



Washtenaw County Brownfield Redevelopment Authority

VIRTUAL MEETING AGENDA

Thursday, June 10th 2021 9:00 a.m.

(Due to COVID-19 this meeting will be held virtually, using Zoom, and available to the public using either method below)

Link to join the meeting:

<https://washtenawcounty.zoom.us/j/99121565816?pwd=bk9ldXpEUmJQU1hNbVhPWHE2d3pwUT09>

Call In Number: US: +1 312 626 6799 Webinar ID: 9912156 5816 Passcode: 228181

Link to Board Member Contact Information: <https://docs.google.com/document/d/1US6F29kg7dHZyT421-8Sz0ZxcGewlcJfGiAjNW1aAs/edit?usp=sharing>

1. Call to Order

- a. Board member Roll Call and Declaration of City/Township/Village, County and State from which they are attending. (i.e. *PRESENT and attending remotely, from City of Ypsilanti, Washtenaw County, Michigan*)

2. Public Comment*

3. Approval of Agenda

4. Approval of Minutes

- a. May 13, 2021 Meeting

5. Board Member Conflict of Interest Disclosure

6. Business

1. 1140 Broadway (Beekman on Broadway) Eligible Activity Approval – Action
2. Maple Oaks South Reimbursement Agreement – Action
3. Rockwell Building, Chelsea, Act 381 Work Plan – Action
4. Rockwell Building, Chelsea, Reimbursement Agreement – Action
5. 206-210 N. Washington Environmental Assessment Grant, Avalon Housing – Action
6. May 2021 Financial Report – Information Only

7. Other Business

8. Public Comment*

9. Adjournment

*All public comment will be limited to three (3) minutes per person

Washtenaw County
Brownfield Redevelopment Authority (WCBRA)
Meeting held virtually using Zoom

DRAFT MEETING MINUTES
Thursday, May 13, 2021, 9:00 a.m.

Board Present: Trevor Woollatt – Chair, Christy Maier, James Harless, Morgan Foreman (joined 10am), Sue Shink, Joe Meyers, Allison Krueger, Karen Lancaster (left at 9:48am), Sybil Kolon

Board Absent: None

Staff: Nathan Voght OCED

Joining the Video conference: Jeremy McCallion – AKT Peerless, Adam Bishop – TriTerra, Colleen O'Toole, Jeff Fordice - City of Saline, Patti McCall – TetraTech, Mark Quimby – SME, Ron Mucha – Morningside, Rosie Pahl Donaldson – Washtenaw County Parks, Troy Helmick – SME

Handouts: None

1. Call to Order

Chair Woollatt called the virtual video-conference meeting to order at 9:03 a.m.

- a. Board member Roll Call and Declaration of City/Township/Village, County and State from which they are attending: James Harless, calling from Webster Twp., Washtenaw County, Trevor Woollatt, calling from Ada, Kent County, Christy Maier, calling from Kenneth Square Chester County Pennsylvania, Sue Shink, calling from Northfield Twp., Washtenaw County, Karen Lancaster, calling from Saline, Washtenaw County, Allison Krueger, calling from City of Ypsilanti, Washtenaw County, Joseph Meyers, calling from City of Ypsilanti, Washtenaw County.

2. Public Comment

There was no public comment.

3. Approval of Agenda

J. Meyers moved to approve the agenda (2nd J. Harless), and the motion passed unanimously.

4. Approval of April 8th, 2021 Meeting Minutes

J. Harless corrected business item #5, to state he was “concerned that the sub-slab investigation was not included...” J. Meyers moved to approve the April 8th, 2021 minutes with the noted correction (2nd K. Lancaster), and the motion passed unanimously.

5. Board Member Conflict of Interest Disclosure

J. Harless stated he has a conflict with Business Item #1, 309 N. Ashley, and A. Krueger stated she has a conflict with #5, 943 N. River 355 W. Clark Rd.

6. Business

1. 309 N. Ashley Eligible Activity Approval – Action

J. Harless recused himself from the discussion on this item.

N. Voght summarized the project and request, which is the first Eligible Activity request totaling \$1,876,130.05. The total maximum developer reimbursement is \$2,039,022, so a maximum of \$162,891.95 in remaining eligible activities can be claimed. He referred to an email exchange with James Harless, provided in the packet, providing clarifying information and answering questions about the submitted costs. One of the questions was the nature of the development LLC, versus the Huron Contracting company, overseeing the construction, owned by one of the developers. Since both entities are made up of different owners, and have an “arms-length” relationship, the charges managing eligible activities from Huron Contracting are eligible. Staff noted the same questions came up for Grandview Commons over a year ago, which is also later on the agenda.

Troy Helmick, from SME, was in attendance to describe in more detail the activities submitted.

J. Meyers moved to approve the requested \$1,876,130.05 in Eligible Activities for 309 N. Ashley (2nd A. Krueger), and the motion passed unanimously, with J. Harless abstaining.

2. Grandview Commons Eligible Activity Approval – Action

N. Voght summarized this second request for Eligible Activity approval, for \$243,360 in activities between July 1, 2019 and December 31, 2020. The Board previously approved \$1,552,678 in Eligible Activities in 2020, which included \$540,645 in Local Only expenses. The approved Brownfield Plan includes a maximum \$2,329,235 in Brownfield Eligible Expenses.

Jeremy McCallion, with AKT Peerless, the environmental consultant for the project, updated the Board on the status of the development, with 11 of 17 buildings being completed soon. He further described the current activities requested, which include soil management, Vapor Mitigation and oversight costs.

J. Harless asked how much more Local Only expenses might be submitted. Staff indicated that not much remains.

J. Harless moved to approve \$243,360 in Eligible Activities for the Grandview Commons project (2nd J. Meyers), and the motion passed unanimously.

3. 1140 Broadway (Beekman on Broadway) Eligible Activity Approval – Action

N. Voght referred to the information submitted by SME summarizing this second request for Eligible Activity approval, in the amount of \$1,946,565.33, including draws 9 through 28, and includes due care, PRB costs, soil management, storm sewer work, demolition, infrastructure, and soft costs associated with public utilities.

Staff asked the Board to further discuss and clarify various soft costs related to building permit fees, architectural/engineering design fees, utility tap fees, and municipal third party inspection fees. The Board was in agreement that tap fees are not eligible. Mark Quimby, with SME, the environmental consultant for the project and who prepared the submittal, confirmed that no tap fees are being requested.

K. Lancaster left the meeting at 9:48 a.m.

Staff specifically requested clarification from the Board on the third-party inspection fees charged by the City of Ann Arbor related to the installation of the eligible public utilities. These fees were substantially higher than projected in the Work Plan cost table. J. Harless, who worked on the Brownfield and Work Plan during initial project planning with SME, stated that specific percentages for various soft costs were established in the Work Plan so that those percentages

could just be applied to the hard costs and added as a “straight” soft cost amount. N. Voght asked for clarity, as this is not how the initial cost submittal was submitted, nor did the Board request percentages be applied during approval of the first round of costs. Rather, soft cost invoices (actual costs) were submitted and approved that were associated with the various activities.

The Board suggested a meeting with the Chair to discuss this further, and that these \$300,000 in city inspection soft costs could be removed and considered next month separately.

J. Meyers asked if the Board has approved third party inspection fees in the past, and he questioned whether the Board would for Thompson Block.

J. Meyers moved to set aside the \$308,283.48 in Soft Costs for further discussion, and approve the remaining requested costs of \$1,638,281.85 (2nd J. Harless) and the motion passed unanimously.

4. 227, 237, 247 Monroe Street, LBRF Application, City of Saline – Action

N. Voght summarized the project, and introduced Colleen O’Toole, Saline City Manager, and their environmental consultant, Patti McCall, with TetraTech. The City is building a parking lot to serve a nature area, and they discovered heavy metals that needs to be disposed properly, which presented a significant increase in cost to the project.

TetraTech provided a cost table with approximately \$85,000 in eligible brownfield activities for which the City of Saline is requesting an LBRF Grant.

T. Woollatt asked about the hard surface material to be used, and Jeff Fordice, City engineer, provided more information. Ms. McCall provided more OSHA issues related to lead costs. The Board further discussed which of the estimated costs are necessary at this time, and what portions of the due diligence conducted in January were related to this project, instead of the wastewater treatment plant.

The Board asked further questions on Task #2 and excavation costs. Patti McCall explained top soil needed as a barrier, and regarding the landscaped areas. A question was asked about the GPR costs, and Ms. McCall further explained that is not related to the parking lot. J. Harless stated he would like some of the extra costs removed and then if there are additional costs that arise, the City can come back and request more funds. The Board asked the City for project timing, and Mr. Fordice replied they’d like to do the work this season.

J. Harless moved to approve a \$50,000 LBRF Grant to the City of Saline, to be amendable in the future if demonstrated costs related to the project exceed this amount (2nd J. Meyers), and the motion passed unanimously.

5. 943 N. River 355 W. Clark Road Environmental Assessment Revised Grant Application, Washtenaw County Parks - Action

A. Krueger recused herself from the discussion on this item.

M. Foreman joined the meeting at 10:00 a.m.

N. Voght summarized the updated cost proposal from TriTerra, which is lower than the previous cost proposals the Board did not accept. He reminded the Board of the County Park’s intent to acquire these properties and expand their passive recreation area.

J. Harless moved to approve the revised Assessment Grant Application for \$9,200, including Phase II, BEA and Due Care Plan (2nd J. Meyers), and the motion passed unanimously, with A. Krueger abstaining.

6. Draft 2019-2020 Brownfield Authority Two-Year Annual Report – Presentation and Discussion

Staff presented the draft two-year report, which was developed with the help of OCED intern, Lauren Milia. The Board provided feedback on the report, and staff will make revisions, and provide an updated report in June.

7. April 2021 Financial Report – Information Only

Staff referred to the Financial Report, fully updated with all TIF reimbursements, and LBRF< and Admin capture reflected.

7. Other Business

A. Krueger asked about continuing to meet virtually, and S. Shink, BOC Representative to the Board stated the County's current policy, which will evolve with additional state and county public health orders.

8. Public Comment:

The Board asked if anyone attending had additional public comment, and no one responded.

9. Adjournment:

S. Kolon moved to adjourn the meeting at 10:48 a.m. (2nd A. Krueger) and the motion passed

These minutes were approved by the Washtenaw County Brownfield Redevelopment Authority at the June 10, 2021 meeting, held virtually with Zoom.



Washtenaw County Brownfield Redevelopment Authority

Agenda Summary Memo REGULAR VIRTUAL MEETING

9:00 a.m. Thursday, June 10th, 2021

TO: Washtenaw County Brownfield Authority
FROM: Nathan Voght, Washtenaw County Brownfield Coordinator
DATE: June 4, 2021

This regular board meeting will be held virtually, using Zoom. Here is a link to the meeting:

<https://washtenawcounty.zoom.us/j/99121565816?pwd=bk9ldXpEUmJQU1hNbVhPWHE2d3pwUT09>

The public will be able to attend by following the above link, or with the following call-in info:

Phone #: US: +1 312 626 6799 Webinar ID: 9912156 5816 Passcode: 228181

A roll call of each member present will be taken, with each announcing the city/county/state where they are physically located. In addition, board member contact information is required to be included in the meeting notice. I have added a link to a roster of the Board, with email contact information, to the top of the agenda.

Business Items:

1. 1140 Broadway (Beekman on Broadway) Eligible Activity Approval – Action

This project is located on the former “Lower Town” site at Broadway and Plymouth Roads on the north side of Ann Arbor. It includes three phases, and approximately 700 housing units. The first phase of 254 apartment units, wrapped around a parking deck, is complete and being leased up. [Here are photos from November 2020](#). The next phase may begin construction in 2022.

The Board reviewed the second request for actual Eligible Activities on the above project, consisting of an additional \$1,946,565.33, from Draws 9 through 28. The initial request for \$6,787,386 in Eligible Activities was approved in December 2019, for Draws 1 through 8.

The Board approved \$1,638,281.85 at the May 13th meeting, excluding \$308,283.48 in Soft Costs for further discussion. There were questions raised regarding how soft costs, such as General Conditions, architectural/engineering design and site construction management, as the Work Plan specified particular percentages for these items to apply to the hard costs to arrive at an estimate, which was \$484,438. However, the developer submitted actual invoices for all soft costs with both submittals, and the Authority approved those costs with the first submittal. While the Board may have had discretion to approach approval of these costs on a straight percentage basis, it did not. While the \$308,238.48 in soft costs in question are higher than planned for, the overall Non-Environmental Cap of \$5.204M is still in place.

Staff has discussed the soft costs with the Environmental Consultant, and the Board Chair. Staff recommends approval of these tabled costs of \$308,238.48 at this time, with the assumption the updated, clarifying information coming from the consultant is as expected.

An updated summary Eligible Activity table will be provided by the Environmental Consultant, and distributed separately to the Board. Staff requested that the maximum approved Work Plan costs match the approved Act 381 Work Plan, with separate Contingency, whereas before the Contingency was spread among all tasks.

Staff is prepared to assist the Board to discuss further whether a hard policy on handling Soft Costs be considered. There are pros and cons to a hard policy on this issue, and it won't necessarily be a more efficient process to approve straight percentages, rather than actual invoiced costs.

2. Maple Oaks South Reimbursement Agreement – Action

The County Board of Commissioners adopted the Maple Oaks Brownfield Plan at their May 19th meeting. Enclosed in the Board packet is a proposed Reimbursement Agreement for the South (existing) condominium phase of Maple Oaks, covering the \$105,800 in “Look Back” Local Only Site Demolition expenses, and previous expense related to Pre-Approved Baseline Environmental Activities, Brownfield Plan preparation, and legal expenses. The City required certain conditions for reimbursement of these previous, Look-Back expenses, which is noted in the proposed Agreement. The City's condition only applied to the Site Demolition expenses, and not the other expenses, which are usual to occur prior to any Brownfield Plan approval.

As all the activities for which reimbursement is sought on the existing/completed South phase were previously conducted, the developer asked for a waiver of the usual insurance requirements. Staff met with County Corporation Counsel Michelle Billard, and Risk Management Director, Judy Kramer, and they have approved the insurance waiver for this Agreement.

At the time the future North phase of the development gets under construction, an additional Agreement will be required, with all the customary insurance coverages.

Staff recommends approval of the Maple Oaks South Reimbursement Agreement.

3. Rockwell Building, Chelsea, Act 381 Work Plan – Action

Please find enclosed the Act 381 Work Plan. Staff sent this to the Sub-Committee, and J. Harless responded with no concerns. Staff is also satisfied with the Work Plan as presented, and recommends approval. Once approved, it will be submitted to EGLE and MEDC for approval.

4. Rockwell Building, Chelsea, Reimbursement Agreement – Action

Enclosed is the draft Reimbursement Agreement for Rockwell. It has been reviewed by the developer and environmental consultant. Staff recommends approval.

5. 206-210 N. Washington Environmental Assessment Grant, Avalon Housing – Action

Please find enclosed an Environmental Assessment Grant Application and cost proposal from ASTI for Due Diligence work on an existing building, owned by the City of Ypsilanti, but under Purchase Agreement by Avalon Housing for affordable housing.

Avalon is requesting \$22,500 for Phase I, MSHDA Noise Testing, Phase II (between \$5 and \$10K), BEA, Due Care Plan, Hazardous Materials Survey, and Lead Based Paint Survey. In addition, the building needs structural work due to the fire to ensure safe conditions in order to conduct the environmental due diligence for an additional \$9,856. Radon testing is in the ASTI proposal, but not included in the application, as it's not an eligible Department Specific Activity under Act 381. The grand total of the request is \$32,356, which does not include Radon.

The maximum grant amount for a non-profit is \$15,000, per the Board policy, but can be exceeded at the discretion of the Board. Staff recommends the Board consider approving all the Environmental Assessment work, minus the \$10,000 for Phase II, which would be \$12,500. When a Phase II scope is determined, the Board can award additional Phase II funding as an option. In addition, the Board should discuss the eligibility of the \$9,856 in structural work needed prior to conducting the assessments, and whether it's eligible. Staff will research this prior to the Board meeting.

Staff has further discussed the possibility of an LBRF grant application for this project, should Avalon move forward. Possible Eligible Activities would include selective exterior and interior demolition, Hazardous Material mitigation, stormwater, streetscape, and other infrastructure items.

6. May 2021 Financial Report - Action

Please see the attached financial report, which has been updated after all last month's transactions for Admin and LBRF Capture, and TIF developer reimbursements.

Staff Updates

Final Draft 2019-2020 Two -Year Brownfield Authority Report: Please find the updated/final draft here: https://www.canva.com/design/DAEbj6EtCXU/6DCXDmcV9i4Mu8OC_3QRDg/view?utm_content=DAEbj6EtCXU&utm_campaign=designshare&utm_medium=link&utm_source=sharebutton If there are any last comments, please staff know at the June 10th meeting. It will be released to the public with Press Release, and social media, and will be emailed directly to our community partners.

