICE CONTRACTS	\$20,000
REPAIRS & MAINTENANCE	\$16,500
TOTAL OPERATING BUDGET	\$45,000

EVENT RENTAL INCOME

Based on our interviews with WCPARC staff and a review of the market, there appears to be a consistent demand for professional education and training space in the area. Based on this demand, we estimate the multi-purpose building can be leased five times per month at a rental cost of **\$750 per event** (which would include a cleaning fee), for an estimate of **\$45,000** per year in rental income. WCPARC would not provide any additional services for an event other than cleaning. However, given MFS will be the primary tenant and user of the facility, we estimated two rentals a month in addition to MFS’s use for a projected event income of **\$18,000** per year.

STAEBLER FARM COUNTY PARK INCOME

Based on an evaluation by Gritter RES of MFS operation and business plan, Bonner AG projects that SFCP will be a net contributor of funds to the park system if the multi-purpose building is constructed with MFS being the primary occupant (See Exhibit B for more details). While there is a risk that MFS will not be able to grow and scale to the level it projects, there is also the potential to use MFS as a fundraising arm for the park and obtain annual donations to offset the operational costs or even fundraise for a portion of the construction of the multi-purpose building.

TOTAL ANNUAL INCOME POTENTIAL

FACILITY RENTAL -	\$18,000
MFS SURPLUS + DONATIONS	\$12,000 + \$100,00 = \$112,000
TOTAL INCOME POTENTIAL -	\$130,000

RECOMMENDATION

Washtenaw County Parks and Recreation Commission should move forward with the development and construction of a multi-purpose building and the renovation of the Staebler Farmhouse. The goal and intention of creating new public facilities is to ensure their use and enjoyment. Based on a review of The Michigan Folk School business plan conducted by Gritter Real Estate Services, it is clear the new multi-purpose facility and Staebler Farmhouse will be regularly utilized for programming and events. Without the construction of the multi-purpose building and farmhouse the utilization and programming of SFCP is set back and the opportunity to have a thriving partnership with MFS may be lost.

EVALUATED ALTERNATIVE SCENARIOS

Bonner AG looked at other scenarios besides the acquisition of MFS in conjunction with the construction of the multi-purpose building. After further evaluation of WCPARC programming at SFCP, and its desire to energize and promote more park usage, construction of a multi-purpose facility regardless of any relationship with MFS is advantageous. There is a dearth of event space throughout Washtenaw County, and this facility, paired with proper programs suitable for the parks, will be a benefit to County tax payers.

The Ann Arbor Visitors Bureau (annarbor.org) promotes the following:

- o 150+ meeting places, from small, creative venues to University of Michigan Stadium
- o 100+ arts and entertainment venues, from community clubs to fine arts museums

The website eventective.com promotes 144 venues that host no less than 25 people.

A difficult venue to find is a small private setting that can host 25 attendees or less. The target customer for WCPARC multi-purpose facility could include K-12 nature classes; small business board meetings; strategic consulting sessions; personal celebration events such as baby or wedding showers. These types of events coupled with SFCP outdoor amenities would make this a very popular site.

NEXT STEPS

(AFTER PROPER APPROVALS AND BUDGETS ARE ALLOCATED):

- o Identify Project Manager – Internal to WCPARC or an external firm that can manage this program
- o Engage with an architecture firm, WCPARC, and MFS staff to analyze project costs and refine scope
- o Select a general contracting firm to value engineer the project costs and develop construction documents
- o Proceed with all governmental approvals