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY REIMBURSEMENT AGREEMENT

This Agreement (the "Agreement") dated 15th day of May, 2021 is entered between the WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY (the "Authority"), an authority established pursuant to Act 381 of 1996, as amended ("Act 381"), whose address is 220 N. Main, P.O. Box 8645, Ann Arbor, Michigan 48107-8645 and 600 North Maple, LLC (the "Developer"), a Michigan Corporation, whose address is PO Box 8307, Ann Arbor, MI 48107.

RECITALS

- A. Pursuant to Act 381, as amended, the Authority has prepared a Brownfield Plan for the Eligible Property (the "Property") described below that was duly approved by the Washtenaw County Board of Commissioners with concurrence from the City of Ann Arbor:
 - a. Located at 600 N. Maple Road in the City of Saline, Washtenaw County, Michigan
 - b. Tax Identification Numbers 18-12-31-325-023, 18-12-31-325-038, 18-12-31-325-037, and 18-12-31-210-017, all of which existed at the time of acquisition, some of which may have been further subdivided into condominium elements, with the construction of Maple Oaks.
 - c. Legal Descriptions provided in Exhibit B
- B. The Developer plans to redevelop the Property as follows:
 - a. Completion of the Maple Oaks Condominiums, ~~Maple Oaks South, and construction of community building with residential use above on Maple Oaks North, and any accessory uses~~ (the "Improvements").
 - b. ~~This will occur through~~ the Developer ~~previously incurred incurring~~ costs, identified as some of which were previously incurred as "look-back" costs, and other "Pre-Approved Activities related the Baseline Environmental Assessment."
 - c. The Improvements (including Maple Oaks North) will result in a total private investment of approximately \$12.5 million, and will increase the tax base within the County, and otherwise enhance the economic vitality and quality of life within Washtenaw County.
- C. The Developer ~~will conduct (and~~ has conducted) Eligible Activities and incur ~~red~~ eligible costs pursuant to the approved Brownfield Plan, Act 381, and according to the terms of this Agreement.

- D. Act 381 permits the capture and use of the real and personal property tax revenues generated from the increase in value of the Eligible Property to pay or reimburse the costs of Eligible Activities.
- E. Act 381 permits the use of Tax Increment Revenue (TIR) to support the payment of interest on unreimbursed Eligible Costs.
- F. The Authority intends to fund the Local Brownfield Revolving Fund (LBRF) during the Developer Reimbursement period.
- G. The Authority has incurred and will incur Administrative Costs for its operations and the preparation, approval, and administration of the Brownfield Plan, for which it may seek reimbursement from TIR captured to fund the LBRF.
- H. In accordance with Act 381, the approved Brownfield Plan, and this Agreement, the parties desire to use TIR generated from an increase in the taxable value of the Property resulting from its Improvements to reimburse the Developer for actual expenses incurred for approved Eligible Activities, the Authority for its Administrative Costs, and to fund the LBRF.
- I. The parties are entering into this Agreement to establish the terms, conditions and procedures for the reimbursement from TIR.

TERMS AND CONDITIONS

Pursuant to the Recitals of this Agreement, the parties agree with each other as follows:

1. Definitions All terms included in this agreement are defined through Exhibit A "Definitions"
2. The Brownfield Plan – The Brownfield Plan, which may be amended from time to time, shall be the Plan in effect at the time that Eligible Activities are conducted and Eligible Costs are incurred. To the extent provisions of the Brownfield Plan conflict with this Agreement, the terms and conditions of this Agreement control. To the extent provisions of the Brownfield Plan or this Agreement conflict with Act 381, Act 381 shall control.
3. Term of Agreement – In accordance with the Brownfield Plan, the Authority shall capture the ~~Tax Increment Revenues~~ (TIR) generated by the Improvements on the Property to reimburse for Eligible Costs until the earlier of (i) the date that all the Eligible Costs are fully reimbursed under this Agreement; or (ii) at the end of the 35th tax year, whichever comes first, or as may subsequently be extended by a Brownfield Plan amendment and amendment to this agreement, after the date the Authority begins to capture Tax Increment Revenues under the Brownfield Plan, which is anticipated to be in 2021. If this Agreement ends before the reimbursement of all Eligible Costs, the last payment by the Authority shall be whatever TIR remains from the summer and winter taxes distributed during the final year of the Agreement, after full reimbursement for the State Brownfield Fund, Authority Administrative Expenses, and the LBRF.

4. Eligible Activities – The Eligible Activities ~~in this Agreement are limited to the \$105,800 in “look-back” Site Demolition Activities, and any costs related to Pre-Approved Baseline Environmental Assessment Activities, Brownfield Plan preparation and legal expenses, as shall be as~~ described in Table 1, Attachment C, in the Brownfield Plan.
5. Developer Reimbursable Eligible Costs – The total of costs eligible for reimbursement ~~in this Agreement, the Total Eligible Costs, and the estimated costs for each type of eligible activity, shall be limited to those listed in Section 4, above, as described in Table 1, in Attachment C of the Brownfield Plan.~~ The Total Developer Reimbursable Eligible Costs shall be the maximum amount of reimbursement authorized under this Agreement. ~~The actual cost for one or more types of activity may differ from that described in the Brownfield Plan, as long as the Total Developer Reimbursable Eligible Costs are not exceeded.~~
6. Reimbursement Source – During the term of this Agreement, the Authority shall capture, as provided in the Brownfield Plan and allowed by Act 381, those TIR, which are levied from both Local Taxes and Taxes for School Operating Purposes on the Property, and any new personal property. The Authority will use those TIR to reimburse Developer Reimbursable Eligible Costs in accordance with the Brownfield Plan and this Agreement. Local TIR alone shall not be used to reimburse any Eligible Costs unless expressly allowed by the Brownfield Plan.
7. Allocation of Captured Taxes – Captured taxes will be allocated in the following order of priority during each year of the Brownfield Plan:
 - a. Fifty percent (50%) of the taxes levied under the State Education Tax Act in each of the first 25 years of the Brownfield Plan, or as otherwise required by statute, will be paid to the State of Michigan for allocation to the state brownfield redevelopment fund;
 - b. Local Taxes and State School Operating captured taxes in an amount of 5% of total annual captured TIR during and after reimbursement of Developer Reimbursable Eligible Costs, as identified in the Brownfield Plan, and will be allocated for deposit in the LBRF and/or allocated for reimbursement of Authority Administrative fees, at the sole discretion of the Authority, with any reimbursement of Administrative fees coming from local taxes only;
 - c. The balance of Local Taxes and School Operating captured taxes will be allocated for the reimbursement of actual costs of Eligible Activities incurred by the Developer;
 - d. The Authority will then capture, after Developer has been fully reimbursed all eligible costs or after the capture limit described in Section 3 has been reached, whichever comes first, an amount necessary to result in \$175,000 total capture in LBRF.
8. Eligible Costs Reimbursement – For those Eligible Costs for which Developer seeks reimbursement from the Authority, the Developer shall incur the Eligible Costs and submit documentation to the Authority according to the instructions and guidelines provided in Exhibit E. The parties agree that Developer shall only seek reimbursement for its actual costs to perform the Eligible Activities, in

accordance with the Brownfield Plan, and any approved Local Act 381 Work Plan. ~~Eligible Activities, with the exception of environmental assessment, BEA, and Due Care activities, and the “look-back” Site Demolition activities of \$105,800 being submitted for reimbursement shall not have occurred more than 24 months prior to the submittal date.~~ As included in Table 1, Attachment C, of the approved Brownfield Plan, and the Brownfield Plan approval resolutions by the City of Saline and Washtenaw County Board of Commissioners, 50% of the \$105,800 “look-back” Site Demolition costs will be reimbursed once the developer completes outstanding street and utility related repairs to the satisfaction of the Saline City Manager, and the remaining 50% of the “look-back” costs once construction of Maple Oaks North is at least 50% complete, as determined by the City of Saline. These terms are not applicable on the qualified pre-approved activities, brownfield plan preparation or legal expenses that have been incurred to date. Additionally, these terms do not apply to any future reimbursement of eligible activities incurred on the northern parcel.

9. Interest – Interest is not included as an Eligible Cost in the Brownfield Plan.

10. Payments – Payments to Developer shall be made as follows:

- a. Within 90 days of its receipt of the documentation described in paragraph 8 above, the Authority, in its sole discretion, shall either approve Eligible Costs for payment or request additional information. Approval of any “look-back” Site Demolition cost reimbursement shall require City of Saline approval. If the Authority determines all or a portion of the requested payment is for Approved Eligible Costs, it shall process that the portion of the payment request as provided in subparagraph (b) below. If the Authority determines that insufficient information has been provided, disputes any portion of any payment request or disputes the eligibility of any costs of any payment request, it shall notify Developer in writing of its determination and the reasons for its determination. Developer shall have 28 days to address the reasons given by the Authority and shall have an opportunity to meet with the Authority’s representatives or, if the Authority Board consents, to formally meet with the Authority and be placed on a meeting agenda to discuss and resolve any remaining dispute. In doing so, Developer shall provide the Authority a written response to the Authority’s decision and the reasons given by the Authority. If the parties do not resolve the dispute in such a manner, it shall be resolved as provided in Paragraph 11 below.
- b. Once the Authority determines that Eligible Costs are Approved Eligible Costs, it shall pay to Developer the amounts for which submissions have been made pursuant to paragraph 7 of this Agreement within 60 days after the Authority receives TIR from which the Approved Eligible Costs may be wholly or partially paid. The Authority shall only be obligated to reimburse Developer to the extent TIR is available to reimburse such costs.
- c. The repayment obligation under this Agreement shall expire at the earliest of the following:
 - i) payment by the Authority to Developer of all amounts due Developer under this Agreement;
 - ii) expiration of the reimbursement period as defined in the Brownfield Plan; or
 - iii) expiration of the reimbursement period as defined in Act 381.

- d. The amount to be reimbursed under this Agreement shall not exceed the following:
 - i. The maximum amount of Developer Reimbursable eligible costs in the approved Brownfield Plan and as further determined by any approved Local Act 381 Work Plan;
 - ii. The maximum amount of Developer reimbursable department specific (environmental) costs in the approved Brownfield Plan and as further determined by any approved Local Act 381 Work Plan;
 - iii. The maximum amount of Developer reimbursable MSF eligible (non-environmental) costs in the approved Brownfield Plan and as further determined by any approved Local Act 381 Work Plan; and
 - iv. The maximum amount of Approved Eligible Costs as determined by this Agreement.
- e. The Authority may not make TIR reimbursements while Real Property Taxes are delinquent on the Property.
- f. If the property owner has filed an appeal of property assessment and/or the outcome of such an appeal is still pending, the Authority, at its sole discretion, may withhold reimbursement of Developer Reimbursable eligible costs, until such appeal is resolved. The purpose of any delay is to prevent overpayment and the need to “claw-back” funds reimbursed due to lowered Taxable Values.

11. Dispute As to Eligible Costs – If there is a dispute over whether a cost submitted by Developer is an Eligible Cost the dispute shall be resolved by an independent knowledgeable professional chosen by mutual agreement of the parties. If the parties are unable to agree upon a knowledgeable professional, then the County and Authority shall together choose an independent knowledgeable professional and Developer shall choose an independent knowledgeable professional to review the Authority’s decision. If the two knowledgeable professionals so selected agree that costs submitted are eligible, the Developer shall be reimbursed those costs in accordance with this Agreement. If the two professionals so selected cannot agree that costs submitted are eligible, the two selected professionals shall appoint a third knowledgeable professional who shall make a final determination and Developer shall then be reimbursed those costs in accordance with this Agreement to the extent determined by the third knowledgeable professional. All fees and costs incurred by any party with respect to this paragraph, shall be the sole responsibility of the Developer. Failure of the Developer to pay any obligation incurred with respect to this paragraph shall constitute a default of this Agreement pursuant to paragraph 12.

12. Default – Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement by giving written notice to the defaulting party, and the defaulting party shall have 30 days to cure the default. If the default is not cured within this time period, then the non-defaulting party shall have the right to terminate this Agreement, or, at the election of such non-defaulting party, may obtain any form of relief permitted under this Agreement, and any applicable laws and court rules of the State of Michigan, including the right to seek and obtain a decree of specific performance of a court of competent jurisdiction. If the Authority, in its sole discretion, determines that any cure proposed by the Developer may take more than 30 days to complete, the Authority may permit the Developer to complete the cure in a time and manner agreeable to the Authority. Any right or remedy provided by a specific provision of this Agreement shall be deemed cumulative to, and not conditioned on, any other remedies upon default.
13. Local Brownfield Revolving Fund – In accordance with Act 381 and the Brownfield Plan, the Authority will fund the LBRF using a portion of the TIR captured by the Authority during, and/or after, the period of reimbursement of Developer's Eligible Costs and accrued interest, if any. The Authority will annually capture and deposit into the LBRF as described in the approved Brownfield Plan.
14. Authority Monitoring -- The Authority may monitor the Project for the purpose of verifying that the activities, invoices and accounting of the Developer are accurate, reasonable and constitute Eligible Activities under this Agreement. The Developer shall provide any authorized representative of the Authority access to or copies of permits, data, reports, testing, or sampling results, invoices or other such documents reasonably necessary for monitoring. The Authority, EGLE or MSF shall also be given access to the property upon reasonable request in order to review any Eligible Activities or perform any other obligations under this Agreement. Except in the case of an emergency or exigent circumstance, the Authority shall give the Developer at least 24 hours notice of requests under this paragraph. Except for the right to monitor the Developer's compliance with this Agreement, nothing in this Agreement shall be interpreted to give the Authority any right to exercise control over the performance of Eligible Activities or other actions by the Developer.
15. Adjustments – If, due to an appeal of any tax assessment, reassessment of any portion of the Property, abatement of any taxes, or for any other reason, the Authority is required to reimburse any TIR to any tax levying unit, then: i) the Developer shall pay the Authority the full amount required to reimburse such TIR, including interest and penalties, within 30 days of receiving any invoice from the Authority; or ii) the Authority may deduct the amount of any such reimbursement, including interest and penalties, from all subsequent payments due to the Developer until such TIR, including interest and penalties, is fully recovered. If all amounts due the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within thirty (30) days of the Developer's receipt of the invoice. Amounts invoiced and paid to the Authority by the Developer pursuant to this paragraph shall not reduce Eligible Costs for which the Developer shall

have the opportunity to be reimbursed in accordance with the terms, conditions and limitations of this Agreement.

~~16. Insurance – Since this Agreement is to reimburse Eligible Activities previously conducted, there are no eligible activities currently being completed, the insurance requirement is waived, until such time that the additional eligible activities commence on the North parcel; at which time the Developer shall provide a copy of the insurance to the WCBRA.~~ The Developer shall purchase and maintain insurance coverages as indicated at limits not less than those set forth below. The Developer shall also require each and every contractor(s) and/or subcontractor(s) engaged by the Developer to perform services pursuant to this agreement to purchase and maintain insurance coverages at the limits set forth below. Developer and its contractor(s) and/or subcontractor(s) shall name Washtenaw County and Washtenaw County Brownfield Redevelopment Authority as an additional insureds under all coverages listed below except Worker’s Compensation. The Developer shall maintain other insurance as it deems appropriate for its own protection.

~~a. Worker’s Disability Compensation and Occupational Disease Insurance including Employers Liability Coverage in accordance with all applicable statutes of the State of Michigan.~~

~~b. Commercial General Liability Insurance on an “Occurrence Basis” with limits of liability not less than \$1,000,000 per occurrence and \$2,000,000 aggregate combined single limit. Coverage shall include the following:~~

~~i. Contractual Liability~~

~~ii. Products and Completed Operations~~

~~iii. Independent Contractors Coverage~~

~~iv. Broad Form General Liability Endorsement or Equivalent~~

~~c. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.~~

~~d. Environmental Impairment Liability Insurance shall be provided by Developer, Contractors, subcontractors and site work contractors engaging in environmental and/or demolition activities, covering any sudden and non-sudden pollution or environmental impairment, including cleanup costs and defense, with limits of liability of not less than \$1,000,000 per occurrence.~~

~~e.16. All insurance coverages described above shall remain in effect at all times until completion of all eligible activities. The Developer shall deliver copies of certificates of insurance for each of the policies mentioned above to the Authority. If so requested, certified copies of all policies will be provided. It is understood and agreed that thirty (30) days advanced written notice of cancellation, non-renewal, reduction and/or material change in any coverage shall be sent to the Authority.~~

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17. Indemnification – The Developer shall indemnify, defend, and hold harmless, the Authority, Washtenaw County, and their officers, board members, commissioners, employees and agents from all claims, damages, lawsuits, costs and expenses, including reasonable attorney fees, incurred as a result of any acts, omissions, negligence, or gross negligence of the Developer or its employees, agents, consultants, contractors or subcontractors related to the Project or its performance under this Agreement. This indemnification includes any damages, costs, and expenses in excess of those covered by any insurance of the Developer. The Developer shall indemnify the Authority, Washtenaw County, and any of the listed entities officers, board members, commissioners, employees and agents from all reasonable costs and expenses, including reasonable attorney fees, incurred in the enforcement of any obligation or claim against the Developer under this Agreement. These indemnification provisions will survive the termination of this Agreement. By entering this Agreement, neither party waives any immunities provided under state or federal law.
18. Freedom of Information Act – Developer understands that all communications, information, and/or documentation submitted by Developer may be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, being Sections 15.23 to 15.24 of the Michigan Compiled Laws and no claim of trade secrets or any other privilege or exception to the Freedom of Information Act will be claimed by Petitioners as it relates to this Agreement, Petitions for Reimbursement and supporting documentation.
19. Notices – All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Either party may change the address by written notice sent by registered or certified mail to the other party.
20. Assignment – The interest of any party under this Agreement shall not be assignable without the other parties' written consent, which shall not be unreasonable withheld, except for an assignment by the Developer for the purposes of securing financing for the Project, which shall require notice but not the prior consent of the other parties.
21. 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.
22. Non-Waiver – No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.
23. Headings – Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
24. Governing Law – This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

25. Compliance with Applicable Law – Developer agrees to comply all applicable federal, state, and local laws, statutes, rules, regulations, ordinances, and other legal obligations of a similar effect.
26. Counterparts – This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
27. No Third Party Beneficiaries – This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise in the Consultant, Contractors, Subcontractors, or any third parties. This Agreement shall not be construed to create any third party beneficiary contract or claim, and the parties intend there to be no third party beneficiaries.
28. Binding Effect – The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, legal representatives, successors, and assigns.
29. The Authority's reimbursement obligations under this Agreement are contingent on the requirement that there shall be no action, suit, proceeding or investigation pending before any court, public board or body to which the Developer, the County, the City, or the Authority is a party, or threatened against the Developer, the County, City, or the Authority contesting the validity or binding effect of this Agreement or the validity of the Plan or which could result in an adverse decision which would have one or more of the following effects:
- a. A material adverse effect upon the ability of the Authority to collect and use Tax Increments to pay the obligations;
 - b. A material adverse effect upon the ability of the Developer to conduct Eligible Activities;
 - c. Any other material adverse effect on the Developer's or the Authority's ability to comply with the obligations and terms of this Agreement, or the Brownfield or Work Plan.
30. Annual Reporting – The Developer shall report annually, by June 1, the following information to the Authority for the previous calendar year, as applicable:
- a. Number of residential units constructed or rehabilitated;
 - b. Square feet of new or rehabilitated residential, retail, commercial, or industrial space
 - c. Number of new jobs created;
 - d. For projects actively capturing TIR, amount of actual capital investment;
 - e. Any additional information deemed necessary by the Authority.

The parties have executed this Agreement on the dates set forth below.

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

~~By:~~ BY: _____
Trevor Woollatt, Chairman

~~Date:~~ Date: _____

Attested to:

~~By:~~ By: _____
Lawrence Kestenbaum, County Clerk/Register

~~Date:~~ Date: _____

Approved As to Form:

~~By:~~ By: _____
Michelle Billard, Corporation Counsel

DEVELOPER – 600 N. Maple LLC~~Maple Oaks South Parcel~~

BY: _____

PRINT NAME: _____

ITS: _____

Date: _____

Exhibits

Exhibit A – Definitions

Exhibit B – Legal Description

Exhibit C – Brownfield Plan

Exhibit D – Approved Act 381 Work Plan(s)

Exhibit E – Eligible Costs Reimbursement Procedures

EXHIBIT A - Definitions

- b. "Administrative Costs," as defined in Section 13b, Sub-Section 7 (a) (*i, ii, and iii*).
- c. "Baseline Environmental Assessment " is defined by Section 2(b) of Act 381;
- d. "Brownfield Plan" is defined by Section 2(e) of Act 381 and is incorporated by reference in Exhibit C;
- e. "Approved Eligible Costs" – Those Eligible Costs which have been submitted, reviewed, and approved by the Authority.
- f. "Department specific activities" are defined by Section 2 (l) of Act 381
- g. "Due Care Activities" are defined by Section 2 (m) of Act 381;
- h. "Eligible Activities" are defined by Section 2(o) of Act 381;
- i. "Eligible Costs" are those being submitted to the Authority for Certification.
- i. "Eligible Property" is defined by Section 2(p) of Act 381;
- j. "Event of Default" means the failure of performance or breach by a party to carry out any of its obligations or comply with any of its warranties, representations, or conditions under this Agreement or, with respect to a party, if any representation, omission, or warranty of such party was false when made.
- k. "Local Brownfield Revolving Fund", "LBRF" pursuant to Section 8 of Act 381.
- l. "Local Taxes" are defined by Section 2(ff) of Act 381;
- m. "Tax Increment Revenues" (TIR) are defined by Section 2(ss) of Act 381;
- n. "Taxes Levied for School Operating Purposes" is defined by Section 2(uu) of Act 381;
- o. "Work Plan" is defined by Section 2(zz) of Act 381.

EXHIBIT B – Legal Descriptions

PARCEL 1:

COMMENCING AT THE WEST 1/4 CORNER OF SECTION 31, T3S, R6E, PITTSFIELD TOWNSHIP, WASHTENAW COUNTY, MICHIGAN, AND RUNNING THENCE SOUTH 89 DEGREES 00' 54" EAST ALONG THE EAST AND WEST 1/4 LINE OF THE SECTION 671.85 FEET; THENCE SOUTH 0 DEGREES 46' 48" WEST 259.15 FEET TO THE SOUTH LINE OF THE RAILROAD RIGHT-OF-WAY FOR A POINT OF BEGINNING; THENCE CONTINUING SOUTH 0 DEGREES 46' 48 " WEST 173.78 FEET; THENCE SOUTH 89 DEGREES 36' 00 " EAST 660.16 FEET; THENCE NORTH 0 DEGREES 46' 48" EAST 827. 88 FEET TO THE SOUTH LINE OF THE RAILROAD; THENCE SOUTH 45 DEGREES 51' 09" WEST ALONG THE SOUTHERLY LINE OF SAID RAILROAD 932.41 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM LAND DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST 1/4 CORNER OF SAID SECTION; THENCE S 89° 00' 54" E ALONG THE EAST- WEST 1/4 LINE 671. 85 FEET; THENCE S 00° 46 ' 48 " 259.15 FEET TO THE SOUTH LINE OF THE RAILROAD RIGHT-OF-WAY; THENCE N 45° 51' 09" E 713.19 FEET; THENCE S 44° 08' 51" E 30.50 FEET TO THE POINT OF BEGINNING; THENCE N 45° 51' 09 " E 75.00 FEET; THENCE S 44° 08 ' 51" E 75.00 FEET; THENCE S 45° 51' 09" W 75.00 FEET; THENCE N 44° 08 '51" W 75.00 FEET TO THE POINT OF BEGINNING.

SUBJECT TO A 15-FOOT-WIDE ACCESS & UTILITY EASEMENT DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST 1/4 CORNER OF SAID SECTION; THENCE S 89° 00' 54" E ALONG THE EAST- WEST 1/4 LINE 671.85 FEET; THENCE S 00° 46' 48 " W 259.15 FEET TO THE SOUTH LINE OF THE RAILROAD RIGHT OF WAY; THENCE N 45° 51' 09 " E 713.19 FEET; THENCE S 44° 08' 51" E 36.22 FEET TO THE POINT OF BEGINNING: THENCE S 44' 08 '51' E 15.00 FEET; THENCE S 45°-51'09" W 15.00 FEET; THENCE S 44° 08' 51" E 20.00 FEET; THENCE S 45° 51' 09" W 20.00 FEET; THENCE N 44° 08' 51" W 20.00 FEET; THENCE S 45° 51' 09 " W 580.55 FEET; THENCE N 89° 13' 12" W 55.30 FEET; THENCE N 00° 46' 48" E 15.00 FEET ALONG THE EAST RIGHT OF WAY OF MAPLE ROAD; THENCE S 39° 13' 12" E 49.10 FEET; THENCE N 45' 51' 09" E 609 .35 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

COMMENCING AT THE WEST 1/4 CORNER OF SECTION 31, T3S, R6 E, PITTSFIELD TOWNSHIP, WASHTENAW COUNTY, MICHIGAN; THENCE SOUTH 89 DEGREES 01' 20 " EAST 672.24 FEET ALONG THE EAST AND WEST 1/4 LINE OF SAID SECTION; THENCE SOUTH 0 DEGREES 47' 20" WEST 432.96 FEET ALONG THE WEST LINE OF THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION FOR A PLACE OF BEGINNING; THENCE SOUTH 89 DEGREES 36' 00" EAST 660.01 FEET; THENCE SOUTH 0 DEGREES 47' 20 " WEST 35.70 FEET ALONG THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SAID SECTION; THENCE NORTH 89 DEGREES 01' 20 " WEST 462.0 FEET; THENCE SOUTH 0 DEGREES 47' 20" WEST 9.00 FEET; THENCE NORTH 89 DEGREES 01' 20" WEST 198.0 FEET; THENCE NORTH 0 DEGREES 47' 20 " EAST 38.04 FEET ALONG THE WEST LINE OF THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION TO THE PLACE OF BEGINNING, BEING A PART OF THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 31. SUBJECT TO THE RIGHTS OF THE PUBLIC OVER THAT PORTION OF MAPLE ROAD, WHICH LIES EAST OF THE WEST LINE OF THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/ 4 OF SAID SECTION 31.

PARCEL 3:

COMMENCING AT THE INTERSECTION OF THE CENTERLINE OF MAPLE ROAD WITH THE NORTH LINE OF THE NEW YORK CENTRAL RAILROAD RIGHT OF WAY; THENCE NORTHEASTERLY IN SAID NORTH LINE TO A POINT LOCATED 66 FEET NORTHEASTERLY FROM THE POINT OF INTERSECTION OF SAID NORTH LINE WITH THE EAST LINE OF THE WEST 1/2 OF THE WEST 1/2 OF SECTION 31, TOWN 3 SOUTH, RANGE 6 EAST, PITTSFIELD TOWNSHIP, WASHTENAW COUNTY, MICHIGAN; THENCE BEARING 90 DEGREES TO THE LEFT FOR A DISTANCE OF 66 FEET; THENCE BEARING TO THE LEFT IN A LINE RUNNING PARALLEL TO SAID NORTH LINE TO THE POINT OF INTERSECTION WITH THE CENTERLINE OF SAID MAPLE ROAD; THENCE SOUTH IN SAID CENTERLINE TO THE POINT OF BEGINNING, ALL BEING IN THE WEST 1/2 OF SECTION 31, PITTSFIELD TOWNSHIP, WASHTENAW COUNTY, MICHIGAN

EXHIBIT C – Brownfield Plan

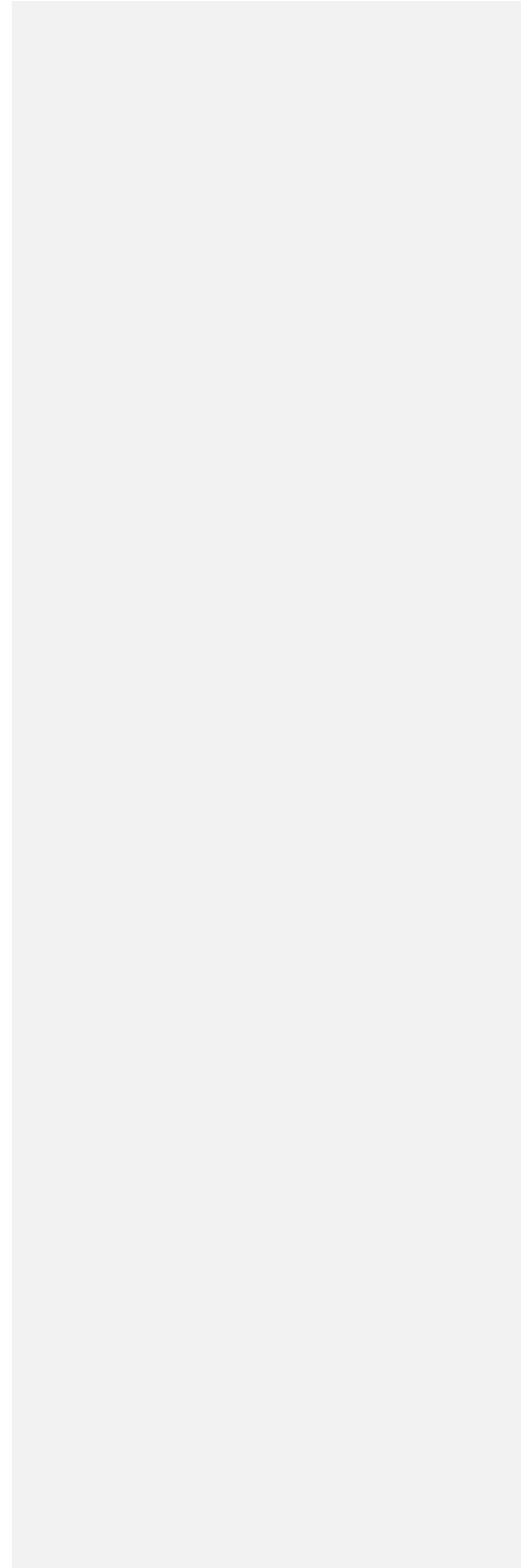


EXHIBIT D – Approved Act 381 Work Plan(s)

EXHIBIT E – Eligible Costs Reimbursement Procedures

Reimbursement of Eligible Costs Certification

- a. For those Eligible Costs for which Developer seeks reimbursement from the Authority, Developer shall submit to the Authority any of the following as may be required by Authority representatives:
 - i. A written statement detailing the costs.
 - ii. A written explanation as to why reimbursement is appropriate under the Brownfield Plan and this Agreement.
 - iii. Copies of invoices from the consultants, contractors, subcontractors, engineers, attorneys or others who provided such services. To verify quantities for unit price billings such invoices shall include sufficient backup information, including but not limited to, labor hours per person per billing period for professional services, detailed invoices from subcontractors and subconsultants, manifests and/or weigh tickets for disposed materials, and days used and rates for equipment and materials charges. All Eligible Costs for which certification is being sought must have occurred within 24 months prior to the date submitted.
 - iv. Copies of waivers of liens by the contractors, subcontractors, and materials suppliers, or cancelled checks demonstrating payment.
 - v. If not already submitted, copies of the contract with the contractor or supplier providing the services or supplies, for which reimbursement is sought.
 - vi. A statement from the engineer and project manager overseeing the work recommending payment.
 - vii. Any other information which may be required by state authorities or reasonably required by the Authority.

ACT 381 WORK PLAN

**TO CONDUCT ELIGIBLE
EGLE ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL ACTIVITIES**

**ROCKWELL BUILDING REDEVELOPMENT PROJECT
301 N. EAST STREET
CITY OF CHELSEA, MICHIGAN 48118
Washtenaw County Brownfield Redevelopment Authority**

May 19, 2021

**Prepared By:
Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
(517) 702-0470
Project No. 20-2493**

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- Attachment B: Meeting Minutes and Resolutions
- Attachment C: Executed Interlocal Agreement
- Attachment D: Executed Reimbursement Agreement
- Attachment E: Affidavit of Functional Obsolescence

1.0 INTRODUCTION

Triterra has prepared this **Act 381 Work Plan to Conduct Environmental and Non-Environmental Activities** (the “Work Plan”) for the eligible property located at 301 N. East Street in the City of Chelsea, Washtenaw County, Michigan (the “Property”). The Work Plan was prepared to allow for the capture of tax increment revenues from state education and school operating taxes to reimburse Chelsea Rockwell LLC (the “Developer”) for the cost of eligible activities in accordance with the Brownfield Redevelopment Financing Act, Act 381 of the Michigan Public Acts of 1996, as amended (Act 381).

The Brownfield Plan for the Project was approved by the Washtenaw County Brownfield Redevelopment Authority (the “WCBRA” or the “Authority”) on April 8, 2021. The City of Chelsea City Council adopted a resolution concurring with Brownfield Plan on April 19, 2021 and the Washtenaw County Board of Commissioners adopted the Brownfield Plan on May 19, 2021. The Property is located within the City of Chelsea’s Downtown Development District, under the jurisdiction of the Downtown Development Authority (the “DDA”). The DDA has the authority to capture tax increment revenues other than the State Education Tax and local or intermediate school district taxes, however, on April 15, 2017 the DDA approved an Interlocal Agreement by and between the WCBRA and DDA to allow 100% of the DDA’s incremental revenue to be captured by the WCBRA for the purposes identified in the Brownfield Plan and this Work Plan. Refer to Attachment A for a copy of the Brownfield Plan. Refer to Attachment B for copies of WCBRA meeting minutes and City Council and County Board of Commissioners resolutions approving the Brownfield Plan. Refer to Attachment C for a copy of the executed Interlocal Agreement. Refer to Attachment D for a copy of the executed Reimbursement Agreement.

1.1 Proposed Redevelopment and Future Use for Each Eligible Property

The project includes the redevelopment of the 3-story, 43,752 square foot building located on the Property. The building will be completely renovated into 51 residential lofts including 20 studios, 22 one bedroom, and 9 two-bedroom apartments.