EXHIBIT A-1

THE MICHIGAN FOLK SCHOOL OPERATING SUMMARY

REVENUE

	Year 1
MFSC& WCC Classes & Workshops	\$23,850
MFSC&W Tier 1 Workshops 1-3 hrs	\$36,000
MFSC&W Tier II Workshops 4-7 hours	\$84,000
MFSC&W Tier I Classes 7-18 hours	\$100,800
MFSC&W Tier II Classes 18 - 40 hours	\$72,800
MFSC&W Studio / Classroom Rental	\$24,000
MFSC&W Smith Shop Rental	\$12,480
CF: Folk Camp	\$43,200
CF: Schools/Homeschool Groups	\$36,000
MFSFarm: Farm Fresh Eggs	\$3,000
MFSFarm: Turkeys	\$930
MFSFarm: Merino Wool (lbs)	\$600
MFSFarm: Produce Sales	\$900
MFSFarm: Honey & Syrup	\$3,450
MFSFarm: Goat & Sheep Mowing / Clearing	\$6,650
TOTAL REVENUE	\$448,660

EXPENSES

Direct Labor	Year 1
Salaries and Wages	\$222,221
WCC Classes and Workshops Instructors	\$15,901
Tier 1 Workshop Instructors, 1-3 hours	\$18,000
Tier 2 Workshop Instructors, 4-7 hours	\$42,000
Tier 1 Class Instructors, 7-18 hours	\$50,400
Tier 2 Class Instructors, 18-40 hours	\$36,400
Multi-Purpose Studio Rental Instructors	\$15,000
Smith Shop Studio Rental Instructors	\$7,800
Folk Camp Instructor Counselors	\$15,120
Schools/HomeSchool Instructors	\$21,600
Employee Related Expenses	\$10,080
TOTALS	\$232,301
Other Labor	Year 1
Salaries and Wages	\$90,900
Farm Manager (0.92 FTE)	\$32,400
Agricultural Manager (0.88 FTE)	\$22,500
Operations Manager (0.92 FTE)	\$36,000
Marketing	\$11,000
Farm Expenses	\$5,200
Employee-Related Expenses	\$18,180
TOTALS	\$125,280
TOTAL EXPENSES	\$357,581
NET SURPLUS	\$91,079

EXHIBIT A-2

GRITTER RES MFS OPERATING PRO FORMA

REVENUE

	Year 1
MFSC& WCC Classes & Workshops	\$23,850
MFSC&W Tier 1 Workshops 1-3 hrs	\$36,000
MFSC&W Tier II Workshops 4-7 hours	\$84,000
MFSC&W Tier I Classes 7-18 hours	\$100,800
MFSC&W Tier II Classes 18 - 40 hours	\$72,800
MFSC&W Studio / Classroom Rental	\$24,000
MFSC&W Smith Shop Rental	\$12,480
CF: Folk Camp	\$43,200
CF: Schools/Homeschool Groups	\$36,000
MFSFarm: Farm Fresh Eggs	\$3,000
MFSFarm: Turkeys	\$930
MFSFarm: Merino Wool (lbs)	\$600
MFSFarm: Produce Sales	\$900
MFSFarm: Honey & Syrup	\$3,450
MFSFarm: Goat & Sheep Mowing / Clearing	\$6,650
TOTAL REVENUE	\$448,660

EXPENSES

Direct Labor	Year 1
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Multi-Purpose Studio Rental Instructors	\$15,000
Smith Shop Studio Rental Instructors	\$7,800
Folk Camp Instructor Counselors	\$15,120
Schools/Homeschool Instructors	\$21,600
Employee Related Expenses	\$10,080
TOTALS	\$232,301
Other Labor	Year 1
Salaries and Wages	\$169,900
Farm Manager (0.92 FTE)	\$32,400
Agricultural Manager (0.88 FTE)	\$22,500
Operations/Park Manager (1.0 FTE)	\$65,000
Maintenance Staff (1.0 FTE)	\$50,000
Marketing	\$11,000
Farm Expenses	\$5,200
Employee-Related Expenses	\$18,180
TOTALS	\$204,280
TOTAL EXPENSES	\$436,581
NET SURPLUS	\$12,079