This is a rehabilitation project that will include new utilities, elevator, windows, doors, flooring, and roofing. Building concrete and masonry will also be repaired with new construction materials. A vapor mitigation system (VMS) and engineering controls will also be installed as due care measures due to known environmental contamination at the Property.

The total anticipated investment into the development project is estimated at \$9,177,179.

The City of Chelsea’s Master Plan adopted in 2019 stated, “There is a need to provide for a different housing type that will attract young professionals and young families, while retaining empty nesters and the increasing elderly population. All of these demographic groups are seeking a more compact, attached type of housing product in the form of row houses, townhomes, duplexes, fourplexes, or low-rise apartments. These groups also desire a full array of amenities, such as walkability, parks and recreational opportunities, and proximity to areas with commercial and entertainment uses. Chelsea participated in a Target Market Analysis, completed in October 2015, which identified a number of target markets, or demographic groups, that might potentially move to Chelsea if the appropriate housing stock was available. Generally, the study identified the potential for these groups to absorb 250 to 675 new moderate to upscale housing units over the next five years.” The Rockwell Building Redevelopment Project addresses the needs expressed in this report and very few units

have been provided to meet the demand.

This development will dramatically improve the appearance of the Property, provide new and desirable downtown living spaces, and increased downtown retail traffic by virtue of new occupancy of the subject building. The improvements to the Property will be permanent and significantly increase the Taxable Value of the Property. The Project would not be possible without financial support through Brownfield tax increment financing (TIF) and other incentives outlined in Section 1.7.12.

This redevelopment will result in the creation of 3 to 5 full-time equivalent jobs at an average wage of \$18.00 per hour. Job projections include a mix of property management, leasing and maintenance positions.

1.2 Eligible Property Information

1.2.1 Property Location and Eligibility

The Property is comprised of one, 0.33-acre of land situated within the Chelsea Commercial Historic District (The Clocktower Plaza) in downtown Chelsea, Washtenaw County, Michigan. The location of the Property is depicted on Figure 1.

Eligible Property		
Address	Tax ID	Basis of Eligibility
301 N. East Street	06-06-12-111-007	“Facility” and “Functionally Obsolete”

The Property consists of a zero-lot line, 3-story, 43,752 square foot, vacant brick building surrounded by residential houses, active commercial property, railroad lines, grass and parking lots. The Property is also located within the City of Chelsea’s Downtown Development District, under the jurisdiction of the Downtown Development Authority (DDA). The boundary of the eligible property is depicted on Figure 2.

The legal description of the eligible property is:

M.D. L4339 P352 11/21/2003 UNIT 7 CHELSEA CLOCK TOWER SPLIT ON 11/24/2003 FROM
ROCKWELL BUILDING
CITY OF CHELSEA, COUNTY OF WASHTENAW, MI
Parcel ID Number: 06-06-12-111-007

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) the property is a “facility” as defined in in Part 201 and Section 2(r) of Act 381; (c) the Property has been determined to be “functionally obsolete” as defined in Section 2(u) of Act 381.

The layout and boundaries of the eligible Property is depicted on Figure 2. The legal description of the eligible Property is included on Figure 3.

1.2.2 Current Ownership

The Property is currently owned by:

Norfolk Homes Of The Rockwell Building LLC
8178 Jackson Road, Suite D
Ann Arbor, MI 48103
James Franke
517-545-8860
jfranke@norfolk-homes.com

1.2.3 Proposed Future Ownership

The Developer, Chelsea Rockwell LLC, has entered into a purchase agreement with the owner of the Property. Upon approval of the Act 381 Work Plan and other incentives outlined in Section 1.7.12, the Developer will acquire the Property and retain ownership during and after development of the site.

1.2.4 Delinquent Taxes, Interest, and Penalties

There are currently no known delinquent taxes, interest, or penalties associated with the Property or its current owner.

1.2.5 Existing and Proposed Future Zoning for Each Eligible Property

The Property is zoned C-6, Central Business District, Mixed-Use which will remain for the proposed project.

1.3 Historical Use and Previous Ownership of Each Eligible Property

Historical records indicate the Property building was constructed circa 1909 and originally occupied by the Chelsea Stove & Manufacturing Company. Onsite operations included pressing, assembly, polishing, plating, coating, and grinding of stove parts.

Several commercial businesses operated at the Property between 1992 and 1999 including Feed-Rite, Johnston's Commercial, Maya Place, CE Sullivan, Apropos Inc, Chelsea Arch Millwork, Underground Printing, and Feeder Incorporated.

ACT 381 Work Plan
Rockwell Building Redevelopment Project
May 19, 2021

Known Property History		
Date Range (Year)	Property Use	Property Owner
1884 - 1899	Residential	Unknown
1909 - 1918	Industrial uses including pressing, assembly, polishing & plating, coating, and grinding	Chelsea Stove & Manufacturing Company
1918 – 1922	Manufacturing	Lewis Spring & Axle Company
1929 – 1937 (approximately)	Vacant	Unknown
1942 – 1970	Manufacturing of automobile springs	Chelsea Spring Company
1973 – 1982	Unknown	Rockwell International Corporation Auto Division
1987 – 1987	Vacant	Unknown
1992 – 1999	Several commercial operations including Feed-Rite, Johnston's Commercial, Maya Place, CE Sullivan, Apropos Inc, Chelsea Arch Millwork, Underground Printing, and Feeder Incorporated.	Ownership unknown, however, several commercial operations occupied the property at this time.
2003- 2005	Vacant	Unknown
2005 – 2005	Vacant	RW Investments II LLC
2005 – 2014	Vacant	Chelsea Rockwell Building LLC
2014 – 2014	Vacant	Washtenaw County Treasurer
2014 – 2017	Vacant	Patrick Becker
2017 - 2017	Vacant	Norfolk Homes of the Rockwell Bldg LLC

1.4 Current Use of Each Eligible Property

The Property is currently vacant and has been significantly underutilized for several years.

1.5 Site Conditions and Known Environmental Contamination Summary

A Phase I Environmental Site Assessment (ESA) completed for the Property in 2017 identified the following recognized environmental conditions (RECs) in connection with the subject Property: the potential for unreported/undetected releases of hazardous substances and/or petroleum products to the subsurface during past industrial use; and the potential for migration of contaminants from former industrial sites adjoining the Property to the north and west.

Consequently, a Phase II ESA subsurface investigation was conducted on the Property in 2017. Trichloroethylene (TCE), arsenic and copper have been documented in soil at concentrations greater than residential and nonresidential generic cleanup criteria under Part 201 of the Natural Resources and Environmental Protection Act, PA 451 of 1994, as amended. Therefore, the property meets the definition of a “facility” as defined by Section 20101 of PA 451 and as defined in Section 2(r) of Act 381. TCE is present in soil gas below the existing building at concentrations greater than residential Volatilization to Indoor Air Pathway (VIAP) Screening Level. Therefore, the VIAP is potentially complete and indoor air conditions may be impacted. Refer to Figure 3, Soil and Soil Gas Exceedances Map.

In addition, asbestos containing materials (ACM) and lead-based paint are present within the building and will require abatement prior to commencement of demolition and renovation activities.

1.6 Functionally Obsolete, Blighted and/or Historic Conditions

On March 17, 2021, the City of Chelsea Assessor inspected the building and determined the property was functionally obsolete. Specifically, the assessor concluded, “the property is unable to be used to adequately perform the functions for which it was intended due to a substantial loss in value resulting from factors such as, changed in technology, deficiencies in design or other similar factors that affect the property itself or the property’s relationship with the other surrounding property.” Refer to Attachment E, Affidavit of Functional Obsolescence. Photographs of the Property are included as Figure 4.

The subject Property is located within the Chelsea Commercial Historic District which begins on the north side of Main Street at the Michigan Central Railroad tracks and the Glazier Stoveworks (subject Property) and continues southward.

1.7 Information Required by Section 15(12) of the Statute

1.7.1 Sufficiency of Individual Activities to Complete Eligible Activities

Michigan Strategic Fund (MSF) eligible, non-environmental, activities included in this Work Plan (Section 2.2) are sufficient to alleviate brownfield conditions on the Property, as described below:

- Asbestos and Lead Abatement: Lead and asbestos abatement will allow for safe (interior) demolition/renovation activities and safe future use of the building. These activities are sufficient to

alleviate brownfield conditions in preparation for building renovation.

- Demolition: Demolition activities are sufficient to complete the eligible activities because they will support preparation of the building for renovation.
- Brownfield Plan and Work Plan Preparation and Implementation: The Work Plan has been completed in accordance with Act 381 to satisfy the requirements for capture of tax increment revenues to reimburse the cost of eligible activities under Act 381.

1.7.2 Necessity of Individual Activities to Complete Eligible Activities

MSF eligible, non-environmental, activities included in this Work Plan (Section 2.2) are required to prepare the Property for safe redevelopment. The non-environmental activities required to alleviate brownfield conditions are listed below:

- Lead and Asbestos Abatement: Asbestos containing materials (ACM) may become friable during interior demolition activities. In accordance with National Emissions Standards for Hazardous Air Pollutants (NESHAP, 40 CFR Part 61), asbestos containing materials that may be disturbed and become friable during demolition activities must be removed prior to demolition activities. Therefore, asbestos abatement must be completed prior to selective interior demolition associated with the building rehabilitation. Any areas of the building where ACM or lead-based paint (LBP) are in any type of deteriorated condition must be abated. LBP abatement is required to prevent creation of lead dust and debris that may create an exposure risk to contractors associated with the renovation project and future occupants of the building.
- Demolition: Demolition activities are required to prepare the Property for renovation. Therefore, interior demolition will be required to support the proposed redevelopment of the Property.
- Brownfield Plan and Work Plan Preparation and Implementation: Approval of the Work Plan Preparation and Implementation is necessary to make the development financially feasible.

1.7.3 Reasonableness of Costs

The costs for the eligible activities (Section 2.4 and Table 1) are based on actual costs or specific third-party contractor estimates. In some cases, reasonable estimates are based on preliminary estimates provided by the Developer. The estimates are current market-rate and are thus determined to be reasonable.

1.7.4 Overall Benefit to the Public

The Project will transform an underutilized property and create housing at a price point that is needed in the community. By doing so, this development will create jobs and further increase urban density in the City of Chelsea and its DDA district. Promoting a dense, urban environment benefits the community through more efficient delivery of goods and services in both the private and public sectors.

1.7.5 Reuse of Vacant Buildings and Redevelopment of Blighted Property

As previously stated, the building is vacant and although the City of Chelsea did not formally determine the Property was blighted as the qualifying criteria is defined in Section 2(c) of Act 381, the City has determined the Property is functionally obsolete. Refer to Attachment E.

1.7.6 Job Creation

This redevelopment is projected to create 3 to 5 new, full time equivalent jobs at an average wage of \$18.00 per hour. Job projections include a mix of property management/leasing and maintenance positions.

1.7.7 Unemployment Status

As of March 2021, the Michigan Bureau of Labor Market Information and Strategic Initiatives (www.milmi.org) indicated Washtenaw County's unemployment rate was 4.3%, compared to 5.1% for the State of Michigan and 6.0% for the U.S.

1.7.8 Alleviation of Contamination

Redevelopment activities at the Property will include appropriate due care and asbestos and lead abatement measures to the extent necessary to be protective of human health and safety and the future occupancy of the proposed building. Due care measures will include the installation of a gas vapor mitigation system (VMS) and engineering controls due to known environmental contamination at the Property.

1.7.9 Level of Private Sector Contribution

The Developer will be financing all development activities as private contribution to this Project. The total anticipated investment into the redevelopment project is estimated at \$9,177,179.

1.7.10 Creation of Brownfields

The planned Project will redevelop vacant, contaminated property into a vibrant, residential space. No Brownfields will be created by the Project.

1.7.11 Project Viability

The Developer is capitalized and is shown as viable with the support of the Authority, The City of Chelsea and its DDA, and Washtenaw County. A copy of the Brownfield Plan is provided as Attachment A. Except as noted in Section 1.7.12, the Developer will finance all Brownfield eligible activities related to the Property. A pro forma and evidence of financing for the Project will be provided under separate cover.

1.7.12 Anticipated Federal, State and Local Incentives

The total estimated cost of the eligible activities to be reimbursed through the capture of tax increment revenues is provided in Table 1.

The City of Chelsea and Washtenaw County are excited to support this proposed project. Additional local and state contributions being pursued for this project include:

- a 10-year Commercial Rehabilitation Exemption under Public Act 210 of 2005, as amended,
 - o the application is currently under review by the State Tax Commission (STC) and the value for the 10-year abatement is currently estimated at \$658,000,
- a \$475,000 Brownfield Grant from the Michigan Department Environment, Great Lakes and Energy (EGLE),
 - o a Brownfield Grant Project Proposal has been submitted to EGLE for consideration,
 - o the grant is intended to offset eligible EGLE Department Specific Activities,
 - o if awarded, activities under EGLE grant will not be reimbursed through Brownfield TIR, and
- a \$1,000,000 Community Redevelopment Program (CRP) grant administered through the Michigan Economic Development Corporation (MEDC) to address a financial gap associated with the Project.

Any activities reimbursed through the proposed EGLE grant will not be requested for reimbursement through tax increment financing. Eligible activity expenditures under the grant and Brownfield tax increment financing may be monitored by the EGLE to ensure reimbursements are not duplicated between the grant and TIR.

2.0 SCOPE OF WORK

This section of the Work Plan details the scope of work for eligible environmental and non-environmental activities including EGLE “Exempt” and Department Specific Activities, asbestos and lead abatement, demolition, and preparation and implementation of the Brownfield Plan and Act 381 Work Plan.

2.1 EGLE Eligible Activities

The Property will be prepared to make it suitable for development. Appropriate environmental assessment has been conducted to evaluate the property conditions and potential exposure pathways to human health, safety, and the environment, however, additional due care investigative activities are required to provide design considerations for a proposed vapor mitigation system.

Refer to Table 1 for a detailed list and estimated cost of the eligible activities for the Project and Tables 2 and 3 for tax increment financing schedules.

2.1.1 Exempt Activities

Phase I Environmental Assessment Activities: Eligible environmental due diligence activities including a Phase I Environmental Site Assessment (ESA) to be completed on behalf of the Developer for the subject Property. The Phase I ESA will be conducted in conformance with the requirements of American Society for Testing and Materials Designation: E 1527-13 Phase I Environmental Site Assessment Process.

Baseline Environmental Assessment Activities: A BEA will be completed on behalf of the Developer for the subject Property. The BEA will be conducted pursuant to Section 20126(1)(c) of PA 451 of 1994, as amended, and will be submitted to EGLE on behalf of the Developer. The BEA report is necessary to secure certain liability exemptions under Part 201.

Due Care Investigation – Vapor Mitigation System – Feasibility Investigation: As previously noted, TCE is present in soil gas below the existing building at concentrations greater than residential Volatilization to Indoor Air Pathway (VIAP) Screening Level. Refer to Figure 3 to review sample locations and results exceeding the VIAP screening level at the subject Property. A sub-slab depressurization (SSD) vapor mitigation system is proposed to be installed at the Property to prevent vapor intrusion into the existing building. A pressure field extension assessment will be conducted below the slab of the subject building to determine a horizontal radius of influence (ROI) of depressurization potential and provide a basis for the design of the proposed SSD system. The assessment is required to design the proposed SSD system for the existing building.

The proposed SSD system is an active venting system integrated into the building. The ventilation system will be designed to remove vapors from below the slab floor and vent them innocuously into ambient air above the overall building structure. The system will prevent potentially impacted soil vapors from entering the building.

A pressure field extension evaluation will be conducted to determine the number of fans needed to achieve adequate pressure below the existing slab floor. Below is a list of activities associated with the investigation:

- review construction diagrams and perform a site walk to determine building foundations and utility

corridors,

- perform Rule 290 calculation for the vapor mitigation system,
- install extraction test points with depressurization fans associated piping,
- install sub-slab vapor pins to determine effectiveness of the extraction points, and
- collect vacuum readings at each vapor pin location with a micromanometer.

A Radonaway HS5000 vacuum blower (or similar) and rigid schedule 40 polyvinyl chloride (PVC) ductwork material will be utilized to conduct the evaluation by depressurizing the sub-slab soils at each test extraction point beneath the concrete floor slab of the subject building. The evaluation will be conducted by coring up to five (5) test extraction points in the concrete slab and installing up to twenty (20) vapor pin pressure monitoring points in the subject building.

For each of the tests, the vacuum blower will be activated at the extraction point using a minimal flow and vacuum. The sub-slab vacuum pressure will be allowed to equilibrate, and then vacuum readings will be collected with a digital micromanometer at each of the relevant vapor pin monitoring points. After equilibration and measurement, the air flow and vacuum will be increased to a moderate amount, vacuum will be allowed to equilibrate a second time and vacuum will be recorded in each of the relevant monitoring points. After equilibration and measurement, the air flow and vacuum will be increased to a maximum amount and allowed to equilibrate. Vacuum will then be recorded in each of the proximal monitoring ports. The SSD test data will be recorded on standard field logs.

A vacuum pressure of 0.02-inches of water column (5 Pascals) will indicate that sufficient depressurization is occurring below the slab. Four variables will be analyzed (applied airflow, applied vacuum, radial distance from extraction point, and observed vacuum) from each of the test extraction points to calculate the expected ROI for a range of applied vacuums and flows. The documented relationship between applied airflow, vacuum, and ROI will be used to select an appropriate vacuum blower and SSD piping design.

Due Care Planning – Vapor Mitigation System Design: The ventilation system will be an active design to remove vapors beneath the building floor slab and vent them innocuously into ambient air above the building structure.

A Design Work Plan will be prepared for review and approval by EGLE. Below is a list of activities associated with the design process. The Design Work Plan will include, at a minimum:

- active ventilation locations and layout with estimated static pressure, air velocity, rate of airflow measurements,
- vent stack locations and test port locations,
- prove-out testing, ongoing monitoring, operation & maintenance, and reporting schedules, and
- submittal of Design Work Plan to EGLE for review and approval, as well as revisions to design diagrams for final submittal and contractor bidding.

Pre-Development Plan for Compliance with Section 20107a: A (Pre-Development) Plan for Compliance with Section 20107a will be prepared prior to commencement of development activities. The plan will outline due care measures to be implemented in compliance with Section 20107a of the NREPA.

2.1.2 Department Specific Activities

Industrial Cleaning: Includes rough cleaning and power washing of the entire building interior to allow for completion of interior renovation work and occupancy of the building.

Vapor Mitigation System – Installation, Oversight and Testing: Upon approval of the Design Work Plan, a vapor mitigation system will be installed at the subject building to prevent vapor intrusion into the building. The active SSD system will be designed to remove vapors beneath an impermeable liner and vent them innocuously into ambient air above the building structure and preventing potentially impacted soil vapors from entering the building. As part of the system design, oversight and testing will be required during and after system installation to verify the SSD venting system is operating as designed. Depending on the final design, the testing will include pressure field extension (PFE) testing and/or smoke testing. Triterra will evaluate the SSD vent riser piping after it has been installed. Using a smoke pen, Triterra will check all seals to verify the systems have no leaks. Triterra will also verify that all system labels, air flow alarms, and u-tube manometers have been properly installed.

After the mitigation systems have been turned on, rigorous prove-out testing will be performed to ensure the SSD system(s) are operating as designed and adequately preventing vapor migration into the building from the subsurface. Prove-out testing will be conducted per the proposed Design Work Plan by monitoring sub-slab pressure gradients via PFE test ports and will include four consecutive days of monitoring, followed by four consecutive weeks, then four consecutive months, and, finally, four consecutive quarters (4,4,4,4). Results of the prove-out testing will be documented along with other inspection observations such as condition of the floors, condition of the fans and piping, vent stack pressure measurements, etc. A schedule and description of all prove-out testing and ongoing monitoring, including equipment to be used, will be provided in the vapor mitigation system Design Work Plan.

At the completion of the verification testing period, a final verification report will be prepared. The report will summarize the ‘as-built’ for the mitigation system and the results of the verification testing. An Operation and Maintenance Plan (O&M) Plan will also be prepared for the system.

Soil Management – Transportation and Disposal of Non-Hazardous, Contaminated Soils: As noted in Section 1.5, arsenic, copper and TCE have been documented in soil below the existing building at concentrations greater than the Part 201 residential and nonresidential generic cleanup criteria. Sampling data indicates environmental contamination exists across the entire footprint of the subject building. Refer to Figure 3, Soil and Soil Gas Exceedances Map. The installation of the proposed SSD system will require the removal of up to 300 tons environmentally impacted soils. These soils generated from the installation of the SSD system will be transported to a Type II for proper disposal. The cost presented in this Work Plan for soil removal is limited to transportation and disposal of up to 300 tons of impacted soil.

Engineering Controls: Includes the installation of Viton gaskets on new, subsurface water mains and lines to be installed for new water service within the building. The exact locations for water service lines are to be determined, however, sampling data provided on Figure 3 indicates environmental contamination across the entire footprint of the subject building and therefore, Viton gaskets are proposed for all subsurface potable water service lines on the subject Property.

2.1.3 Contingency

A contingency factor of fifteen percent (15%) has been included to address unanticipated conditions that may be encountered during the performance of eligible Department Specific Activities.

A contingency was not applied to:

- Exempt Activities,
- Post-Development Plan for Compliance with Section 20107a,
- Brownfield Plan and Act 381 Work Plan Preparation, and
- Brownfield Plan and Act 381 Work Plan Implementation.

2.1.4 Interest

Interest has been applied to eligible activities during the duration of the Brownfield Plan. Interest was calculated annually at 4% simple interest on Developer eligible activities, except costs related to preparation of the Brownfield Plan and Act 381 Work Plan.

2.1.5 Brownfield Plan and Work Plan Preparation

This Work Plan and the approved Brownfield Plan were prepared in accordance with applicable EGLE/MSF guidance and Act 381.

2.1.6 Brownfield Plan and Work Plan Implementation

Implementation of the Work Plan and Brownfield Plan will be conducted in accordance with the EGLE/MSF guidance and Act 381.

2.2 MSF Eligible Activities (Non-Environmental Activities)

Non-environmental eligible activities include asbestos and lead abatement, demolition and preparation and implementation of the Brownfield Plan and Act 381 Work Plan. Refer to Table 1 for a detailed list and estimated cost of the eligible activities for the Project and Tables 2 and 3 for tax increment financing projections.

2.2.1 Asbestos and Lead Abatement Activities

An Asbestos Building Materials and Lead-Bearing Paint Assessment was conducted at the subject building in 2017. The inspection identified approximately 316 square feet of window caulking that will require

abatement prior to interior demolition. These materials will be removed by a licensed asbestos contractor in accordance with Class I and II Removal requirements contained in the Occupations Safety and Health Administration (OSHA) Asbestos Construction Standard (29 CFR Part 1926.1101(k)). The licensed asbestos removal contractor will perform ACM removal work with workers accredited under the requirements of Michigan Act 440, Asbestos Workers Accreditation Act of 1988. All ACM waste generated during the abatement activities will be properly packaged, labeled, and disposed. All ACM waste removed from the Property will be inventoried on a waste shipment record that complies with NESHAP regulations, 40 CFR Part 61.

The Asbestos Building Materials and Lead-Bearing Paint Assessment also included the collected of paint chip samples at eight suspected locations within the subject building. The inspection identified lead-bearing paints/coatings at all locations sampled and these locations will require lead safe work practices to be employed during demolition and renovation activities to allow for safe demolition and future use of the building. Abatement is required to prevent creation of lead dust and debris that may impact contractors associated with the renovation project and future occupants of the building. Abatement activities also include bid specification, project management and oversight.

2.2.2 Demolition

Demolition includes the demolition of unsuitable utilities, the building interior and selective demolition of the building exterior. The building interior will be demolished down to the structural components of the building while maintaining and/or reusing as many of the original architectural features as possible. Demolition includes transportation and disposal of non-reusable building elements to allow for renovation. Other soft costs such as contractor procurement, professional fees for project management, and field oversight are included as eligible demolition activities.

2.2.3 Contingency

A contingency factor of fifteen percent (15%) has been included in the Work Plan to address unanticipated conditions that may be encountered during the performance of eligible non-environmental activities. The contingency factor excludes the cost to prepare and implement the Brownfield Plan and Act 381 Work Plan.

2.2.4 Interest

Interest has been applied to eligible activities during the duration of the Brownfield Plan. Interest was calculated annually at 4% simple interest on Developer eligible activities, except costs related to preparation of the Brownfield Plan and Act 381 Work Plan.

2.2.5 Brownfield Plan and Work Plan Preparation

This Act 381 Work Plan and Brownfield Plan were prepared in accordance with applicable EGLE/MSF guidance and Act 381.

2.2.6 Brownfield Plan and Work Plan Implementation

Implementation of the Work Plan and Brownfield Plan will be conducted in accordance with the EGLE/MSF guidance and Act 381.

2.3 Local Only Eligible Activities

This Work Plan does not include “Local Only” Eligible Activities.

2.4 Eligible Activities Costs and Schedule

The estimated costs for eligible activities included in the Work Plan are presented below. All of these costs are eligible for school tax increment revenue capture. The total eligible project costs include a contingency of fifteen percent (15%) of the costs of tasks related to, or dependent upon, field activities or site conditions, wherein reasonable cost estimate uncertainty exists. The contingency calculation excludes costs for Phase I ESA, BEA, Asbestos Surveys, and Brownfield Plan and Act 381 Work Plan Preparation and Implementation. A summary of the Brownfield eligible activities is included in Table 1. A schedule of estimated tax incremental revenue capture is presented in Table 2 and schedule of estimated tax incremental revenue reimbursement allocation is presented in Table 3.

EGLE Eligible Activities Costs and Schedule		
EGLE Eligible Activities	Cost	Completion Season/Year
Exempt Activities		
<i>Phase I Environmental Site Assessment (ESA)</i>	\$1,900	Fall 2021
<i>Baseline Environmental Assessment (BEA)</i>	\$2,900	Fall 2021
<i>Due Care Investigation – Vapor Mitigation System – Feasibility Investigation</i>	\$10,000	Winter 2021
<i>Due Care Planning – Vapor Mitigation System - Design</i>	\$7,500	Winter 2021
<i>Pre-Development Plan for Compliance with Section 20107a</i>	\$3,200	Fall 2021
Department Specific Activities		
<i>Industrial Cleaning</i>	\$22,500	Winter 2021
<i>Vapor Mitigation System - Installation</i>	\$90,880	Summer 2022
<i>Vapor Mitigation System – Oversight & Testing</i>	\$21,300	Summer 2023
<i>Engineering Controls – Gaskets on Waterlines</i>	\$3,500	
<i>Soil Management – Transportation and Disposal (Non-Hazardous)</i>	\$13,500	
<i>Due Care – Soft Costs including Bidding, Contractor Procurement, Oversight</i>	\$7,920	
<i>Post-Development – Plan for Compliance with Section 20107a</i>	\$5,000	
EGLE Eligible Activities Sub-Total	\$190,100	
Contingency (15%) *	\$23,940	
Brownfield Plan & Act 381 Work Plan Preparation	\$7,200	<i>Complete</i>
Brownfield Plan& 381 Work Plan Implementation	\$800	<i>Complete</i>
Interest (4%, simple) **	\$59,860	
EGLE Eligible Activities Total Cost	\$281,900	

ACT 381 Work Plan
Rockwell Building Redevelopment Project
May 19, 2021

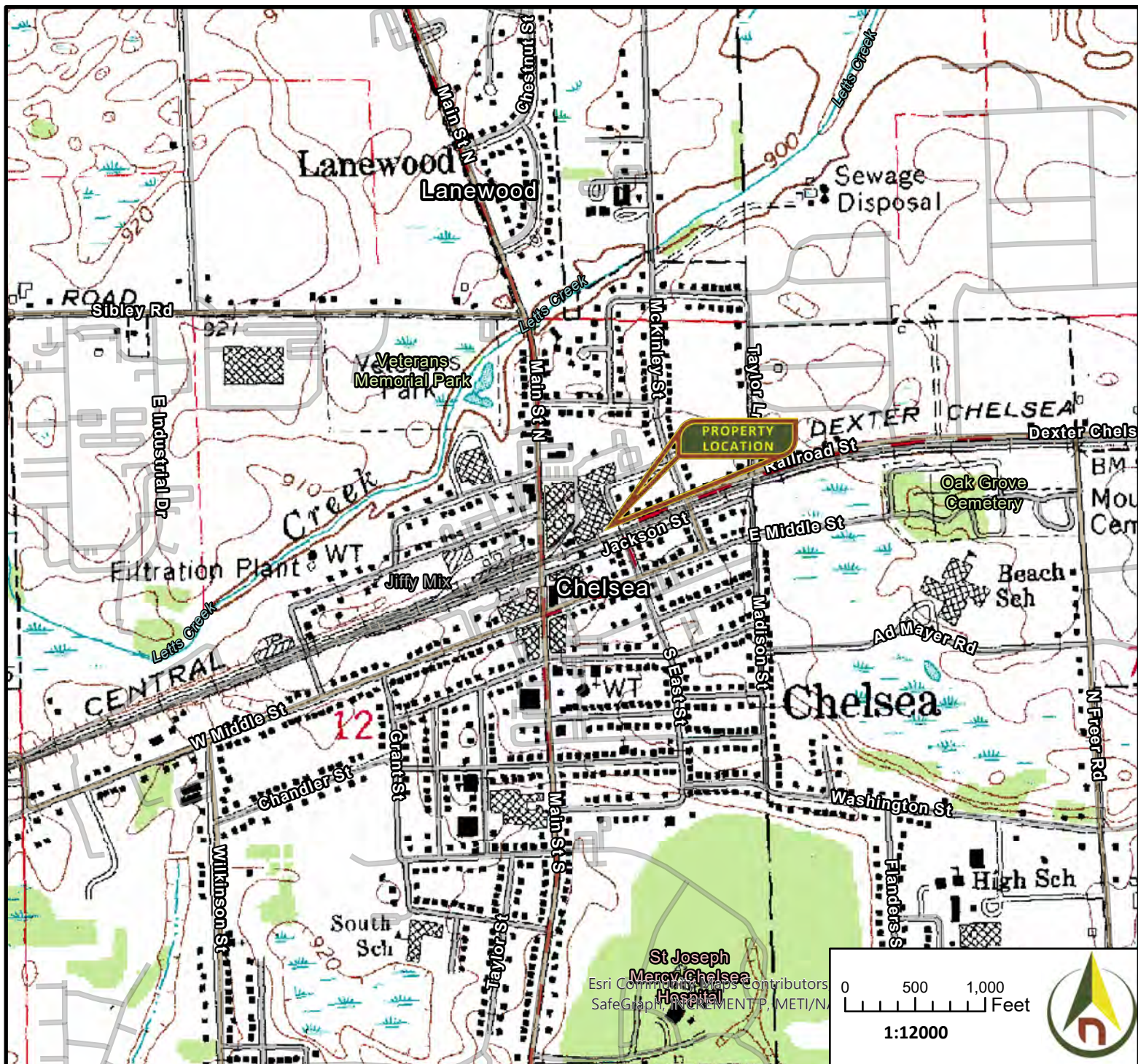
MSF Eligible Activities Costs and Schedule		
MSF Eligible Activities	Cost	Completion Season/Year
Asbestos and Lead Activities		
<i>Asbestos and Lead - Abatement</i>	<i>\$250,000</i>	<i>Spring 2022</i>
<i>Asbestos and Lead – Abatement Oversight, Material Testing, Clearance Testing</i>	<i>\$15,000</i>	<i>Spring 2022</i>
<i>Asbestos Abatement – Soft Costs</i>	<i>\$13,250</i>	<i>Spring 2022</i>
Asbestos and Lead Activities Sub-Total	\$278,250	
Demolition Activities		
<i>Demolition – Building Interior and Selective Exterior</i>	<i>\$58,000</i>	<i>Spring 2022</i>
<i>Demolition - Soft Costs</i>	<i>\$2,900</i>	<i>Spring 2022</i>
Demolition Activities Sub-Total	\$60,900	
MSF Eligible Activities Sub-Total	\$339,150	
Contingency (15%) *	\$50,872	
Brownfield Plan & Act 381 Work Plan Preparation	\$10,800	<i>Complete</i>
Brownfield Plan & Act 381 Work Plan Implementation	\$1,200	<i>Complete</i>
Interest (4%, simple) **	\$109,005	
MSF Eligible Activities Total Cost	\$511,027	

* Contingency calculation excludes costs for EGLE pre-approved (exempt) activities, Post-Development Plan for Compliance with Section 20107a, and Brownfield Plan and Act 381 Work Plan preparation and implementation.

** Interest is calculated annually at 4% simple interest on Developer eligible activities, except cost for Brownfield Plan preparation.