EXHIBIT B

POTENTIAL FOLK SCHOOL AND WASHTENAW PARKS BUDGET

ANNUAL OPERATING REVENUE

	Year 1	Year 2	Year 3	Year 4	Year 5
Michigan Folk School	\$448,660	\$476,690	\$501,240	\$516,277	\$531,766
Facility Rental Income	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259
Michigan Folk School Donations	\$100,000	\$103,000	\$106,090	\$109,273	\$112,551
TOTAL REVENUE	\$566,660	\$598,230	\$626,426	\$645,219	\$664,576

ANNUAL OPERATING EXPENDITURES

	Year 1	Year 2	Year 3	Year 4	Year 5
TMFS Direct Costs	\$436,581	\$449,678	\$463,169	\$477,064	\$491,378
Annual Multipurpose Expenses	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
Proposed Staebler Farm Operating Budget	\$90,000	\$92,000	\$95,481	\$98,345	\$101,296
TOTAL STAEBLER BUDGET	\$551,581	\$568,128	\$585,172	\$602,727	\$620,809
TOTAL STAEBLER EXPENSES	\$551,581	\$568,128	\$585,172	\$602,727	\$620,809
TOTAL NET BUDGET SURPLUS (LOSS)	\$15,079	\$30,102	\$41,254	\$42,492	\$43,766

EXHIBIT C

CONSTRUCTION PROJECTIONS AND COST REDUCTION SCENARIO

Staebler Farm | Multi-Purpose Building
Opinion of Probable Cost
Date: 4/3/2020
Projected SF: 5,859

	Collaborative Estimate	PSF	Value- Engineered 20% Cost Reduction	PSF
General Conditions	\$126,009	\$22.00	\$100,807	\$17.00
GC Overhead	\$189,014	\$32.00	\$151,211	\$26.00
Bonds	\$28,325	\$5.00	\$22,660	\$4.00
Site Preparation	\$161,964	\$28.00	\$129,571	\$22.00
Site Utilities and Walks	\$586,869	\$100.00	\$469,495	\$80.00
Concrete Substructure	\$108,786	\$19.00	\$87,029	\$15.00
Carpentry	\$265,878	\$45.00	\$212,702	\$36.00
Exterior Enclosure	\$282,946	\$48.00	\$226,357	\$39.00
Finishes and Interior Construction	\$364,576	\$62.00	\$291,661	\$50.00
Roofing and Waterproofing	\$109,226	\$19.00	\$87,381	\$15.00
Specialities	\$6,722	\$1.00	\$5,378	\$1.00
Plumbing	\$108,968	\$19.00	\$87,174	\$15.00
Mechanical	\$212,625	\$36.00	\$170,100	\$29.00
Electrical and Low Voltage	\$224,192	\$38.00	\$179,354	\$31.00
Landscaping	\$87,430	\$15.00	\$69,944	\$12.00
TOTAL STAEBLER BUDGET	\$2,863,530	\$489.00	\$2,290,824	\$391.00
Soft Costs				
FFE Allowance	\$67,920	\$12.00	\$54,336	\$9.00
Audio Visual Allowance	\$56,600	\$10.00	\$45,280	\$8.00
10% Project Contingency	\$286,353	\$49.00	\$229,082	\$39.00
Building Permits	\$15,000	\$3.00	\$12,000	\$2.00
Civil Engineering	\$47,500	\$8.00	\$38,000	\$6.00
TOTAL PROJECT COST	\$3,336,903	\$570.00	\$2,669,522	\$456.00
Fundraising Commitment 20%			\$533,904	\$91.00
	REVISED COUNTY COST		\$2,135,618	\$365.00
	SAVINGS		\$1,201,285	\$205.00

LUKE BONNER

BONNER ADVISORY GROUP



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AREAS OF EXPERTISE

- Economic Development
- Brownfield Approvals
- Incentives
- Site Plan Approvals & Entitlements
- Economic Strategy
- Municipal Recommendations
- Real Estate Strategy
- Real Estate Development
- Negotiation
- Public Private Partnerships

EDUCATION

UNIVERSITY OF MICHIGAN
Bachelor's of Arts Degree, Psychology

- Two Time Big Ten Champion, Men's Baseball

EASTERN MICHIGAN
UNIVERSITY
Masters in Liberal Studies and Public
Administration

PERSONAL PROFILE

Seasoned Real Estate Strategist & Economic Development Professional providing value for private clients, and public entities.

CAREER SUMMARY

BONNER ADVISORY GROUP

CEO | 2014 - Present

- Developed community engagement strategies for \$200 million of mixed use projects in Ann Arbor
- Prepared Economic Development Strategic Plans for the City of Dexter, Grosse Ile Township, Detroit Port Authority and the City of Sterling Heights
- Successfully negotiated incentives for projects by Amazon, Huntington National Bank, GLP Associates, and Penske Logistics

ANN ARBOR SPARK

Vice President | 2011 - 2014

- Managed the MichAGAIN Talent Attraction Program for the MEDC
- Developed the Strategic Real Estate and Feasibility Plan for the American Center for Mobility

CITY OF STERLING HEIGHTS

Economic Development Manager | 2006-2011

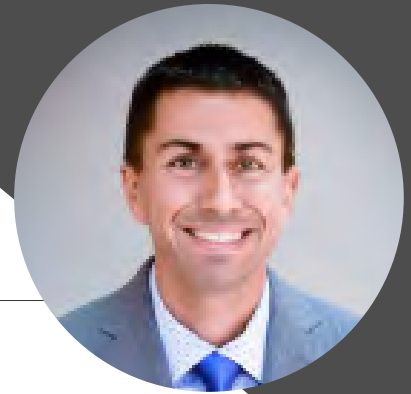
- Created the State's First Corridor Improvement Authority
- Successfully developed the Local Development Finance Authority and SmartZone for Business Incubator Program this Ann Arbor based commercial real estate firm

CITY OF TAYLOR

Development & Brownfield Specialist | 2002-2006

THOMAS GRITTER

GRITTER REAL ESTATE SERVICES



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AREAS OF EXPERTISE

- Real Estate Development
- Real Estate Redevelopment
- Incentives
- Brokerage
- Construction Management
- Project Management
- Property Management
- Pro Forma Modeling
- Economic Development
- Owner's Representation

EDUCATION

UNIVERSITY OF MICHIGAN
Bachelor's of Business Administration,

- 4-year Letterwinner, Men's Varsity Soccer Team

Certified Commercial Investment
Member (CCIM)

State of Michigan Licensed Real
Estate Broker

PERSONAL PROFILE

Seasoned Real Estate, Project Management & Economic Development Executive who forms and leads teams to achieve desired outcomes.

CAREER SUMMARY

BONNER ADVISORY GROUP

Principal | 2019 - Present

Advisory firm specializing in economic development, incentives and real estate strategy

GRITTER REAL ESTATE SERVICES

Founder & Managing Partner | 2019 - Present

Boutique Real Estate Firm headquartered in Ann Arbor, MI focusing on project management, transactions and incentives

WICKFIELD PROPERTIES

President | 2017 - 2019

- Led commercial, multifamily and student housing operations for this Ann Arbor based investment firm

MCKINLEY COMPANIES

VP & Managing Director | 2007 - 2017

- Led commercial, multifamily and ground-up and re-development activities throughout the United States for this Ann Arbor based commercial real estate firm

VICTOR INTERNATIONAL

Project Manager | 2004-2007

- Worked on Bay Harbor in Petoskey, MI and Oil Nut Bay in Virgin Gorda, British Virgin Islands



Washtenaw County Parks and Recreation Commission

MEMORANDUM

To: Washtenaw County Parks and Recreation Commission
From: Coy P. Vaughn, Director
Date: March 23, 2021
Re: Border to Border Trail Future Projects

Background

The first sections of the Border to Border (B2B) Trail were built in the early 2000's. The original planned route roughly followed the Huron River for 35 miles from the Wayne County border to the Livingston County border. An average of 1 mile of new trail was built per year to link the existing trails in Ann Arbor and Ypsilanti while also constructing new trails in partnership with the Metroparks in the Dexter Area. By 2015, approximately 26 miles of trail was complete.