FIGURE 1

PROPERTY LOCATION MAP



TRI TERRA

FIGURE 1 PROPERTY LOCATION

301 N. EAST STREET
CHELSEA, MICHIGAN 48118

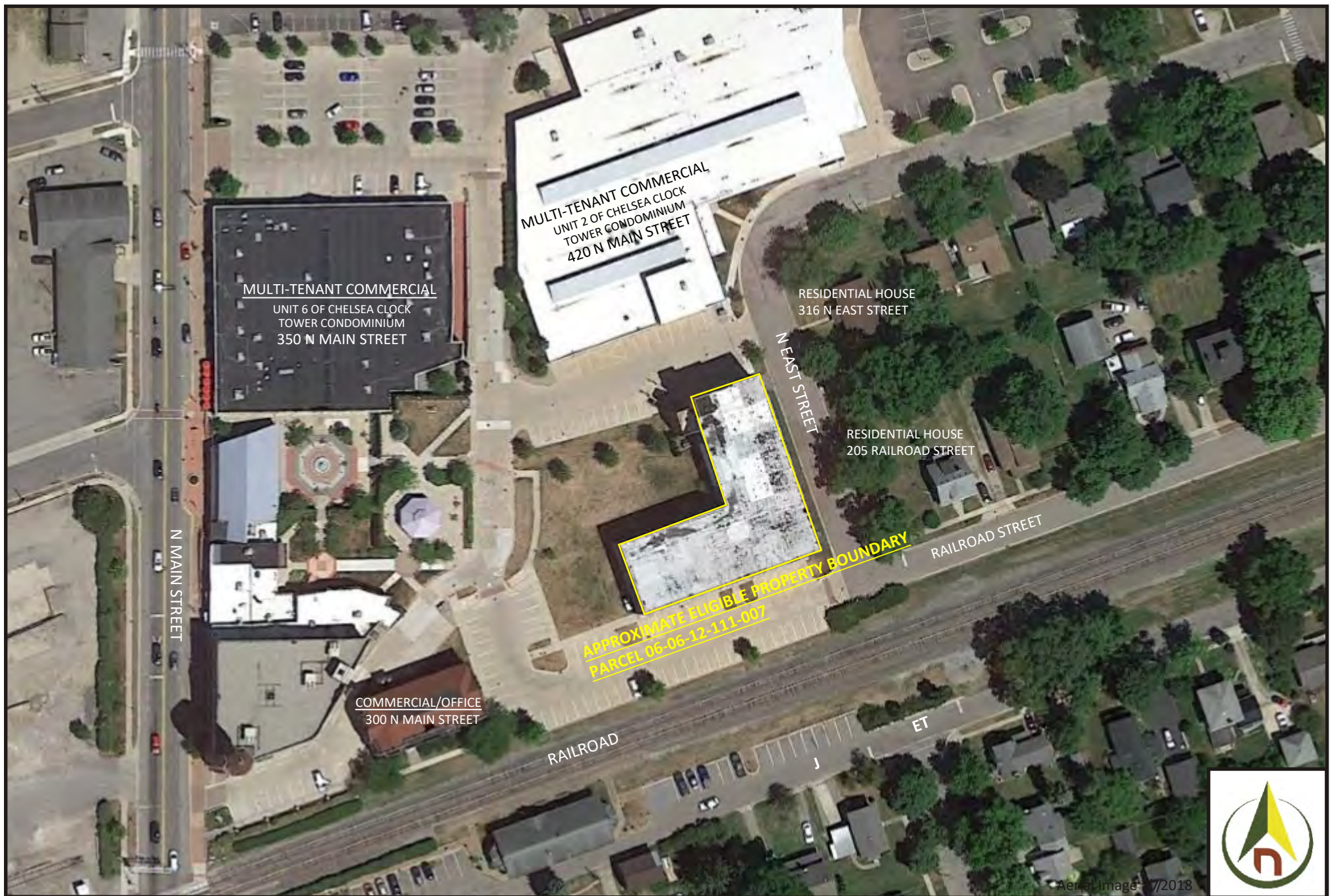
WASHTENAW COUNTY
T2S, R3E, SECTION 12

PROJECT NUMBER 21-2662



FIGURE 2

ELIGIBLE PROPERTY MAP



TRI TERRA

FIGURE 2

ELIGIBLE PROPERTY BOUNDARY MAP

PROJECT NUMBER: 21-2662

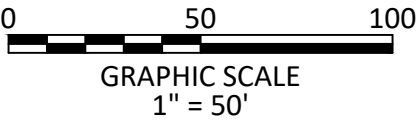
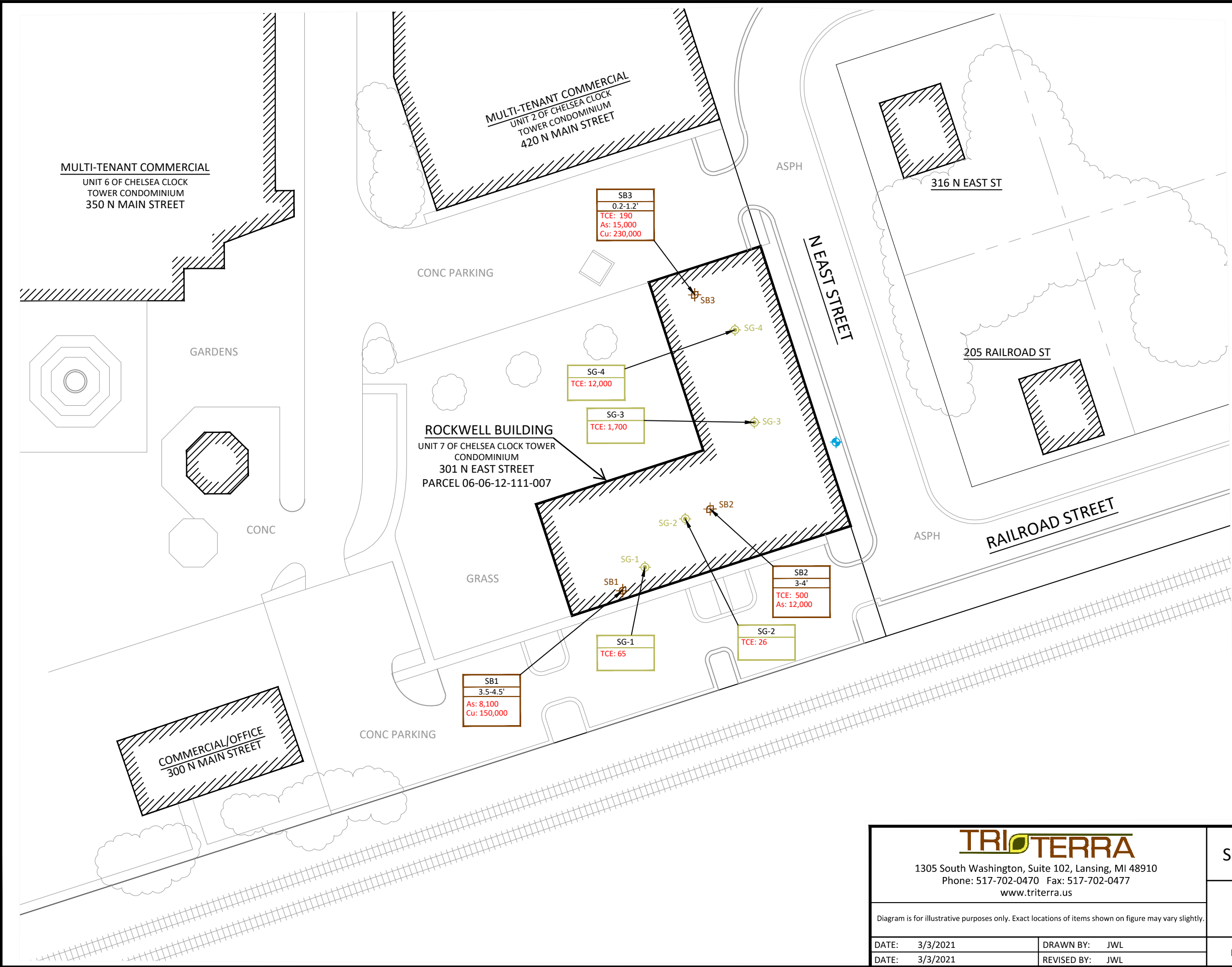
**301 N. EAST STREET
CHELSEA, MICHIGAN 48118**

DIAGRAM CREATED BY: AL

DATE: 03/04/2021

FIGURE 3

SOIL AND SOIL GAS EXCEEDANCE MAP



SYMBOLS LEGEND

- SB1 2017 SOIL BORING LOCATION
- SG-3 2017 SOIL GAS SAMPLE LOCATION
- MONITORING WELL LOCATION

CONSTITUENTS LEGEND

VOLATILES (VOCs)
TCE: Trichloroethylene

INORGANICS, METALS
As: Arsenic
Cu: Copper

- NOTES**
1. Soil concentrations are in μg per kg (ppb).
 2. Soil gas concentrations are in μg per m^3 (ppb).
 3. All exceedances are highlighted in red.



1305 South Washington, Suite 102, Lansing, MI 48910
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www.triterra.us

Diagram is for illustrative purposes only. Exact locations of items shown on figure may vary slightly.

DATE:	3/3/2021	DRAWN BY:	JWL
DATE:	3/3/2021	REVISED BY:	JWL

SOIL AND SOIL GAS EXCEEDANCES

301 N. EAST STREET
CHELSEA, MICHIGAN 48118

PROJECT NUMBER: 21-2662 FIGURE 3

FIGURE 4

COLOR SITE PHOTOGRAPHS

FIGURE 4 - Photo Log
301 N. East Street
Chelsea, Michigan 48118
Photos by: DV 3/30/2021



Photo 1: View to the northeast from the southwest corner of the Property.



Photo 2: View to the northwest from the southeast corner of the Property.

FIGURE 4 - Photo Log
301 N. East Street
Chelsea, Michigan 48118
Photos by: DV 3/30/2021



Photo 3: View to the east from the west.



Photo 4: View of the eastside from the southeast side of the Property.



Photo 5: View from second floor of the Property building.

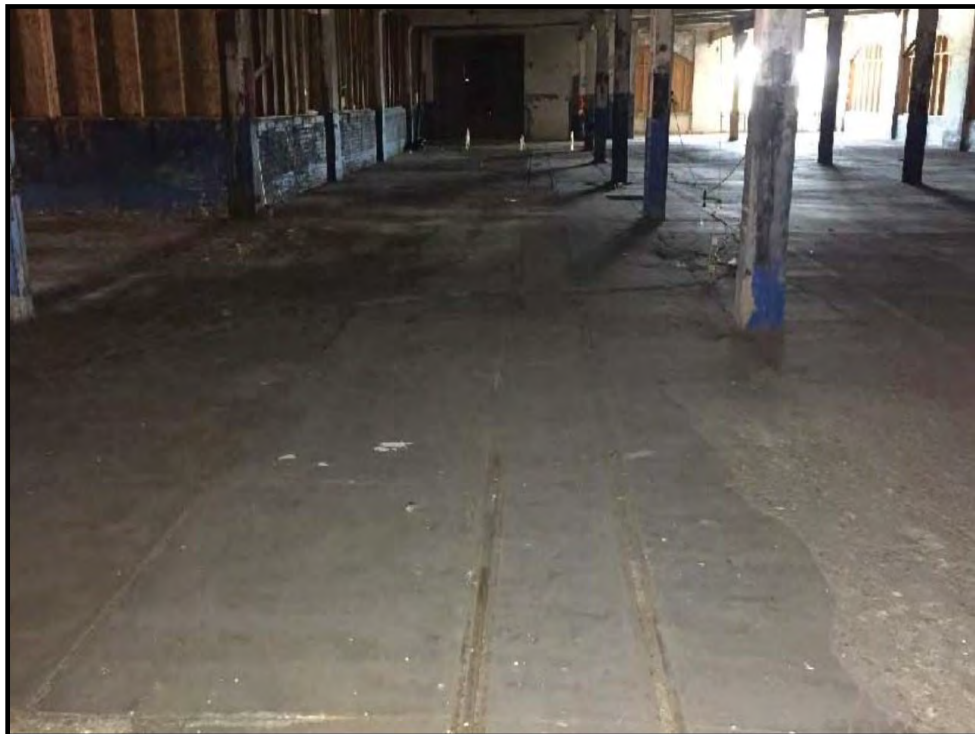


Photo 6: View from third floor of the Property building.

FIGURE 4 - Photo Log
301 N. East Street
Chelsea, Michigan 48118
Photos by: DV 3/30/2021



Photo 7: View from basement of the Property building.

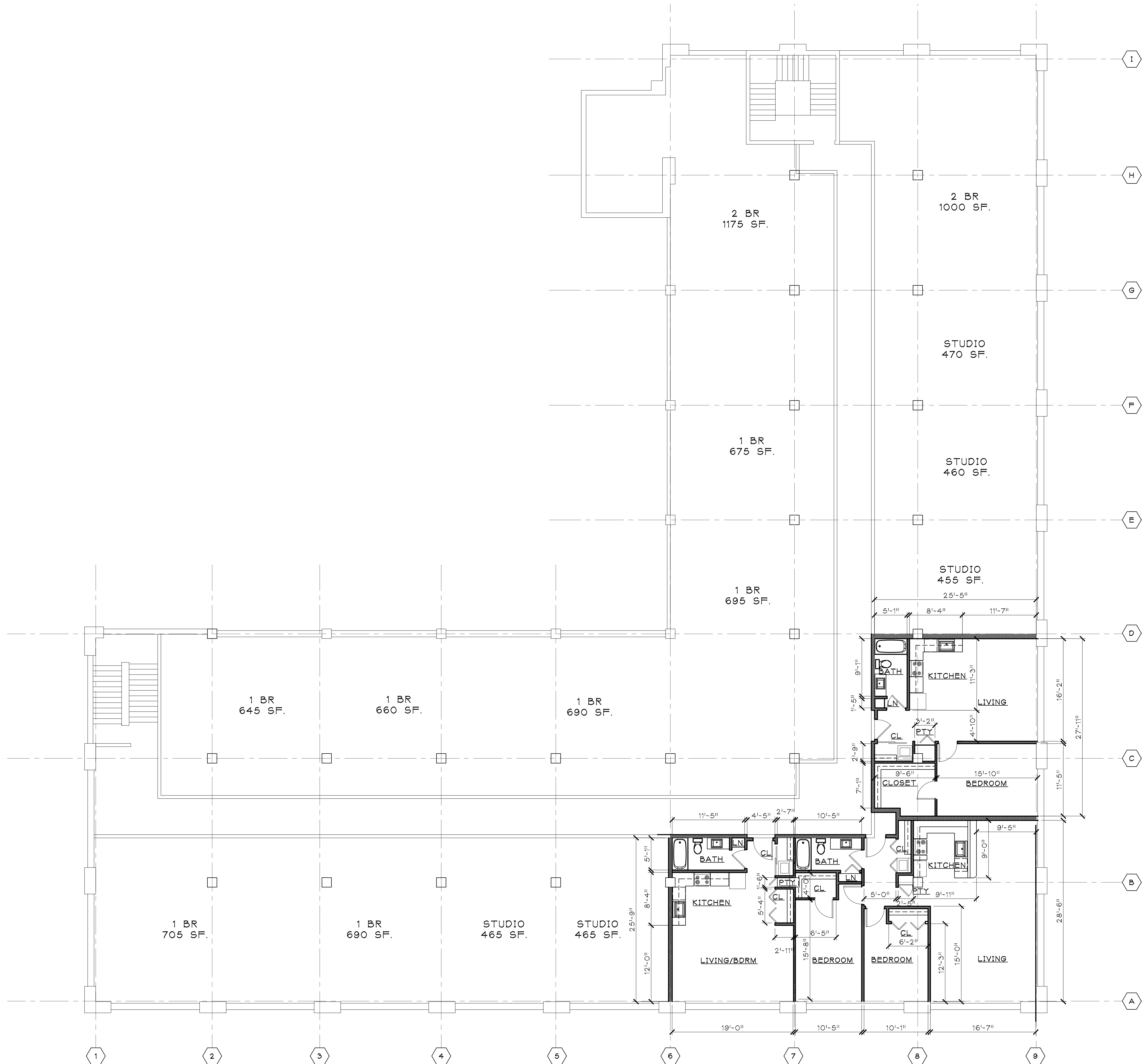


Photo 8: View of the elevator shaft extending from the roof of the Property building.

FIGURE 5

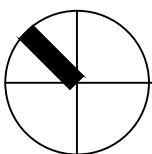
REDEVELOPMENT PROJECT RENDERINGS





PLAN ASSUMPTIONS

1. FURNACE AND HOT WATER HEATER SHALL BE MOUNTED ABOVE CLOSETS
2. PROVIDE 8' CEILINGS AT BATHROOM AND CLOSETS ONLY. ALL OTHER AREAS TO REMAIN EXPOSED
3. WASHER/DRYER UNITS WILL BE STACKABLE TYPE.



SECOND FLOOR PLAN
SCALE: 1/8" = 1'-0"

ARCHITECT:



**jeffery a. scott
architects p.c.**

32316 grand river ave.
suite 200
farmington, mi 48336
248-476-8800
JSCOTTARCHITECTS.COM

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SHEET TITLE:

**CONCEPTUAL
UNIT LAYOUT**

PROJECT:

**CHELSEA
APARTMENTS**
301 NORTH EAST STREET,
CHELSEA, MI 48118

ISSUED FOR:

OWNER REVIEW 1/15/2021

DO NOT SCALE PRINTS
USE FIGURED DIMENSIONS ONLY
JOB NO.

20112

SHEET NO.