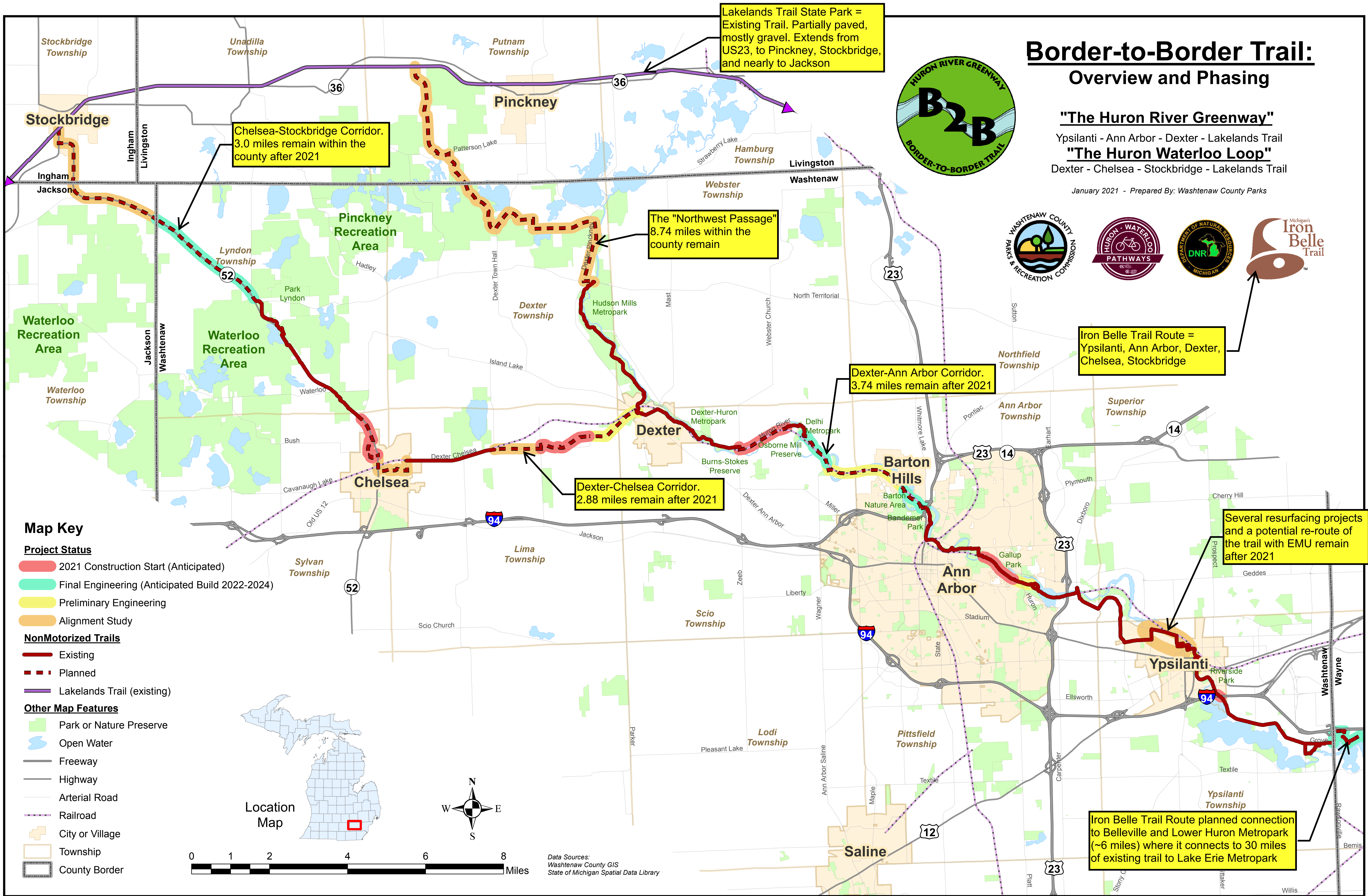
In 2015, two events defined B2B Trail activities. First, the B2B Trail was incorporated into the statewide Iron Belle Trail (IBT) initiative, which has the goal of creating regional trail connections to eventually complete a state wide trail system from Belle Isle (Detroit) to Ironwood (in the UP). Secondly, the nonprofit Huron Waterloo Pathways Initiative (HWPI) formed in the Chelsea area with the goal of replicating the success of the B2B Trail in Dexter. It quickly became apparent that HWPI and the Commission should collaborate to achieve a mutual vision. The confluence of these events led the Commission to redefine the route of the B2B Trail to include the original vision plus a connection from Dexter to Chelsea, and Chelsea to Stockbridge as part of the IBT – resulting in a new total distance within the county of 55 miles.

In November of 2016, Washtenaw County voters overwhelmingly approved the Road and Trails Millage, of which the Commission gets 20% (split between the B2B Trail and Connecting Communities). In 2017, the collaboration between the Commission and HWPI was formalized with a Memorandum of Understanding (MOU). At the time of the MOU the Commission allocated an additional \$4 million of general parks funding to the B2B Trail through 2022. Since 2017, the Commission, HWPI and other project partners have collaborated to: build 6 new trail segments (7.34 miles) including 3 bridges, a tunnel under M-52, and a dedicated trailhead; rebuild 4 trail segments (1.3 miles); and anticipate another 3 new trail segments (4.3 miles) and one (1 mile) resurfacing project to be under construction in 2021.

Adding 11.64 miles of new trail between 2017 through the end of 2021, completes 36.64 miles of the 55 mile county-wide planned B2B Trail network. The remaining 18.36 miles of trail can be subdivided into the IBT route (9.62 miles over 8 segments remaining within the County), which is the highest priority for completion, and the “northwest passage” (8.74 miles over 2-3 segments remaining within the county). Please see attached map.

Generally, the Commission has or will assume ownership of these new trail segments through easements, agreements, or permits. In anticipation of owning so much new trail, the Commission requested, and the County Board of Commissioners recently approved, the establishment of a Special Revenue Fund to secure a funding source for the long-term operational maintenance of Commission-owned B2B Trail into the future.

Attachment.



Border-to-Border Trail: Overview and Phasing

"The Huron River Greenway"

Ypsilanti - Ann Arbor - Dexter - Lakelands Trail

"The Huron Waterloo Loop"

Dexter - Chelsea - Stockbridge - Lakelands Trail

January 2021 - Prepared By: Washtenaw County Parks



Iron Belle Trail Route =
Ypsilanti, Ann Arbor, Dexter,
Chelsea, Stockbridge

Several resurfacing projects
and a potential re-route of
the trail with EMU remain
after 2021

Iron Belle Trail Route planned connection
to Belleville and Lower Huron Metropark
(~6 miles) where it connects to 30 miles
of existing trail to Lake Erie Metropark

Lakelands Trail State Park =
Existing Trail. Partially paved,
mostly gravel. Extends from
US23, to Pinckney, Stockbridge,
and nearly to Jackson

Chelsea-Stockbridge Corridor.
3.0 miles remain within the
county after 2021

The "Northwest Passage"
8.74 miles within the
county remain

Dexter-Ann Arbor Corridor.
3.74 miles remain after 2021

Dexter-Chelsea Corridor.
2.88 miles remain after 2021

Map Key

Project Status

- 2021 Construction Start (Anticipated)
- Final Engineering (Anticipated Build 2022-2024)
- Preliminary Engineering
- Alignment Study

NonMotorized Trails

- Existing
- Planned
- Lakelands Trail (existing)

Other Map Features

- Park or Nature Preserve
- Open Water
- Freeway
- Highway
- Arterial Road
- Railroad
- City or Village
- Township
- County Border

Location
Map

0 1 2 4 6 8
Miles

Data Sources:
Washtenaw County GIS
State of Michigan Spatial Data Library