SK-2

PLOT SIZE: 36"X24"

TABLES

TABLE 1: BROWNFIELD ELIGIBLE ACTIVITIES

TABLE 2: TAX INCREMENT REVENUE CAPTURE ESTIMATES

TABLE 3: TAX INCREMENT REVENUE REIMBURSEMENT ALLOCATION TABLE

Table 1
Brownfield Eligible Activities
301 N. East Street
Chelsea, Michigan

					REIMBURSEMENT ALLOCATION		
ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	EGLE ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Exempt Activities							
Phase I Environmental Site Assessments	1	EA	\$ 1,900	\$ 1,900	\$ 1,900		
Baseline Environmental Assessments	1	EA	\$ 2,900	\$ 2,900	\$ 2,900		
Due Care Investigation - Vapor Mitigation System - Feasibility Investigation	1	EA	\$ 10,000	\$ 10,000	\$ 10,000		
Due Care Planning - Vapor Mitigation System - Design	1	EA	\$ 7,500	\$ 7,500	\$ 7,500		
Pre-Development Plan for Compliance with Section 2017a	1	EA	\$ 3,200	\$ 3,200	\$ 3,200		
Department Specific Activities					\$ -		
Industrial Cleaning	1	EA	\$ 22,500	\$ 22,500	\$ 22,500		
Vapor Mitigation System - Installation	14,200	SF	\$ 6.40	\$ 90,880	\$ 90,880		
Vapor Mitigation System - Oversight & Testing	14,200	SF	\$ 1.50	\$ 21,300	\$ 21,300		
Engineering Controls - Gaskets on Waterlines	1	EA	\$ 3,500	\$ 3,500	\$ 3,500		
Soil Management - Transportation and Disposal (Non-Hazardous)	300	TN	\$ 45	\$ 13,500	\$ 13,500		
Due Care - Soft Costs including Bidding, Contractor Procurement, Oversight	1	EA	\$ 7,920	\$ 7,920	\$ 7,920		
Post-Development - Plan for Compliance with Section 20107a	1	EA	\$ 5,000	\$ 5,000	\$ 5,000		
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 190,100	\$ 190,100	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Abatement	1	EA	\$ 250,000	\$ 250,000		\$ 250,000	
Asbestos and Lead - Abatement Oversight, Material Testing, Clearance Testing	1	EA	\$ 15,000	\$ 15,000		\$ 15,000	
Asbestos Abatement - Soft Costs	1	EA	\$ 13,250	\$ 13,250		\$ 13,250	
Subtotal Asbestos and Lead Activities				\$ 278,250		\$ 278,250	\$ -
Demolition							
Demolition - Building Interior and Selective Exterior	1	EA	\$ 58,000	\$ 58,000		\$ 58,000	
Demolition - Soft Costs	1	EA	\$ 2,900	\$ 2,900		\$ 2,900	
Subtotal Demolition Activities				\$ 60,900	\$ -	\$ 60,900	\$ -
MSF ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 339,150	\$ -	\$ 339,150	\$ -
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 529,250	\$ 190,100	\$ 339,150	\$ -
Contingency (15%)	1	EA	\$ 74,812	\$ 74,812	\$ 23,940	\$ 50,872	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	EA	\$ 18,000	\$ 18,000	\$ 7,200	\$ 10,800	
Brownfield Plan & Act 381 Work Plan Implementation	1	EA	\$ 2,000	\$ 2,000	\$ 800	\$ 1,200	
Interest (4%, simple)				\$ 168,865	\$ 59,860	\$ 109,005	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT				\$ 792,927	\$ 281,900	\$ 511,027	\$ -
State Brownfield Revolving Fund				\$ 85,588			
BRA Administrative Fees / Local Brownfield Revolving Fund (LBRF)				\$ 195,000			
GRAND TOTAL				\$ 1,073,515			
					35.55%	64.45%	0.00%

NOTES:

These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.

It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.

Costs for Phase I ESA, Asbestos Survey, Brownfield Plan and Act 381 Work Plan Preparation and Implementation are excluded from contingency calculation.

Table 2
Tax Incremental Revenue Capture Estimates
301 N. East Street
Chelsea, Michigan

Estimated Taxable Value (TV) Increase Rate:		1% per year															
Plan Year		2023 1	2024 2	2025 3	2026 4	2027 5	2028 6	2029 7	2030 8	2031 9	2032 10	2033 11	2034 12	2035 13	2036 14		
Base Taxable Value (TV) of Land	\$	48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400		
Base Taxable Value (TV) of Building	\$	37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980		
Estimated New TV for Land	\$	48,884	\$ 49,373	\$ 49,867	\$ 50,365	\$ 50,869	\$ 51,378	\$ 51,891	\$ 52,410	\$ 52,934	\$ 53,464	\$ 53,998	\$ 54,538	\$ 55,084	\$ 55,635		
Estimated New TV for Building	\$	1,951,116	\$ 1,970,627	\$ 1,990,333	\$ 2,010,237	\$ 2,030,339	\$ 2,050,643	\$ 2,071,149	\$ 2,091,860	\$ 2,112,779	\$ 2,133,907	\$ 2,155,246	\$ 2,176,798	\$ 2,198,566	\$ 2,220,552		
Incremental Difference for Land (New TV - Base TV)	\$	484	\$ 973	\$ 1,467	\$ 1,965	\$ 2,469	\$ 2,978	\$ 3,491	\$ 4,010	\$ 4,534	\$ 5,064	\$ 5,598	\$ 6,138	\$ 6,684	\$ 7,235		
Incremental Difference for Building (New TV - Base TV)	\$	1,913,136	\$ 1,932,647	\$ 1,952,353	\$ 1,972,257	\$ 1,992,359	\$ 2,012,663	\$ 2,033,169	\$ 2,053,880	\$ 2,074,799	\$ 2,095,927	\$ 2,117,266	\$ 2,138,818	\$ 2,160,586	\$ 2,182,572		
Total Incremental Difference	\$	1,913,620	\$ 1,933,620	\$ 1,953,820	\$ 1,974,222	\$ 1,994,828	\$ 2,015,640	\$ 2,036,660	\$ 2,057,891	\$ 2,079,333	\$ 2,100,991	\$ 2,122,864	\$ 2,144,957	\$ 2,167,270	\$ 2,033,496		
School Capture		Millage Rate														Total New Taxes	
School Operating	18.00000	\$	34,445	\$ 34,805	\$ 35,169	\$ 35,536	\$ 35,907	\$ 36,282	\$ 36,660	\$ 37,042	\$ 37,428	\$ 37,818	\$ 38,212	\$ 38,609	\$ 39,011	\$ 36,603	\$ 513,526
State Education Tax (SET)	6.00000	\$	11,482	\$ 11,602	\$ 11,723	\$ 11,845	\$ 11,969	\$ 12,094	\$ 12,220	\$ 12,347	\$ 12,476	\$ 12,606	\$ 12,737	\$ 12,870	\$ 13,004	\$ 12,201	\$ 171,175
School Total:	24.00000	39.53%	\$ 45,927	\$ 46,407	\$ 46,892	\$ 47,381	\$ 47,876	\$ 48,375	\$ 48,880	\$ 49,389	\$ 49,904	\$ 50,424	\$ 50,949	\$ 51,479	\$ 52,014	\$ 48,804	\$ 684,701
Local Capture		Millage Rate															
GENERAL FUND	11.20000	\$	5	\$ 11	\$ 16	\$ 22	\$ 28	\$ 33	\$ 39	\$ 45	\$ 51	\$ 23,531	\$ 23,776	\$ 24,024	\$ 24,273	\$ 22,775	\$ 118,630
STREETS	1.22000	\$	1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 4	\$ 5	\$ 6	\$ 2,563	\$ 2,590	\$ 2,617	\$ 2,644	\$ 2,481	\$ 12,922
SOLID WASTE	0.73550	\$	0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 1,545	\$ 1,561	\$ 1,578	\$ 1,594	\$ 1,496	\$ 7,790
DDA	1.62750	\$	1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 5	\$ 6	\$ 7	\$ 7	\$ 3,419	\$ 3,455	\$ 3,491	\$ 3,527	\$ 3,310	\$ 17,238
COUNTY OPERATING	4.39470	\$	2	\$ 4	\$ 6	\$ 9	\$ 11	\$ 13	\$ 15	\$ 18	\$ 20	\$ 9,233	\$ 9,329	\$ 9,426	\$ 9,525	\$ 8,937	\$ 46,548
CHEL AREA FIRE	2.38650	\$	1	\$ 2	\$ 3	\$ 5	\$ 6	\$ 7	\$ 8	\$ 10	\$ 11	\$ 5,014	\$ 5,066	\$ 5,119	\$ 5,172	\$ 4,853	\$ 25,278
WISD	5.66250	\$	3	\$ 6	\$ 8	\$ 11	\$ 14	\$ 17	\$ 20	\$ 23	\$ 26	\$ 11,897	\$ 12,021	\$ 12,146	\$ 12,272	\$ 11,515	\$ 59,977
DISTRICT LIBRARY	2.51440	\$	1	\$ 2	\$ 4	\$ 5	\$ 6	\$ 7	\$ 9	\$ 10	\$ 11	\$ 5,283	\$ 5,338	\$ 5,393	\$ 5,449	\$ 5,113	\$ 26,632
WCC	3.35380	\$	2	\$ 3	\$ 5	\$ 7	\$ 8	\$ 10	\$ 12	\$ 13	\$ 15	\$ 7,046	\$ 7,120	\$ 7,194	\$ 7,269	\$ 6,820	\$ 35,523
CSD SINKING FUND	0.91200	\$	0	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 1,916	\$ 1,936	\$ 1,956	\$ 1,977	\$ 1,855	\$ 9,660
COUNTY PARKS	0.46950	\$	0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 986	\$ 997	\$ 1,007	\$ 1,018	\$ 955	\$ 4,973
COUNTY NATL AREA	0.23250	\$	0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 488	\$ 494	\$ 499	\$ 504	\$ 473	\$ 2,463
COUNTY EECS	0.1930	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 405	\$ 410	\$ 414	\$ 418	\$ 392	\$ 2,044
COUNTY HCMA	0.2104	\$	0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 442	\$ 447	\$ 451	\$ 456	\$ 428	\$ 2,229
COUNTY VET RELF	0.0970	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 204	\$ 206	\$ 208	\$ 210	\$ 197	\$ 1,027
COUNTY ROADS	0.5000	\$	0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 1,050	\$ 1,061	\$ 1,072	\$ 1,084	\$ 1,017	\$ 5,296
COUNTY MH&PS	0.9791	\$	0	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 2,057	\$ 2,078	\$ 2,100	\$ 2,122	\$ 1,991	\$ 10,371
COUNTY CONS DIST	0.0200	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 42	\$ 42	\$ 43	\$ 43	\$ 41	\$ 212
Local Total:	36.70840	60.47%	\$ 18	\$ 36	\$ 54	\$ 72	\$ 91	\$ 109	\$ 128	\$ 147	\$ 166	\$ 77,124	\$ 77,927	\$ 78,738	\$ 79,557	\$ 74,646	\$ 388,813
Total Capturable Taxes:	60.70840	100.00%	\$ 45,945	\$ 46,443	\$ 46,946	\$ 47,453	\$ 47,967	\$ 48,485	\$ 49,008	\$ 49,537	\$ 50,070	\$ 127,548	\$ 128,876	\$ 130,217	\$ 131,571	\$ 123,450	\$ 1,073,515
Non-Capturable Millages		Millage Rate															
CSD DEBT	7.00000	\$	13,395	\$ 13,535	\$ 13,677	\$ 13,820	\$ 13,964	\$ 14,109	\$ 14,257	\$ 14,405	\$ 14,555	\$ 14,707	\$ 14,860	\$ 15,015	\$ 15,171	\$ 14,234	\$ 199,704
Total Non-Capturable Taxes:	7.00000	\$	13,395	\$ 13,535	\$ 13,677	\$ 13,820	\$ 13,964	\$ 14,109	\$ 14,257	\$ 14,405	\$ 14,555	\$ 14,707	\$ 14,860	\$ 15,015	\$ 15,171	\$ 14,234	\$ 199,704
Notes:																\$ 1,273,219	
		= PA 210 Commercial Rehabilitation Abatement 2022 - 2031															

Table 3
Tax Increment Revenue Reimbursement Allocation Table
301 N. East Street
Chelsea, Michigan

Developer Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	62.9%	\$ 499,136	-	\$ 499,136
Local	37.1%	\$ 293,791	-	\$ 293,791
TOTAL		\$ 792,927	-	\$ 792,927
EGLE	35.6%	\$ 281,900		
MSF	64.4%	\$ 511,027		

Estimated Total Years of Plan:	14
--------------------------------	----

Administrative Fees & Revolving Funds*	
State Brownfield Revolving Fund	\$ 85,588
BRA Administrative Fees	\$ -
Local Brownfield Revolving Fund	\$ 195,000

* During the life of the Plan

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTALS																				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15																					
Available Tax Increment Revenue (TIR)																																					
Total State Tax Capture Available		\$	45,927	\$	46,407	\$	46,892	\$	47,381	\$	47,876	\$	48,375	\$	48,880	\$	49,389	\$	49,904	\$	50,424	\$	50,949	\$	51,479	\$	52,014	\$	48,804	\$	-						
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)		\$	5,741	\$	5,801	\$	5,861	\$	5,923	\$	5,984	\$	6,047	\$	6,110	\$	6,174	\$	6,238	\$	6,303	\$	6,369	\$	6,435	\$	6,502	\$	6,100	\$	-	\$	85,588				
State TIR Available for Reimbursement to Developer		\$	40,186	\$	40,606	\$	41,030	\$	41,459	\$	41,891	\$	42,328	\$	42,770	\$	43,216	\$	43,666	\$	44,121	\$	44,580	\$	45,044	\$	45,513	\$	42,703	\$	-						
Total Local Tax Capture Available		\$	18	\$	36	\$	54	\$	72	\$	91	\$	109	\$	128	\$	147	\$	166	\$	77,124	\$	77,927	\$	78,738	\$	79,557	\$	74,646	\$	-						
Capture for BRA Administrative Fees (0% of total capturable taxes; before capture for SBRF)*		\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-				
Local TIR Available for Reimbursement to Developer		\$	18	\$	36	\$	54	\$	72	\$	91	\$	109	\$	128	\$	147	\$	166	\$	77,124	\$	77,927	\$	78,738	\$	79,557	\$	74,646	\$	-						
Total State & Local TIR Available for Reimbursement to Developer		\$	40,204	\$	40,642	\$	41,084	\$	41,531	\$	41,982	\$	42,438	\$	42,898	\$	43,363	\$	43,832	\$	121,245	\$	122,507	\$	123,782	\$	125,070	\$	117,350	\$	-	85,588					
DEVELOPER		Beginning Balance																																			
		\$	792,927	\$	757,318	\$	721,320	\$	684,931	\$	648,145	\$	610,960	\$	573,371	\$	535,373	\$	496,964	\$	458,139	\$	349,649	\$	240,029	\$	129,269	\$	17,356	\$	-	\$	-				
MSF Eligible Activities		\$	511,027	\$	488,077	\$	464,878	\$	441,425	\$	417,718	\$	393,752	\$	369,527	\$	345,038	\$	320,284	\$	295,262	\$	225,342	\$	154,694	\$	83,311	\$	11,186	\$	(0)	\$	(0)				
State Tax Reimbursement		\$	321,684	\$	22,939	\$	23,179	\$	23,421	\$	23,666	\$	23,913	\$	24,162	\$	24,414	\$	24,669	\$	24,926	\$	25,185	\$	25,448	\$	25,712	\$	25,980	\$	4,070	\$	-	\$	321,684		
Local Tax Reimbursement		\$	189,343	\$	10	\$	21	\$	31	\$	42	\$	53	\$	63	\$	74	\$	85	\$	97	\$	44,735	\$	45,200	\$	45,671	\$	46,146	\$	7,115	\$	-	\$	189,343		
EGLE Eligible Activities		\$	281,900	\$	269,240	\$	256,443	\$	243,505	\$	230,427	\$	217,207	\$	203,844	\$	190,335	\$	176,680	\$	162,877	\$	124,306	\$	85,335	\$	45,957	\$	6,170	\$	(0)	\$	(0)				
State Tax Reimbursement		\$	177,452	\$	12,654	\$	12,786	\$	12,920	\$	13,055	\$	13,191	\$	13,329	\$	13,468	\$	13,608	\$	13,750	\$	13,893	\$	14,038	\$	14,184	\$	14,331	\$	2,245	\$	-	\$	177,452		
Local Tax Reimbursement		\$	104,448	\$	6	\$	11	\$	17	\$	23	\$	29	\$	35	\$	41	\$	47	\$	53	\$	24,677	\$	24,934	\$	25,193	\$	25,456	\$	3,925	\$	-	\$	104,448		
LOCAL-ONLY Activities		\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-				
Local-Only Tax Reimbursement		\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-		
TOTAL ANNUAL DEVELOPER REIMBURSEMENT		\$	35,609	\$	35,997	\$	36,390	\$	36,785	\$	37,185	\$	37,589	\$	37,997	\$	38,409	\$	38,825	\$	108,490	\$	109,620	\$	110,760	\$	111,913	\$	17,356	\$	-	\$	792,927				
LOCAL BROWNFIELD REVOLVING FUND (LBRF)																																					
State (10%/100%)*		\$	4,593	\$	4,641	\$	4,689	\$	4,738	\$	4,788	\$	4,838	\$	4,888	\$	4,939	\$	4,990	\$	5,042	\$	5,095	\$	5,148	\$	5,201	\$	36,388	\$	-	\$	99,977				
Local (10%/100%)*		\$	2	\$	4	\$	5	\$	7	\$	9	\$	11	\$	13	\$	15	\$	17	\$	7,712	\$	7,793	\$	7,874	\$	7,956	\$	63,606	\$	-	\$	95,023				
Total LBRF Capture		\$	4,594	\$	4,644	\$	4,695	\$	4,745	\$	4,797	\$	4,848	\$	4,901	\$	4,954	\$	5,007	\$	12,755	\$	12,888	\$	13,022	\$	13,157	\$	99,994	\$	-	\$	195,000				
Notes:																																				\$	1,073,515

Notes:

* It is the intent of the BRA to capture ten percent (10%) of the available Tax Increment Revenue (TIR) annually during the duration of this plan, in addition to the balance of the final year of developer reimbursement, plus one full year of tax capture (if necessary), up to a total of \$195,000, and deposit those funds in the LBRF; however, at the sole discretion of the BRA, all or part of the incremental local TIR captured for the LBRF in any tax year may be used to pay the administrative and operational costs of the BRA incurred in that year. Pursuant to Act 381, school taxes may not be used to pay the administrative and operational costs of the BRA; therefore, any such funds will be deposited in to the LBRF.

Developer Reimbursement
Complete

ATTACHMENT A

BROWNFIELD PLAN

**WASHTENAW COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

Rockwell Building Redevelopment Project

**301 N. East Street
Chelsea, Michigan 48118**

Washtenaw County Brownfield Redevelopment Authority
415 W. Michigan Avenue, 2nd Floor
Ypsilanti, Michigan 48197
Contact: Nathan Voght
voghtn@washtenaw.org
Phone: 734-660-1061

Prepared By:
Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact: Dave Van Haaren
dave.vanhaaren@triterra.us
Phone: 517-853-2152

April 1, 2021

Concurrence by City of Chelsea DDA on April 15, 2021
Concurrence by the City of Chelsea on April 19, 2021
Approved by the Washtenaw County BRA on April 8, 2021
Adopted by the Washtenaw County Board of Commissioners on May 19, 2021

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FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

Figure 3: Soil and Soil Gas Exceedances

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

Attachment A: Affidavit of Functional Obsolescence

1.0 PROJECT SUMMARY

Project Name:	Rockwell Building Redevelopment Project
Developer:	Chelsea Rockwell LLC
Property Location:	301 N. East Street Chelsea, Michigan 48118
Parcel Information:	06-06-12-111-007
Type of Eligible Property:	“Facility” and “Functionally Obsolete”
Project Description:	A redevelopment of 3-story, 43,752 square foot, vacant brick building located in downtown Chelsea. The building was constructed circa 1909 and operated as a stove manufacturing warehouse. The building and will be completely renovated to include 51 residential units. This is a rehabilitation project that will include new utilities, elevators, windows, doors, flooring, and roofing. Building concrete and masonry will also be repaired with new construction materials. Brownfield eligible activities include department specific activities including environmental due diligence activities, vapor mitigation system (VMS) and engineering controls, asbestos and lead activities, interior and selective exterior demolition, and preparation and implementation of a Brownfield Plan and Act 381 Work Plan.
Total Capital Investment:	Total capital investment is estimated at \$8,977,179 of which \$856,745 is proposed for Brownfield reimbursement to the Developer.
Estimated Job Creation/Retention:	This redevelopment will result in the creation of 3 to 5 full-time equivalent jobs and the creation/retention of at least 120 temporary construction related jobs.
Duration of Plan:	The duration of this Brownfield Plan is 16 years and includes a 10-year Commercial Rehabilitation Exemption (PA 210).

Total Captured Tax Increment Revenue: \$1,276,104

Distribution of New Taxes Captured	
Developer Reimbursement	\$856,745
<i>Sub-Total Developer Reimbursement</i>	<i>\$856,745</i>
State Brownfield Revolving Fund	\$99,401
BRA Plan Administrative Fees / Local Brownfield Revolving Fund (LBRF)	\$319,959
<i>Sub-Total Administrative Fees, Fund Deposits</i>	<i>\$419,360</i>
Grand Total	<i>\$1,276,104</i>

2.0 INTRODUCTION AND PURPOSE

The Washtenaw County Brownfield Redevelopment Authority (the “Authority” or “BRA”), duly established by resolution of the Washtenaw County Board of Commissioners (the “County”), pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (“Act 381”), is authorized to exercise its powers within Washtenaw County, Michigan.

The Plan will allow the BRA to use tax increment revenues (TIR) to reimburse Chelsea Rockwell LLC (referred to as the “Developer”) for the costs of eligible activities required to redevelop the eligible property located at 301 N. East Street in the City of Chelsea, Michigan. The proposed redevelopment will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Plan is presented to support the Developer in the redevelopment of the subject property situated in downtown Chelsea, Washtenaw County, Michigan (the “Property”). The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table:

Eligible Property		
Address	Tax ID	Basis of Eligibility
301 N. East Street	06-06-12-111-007	“Facility”

The Property consists of a zero lot line, 3-story, 43,752 square foot, vacant brick building situated on an 0.33-acre of land in downtown Chelsea. The Property is surrounded by residential houses, active commercial property, railroad lines, grass and parking lots. The Property is also located within the City of Chelsea’s Downtown Development District, under the jurisdiction of the Downtown Development Authority (DDA). The boundary of the eligible property is depicted on Figure 2.

The legal description of the eligible property is:

M.D. L4339 P352 11/21/2003 UNIT 7 CHELSEA CLOCK TOWER SPLIT ON 11/24/2003 FROM
ROCKWELL BUILDING
CITY OF CHELSEA, COUNTY OF WASHTENAW, MI
Parcel ID Number: 06-06-12-111-007

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) the property is a “facility” as defined in in Part 201 and Section 2(r) of Act 381; (c) the Property has been determined to be “functionally obsolete” as defined in Section 2(u) of Act 381.

4.0 PROPOSED REDEVELOPMENT

The project includes the redevelopment of the 3-story, 43,752 square foot building located on the Property. The building will be completely renovated into residential use and include 51 lofts (20 studios, 22 one bedroom, and 9 two bedroom).

This is a rehabilitation project that will include new utilities, elevators, windows, doors, flooring, and roofing. Building concrete and masonry will also be repaired with new construction materials. A vapor mitigation system (VMS) and engineering controls will also be installed for due care purposes.

The total anticipated investment into the development project is estimated at \$8,977,179.

The City of Chelsea's Master Plan adopted in 2019 stated, "There is a need to provide for a different housing type that will attract young professionals and young families, while retaining empty nesters and the increasing elderly population. All of these demographic groups are seeking a more compact, attached type of housing product in the form of row houses, townhomes, duplexes, fourplexes, or low-rise apartments. These groups also desire a full array of amenities, such as walkability, parks and recreational opportunities, and proximity to areas with commercial and entertainment uses. Chelsea participated in a Target Market Analysis, completed in October 2015, which identified a number of target markets, or demographic groups, that might potentially move to Chelsea if the appropriate housing stock was available. Generally, the study identified the potential for these groups to absorb 250 to 675 new moderate to upscale housing units over the next five years." The Rockwell Building Redevelopment Project addresses the needs expressed in this report and very few units have been provided to meet the demand.

The project will provide new and desirable downtown living spaces, improved downtown appearance, and increased downtown retail traffic by virtue of new residents' occupancy.

The improvements to the Property will be permanent and significantly increase the Taxable Value of the Property. The Project would not be possible without financial support through Brownfield tax increment financing (TIF).

This redevelopment will result in the creation of 3 to 5 full-time equivalent jobs and the creation/retention of at least 120 temporary construction related jobs.

5.0 BROWNFIELD CONDITIONS

Historical records indicate the Property building was constructed circa 1909 and has been vacant or used for non-industrial applications by multiple owners since 1987. Originally the building was occupied by the Chelsea Stove & Manufacturing Company and onsite operations included pressing, assembly, polishing, plating, coating, and grinding of stove parts.

A Phase I Environmental Site Assessment (ESA) completed for the Property in 2017 identified the following recognized environmental conditions (RECs) in connection with the subject Property: The potential for unreported/undetected releases of hazardous substances and/or petroleum products to the subsurface during past industrial use; and the potential for migration of contaminants from former industrial sites adjoining the Property to the north and west.

Consequently, a Phase II ESA subsurface investigation was conducted on the Property in 2017. Three soil borings were advanced and four sub-slab soil gas sampling points were installed through the building foundation. Soil analytical results reported concentrations of trichloroethylene (TCE), arsenic, and copper above Part 201 Generic Residential Cleanup Criteria (GCC). Therefore, the Property meets the definition of a “facility” as defined by Section 20101 of PA 451, Part 201, as amended, and as defined in Section 2(r) of Act 381.

Soil gas analytical results reported concentrations of TCE above the Residential Volatilization to Indoor Air Pathway (VIAP) Screening Levels. Therefore, the VIAP is potentially complete and indoor air conditions may be impacted.

In addition, asbestos containing materials (ACM) and lead-based paint are present within the building and will require abatement prior to commencement of demolition and renovation activities.

On March 17, 2021, the City of Chelsea Assessor inspected the building and determined the property was functionally obsolete. Specifically, the assessor concluded, “the property is unable to be used to adequately perform the functions for which it was intended due to a substantial loss in value resulting from factors such as, changed in technology, deficiencies in design or other similar factors that affect the property itself or the property’s relationship with the other surrounding property.” Refer to Attachment A, Affidavit of Functional Obsolescence.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid with Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed with the new local and state taxes levied by the Project for the costs of eligible activities necessary to support redevelopment of the Property. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381.

Brownfield eligible activities proposed by the Developer include Michigan Department of Environment, Great Lakes and Energy (EGLE) exempt and department specific activities, and Michigan Strategic Fund (MSF) asbestos and lead survey and abatement activities, demolition activities and preparation and implementation of the Brownfield Plan and Act 381 Work Plan. Should EGLE or MSF elect not to participate in this Project or declines to approve certain eligible activities for reimbursement with incremental state school taxes, the other taxing entities will contribute only that proportionate share of capture (the local taxes) and reimbursement that would be contributed if EGLE or MSF had approved capture of state school taxes.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state tax revenues generated by the Property and captured by the BRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

It is the intent of the BRA to capture ten percent (10%) of the available TIR annually during the duration of this plan, in addition to the balance of the final year of developer reimbursement, plus one full year of tax capture, totaling \$319,959, as shown in Table 3, Tax Increment Revenue Reimbursement Allocation Table, and deposit those funds in the LBRF; however, at the sole discretion of the BRA, all or part of the incremental local TIR captured for the LBRF in any tax year may be used to pay the administrative and operational costs of the BRA incurred in that year. Due to the anticipated approval of a Public Act 210 Commercial Rehabilitation Act tax abatement, it is projected that minimal amounts of local taxes will be captured during Years 1 through 10, and that available TIR will come predominantly from school tax revenue. Pursuant to Act 381, school taxes may not be used to pay the administrative and operational costs of the BRA; therefore, any such funds will be deposited in to the LBRF.

The total cost of activities eligible for Developer reimbursement from tax increment revenues is projected to be \$856,745. The eligible activities are summarized below:

EGLE Eligible Activities Costs and Schedule	
EGLE Eligible Activities	Cost
Exempt Activities	
<i>Phase I Environmental Site Assessment (ESA)</i>	\$1,900
<i>Baseline Environmental Assessment (BEA)</i>	\$2,900
<i>Due Care Investigation – Vapor Mitigation System – Feasibility Investigation</i>	\$10,000
<i>Due Care Planning – Vapor Mitigation System - Design</i>	\$7,500
<i>Pre-Development Plan for Compliance with Section 20107a</i>	\$3,200
Department Specific Activities	
<i>Industrial Cleaning</i>	\$22,500
<i>Vapor Mitigation System - Installation</i>	\$85,200
<i>Vapor Mitigation System – Oversight & Testing</i>	\$21,300
<i>Engineering Controls – Stormwater Management Controls</i>	\$6,000
<i>Engineering Controls – Gaskets on Waterlines</i>	\$3,500
<i>Soil Management – Transportation and Disposal (Non-Hazardous)</i>	\$13,500
<i>Due Care – Soft Costs including Bidding, Contractor Procurement, Oversight</i>	\$7,600
<i>Post-Development – Plan for Compliance with Section 20107a</i>	\$5,000
EGLE Eligible Activities Sub-Total	\$190,100
Contingency (15%) *	\$23,940
Brownfield Plan & Act 381 Work Plan Preparation	\$7,200
Brownfield Plan & 381 Work Plan Implementation	\$800
Interest (5%, simple) **	\$82,482
EGLE Eligible Activities Total Cost	\$304,522

MSF Eligible Activities	Cost
Asbestos and Lead Activities	
<i>Asbestos and Lead - Abatement</i>	\$250,000
<i>Asbestos and Lead – Abatement Oversight, Material Testing, Clearance Testing</i>	\$15,000
<i>Asbestos Abatement – Soft Costs</i>	\$13,250
Asbestos and Lead Activities Sub-Total	\$278,250
Demolition Activities	
<i>Demolition – Building Interior and Selective Exterior</i>	\$58,000
<i>Demolition - Soft Costs</i>	\$2,900
Demolition Activities Sub-Total	\$60,900
MSF Eligible Activities Sub-Total	\$339,150
Contingency (15%) *	\$50,872
Brownfield Plan & Act 381 Work Plan Preparation	\$10,800
Brownfield Plan & Act 381 Work Plan Implementation	\$1,200
Interest (5%, simple) **	\$150,200
MSF Eligible Activities Total Cost	\$552,222

- * Contingency calculation excludes costs for EGLE pre-approved (exempt) activities, Asbestos & Lead Survey activities, and Brownfield Plan and Act 381 Work Plan preparation and implementation.
- ** Interest is calculated annually at 5% simple interest on Developer eligible activities, except cost for Brownfield Plan preparation.

A detailed breakdown in eligible activities is provided in Table 1, Brownfield Eligible Activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the BRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652).

The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted within Environmental eligible activities and Non-Environmental eligible activities after the date this Plan is adopted by the Washtenaw County Board of Commissioners.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state tax revenues generated by the Property and captured by the BRA.

The DDA has the authority to capture tax increment revenues, other than the State Education Tax and local or intermediate school district taxes, generated from the Property. However, it is anticipated that an Interlocal Agreement will be executed between the BRA and DDA, to allow 100% of the DDA's incremental revenue to be passed through the BRA and used for purposes identified in the Brownfield Plan.

The 2021 Taxable Value of the Property is \$86,380 (\$48,400 in Taxable Value for the land and \$37,980 in Taxable Value for the building). This is the initial Taxable Value for this Plan.

The estimated new Taxable Value is \$2,000,000 in 2023. The actual Taxable Value will be determined by the Assessor after the project is complete.

It is projected that the BRA will capture tax increment revenues from 2023 through 2038 to reimburse the Developer for eligible activity costs and fully fund remaining Administrative Fees and LBRF capture.

The following table presents a summary of the new tax revenues generated by the taxing jurisdictions whose millage is subject to capture by the BRA under this Plan. These are estimations based on the residential and commercial components of the proposed redevelopment.

Projected Impact to Taxing Jurisdictions			
Taxing Unit	New Taxes to Taxing Units	New Taxes Captured for SBRF Deposits and Developer Reimbursement	Total New Taxes
SCHOOL OPERATING		\$596,406	\$596,406
STATE EDUCATION TAX (SET)		\$198,802	\$198,802
GENERAL FUND		\$146,725	\$146,725
STREETS		\$15,983	\$15,983
SOLID WASTE		\$9,635	\$9,635
DDA		\$21,321	\$21,321
COUNTY OPERATING		\$57,573	\$57,573
CHEL AREA FIRE		\$31,264	\$31,264
WISD		\$74,181	\$74,181
DISTRICT LIBRARY		\$32,940	\$32,940
WCC		\$43,936	\$43,936
CSD SINKING FUND		\$11,948	\$11,948
COUNTY PARKS		\$6,151	\$6,151
COUNTY NATL AREA		\$3,046	\$3,046
COUNTY EECS		\$2,528	\$2,528
COUNTY HCMA		\$2,756	\$2,756
COUNTY VET RELF		\$1,271	\$1,271
COUNTY ROADS		\$6,550	\$6,550
COUNTY MH&PS		\$12,827	\$12,827
COUNTY CONS DIST		\$262	\$262
CSD DEBT	\$231,936		\$231,936
Total	\$231,936 (15.38%)	\$1,276,104 (84.62%)	1,508,040

Impact to specific taxing jurisdictions is further presented in Table 2, Tax Increment Revenue Capture Estimates, and a schedule of tax increment revenue is presented in Table 3, Tax Increment Revenue Allocation Table.

The captured incremental Taxable Value and associated tax increment revenue will be based on the actual increased Taxable Value from all real and personal taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on Taxable Value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

As previously state, should EGLE or MSF elect not to participate in this Project or declines to approve certain eligible activities for reimbursement with incremental state school taxes, the other taxing entities will contribute only that proportionate share of capture (the local taxes) and reimbursement that would be contributed if EGLE or MSF had approved capture of state school taxes.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of its specific eligible activities included in this Plan. The BRA will not advance any funds to finance the Developer eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the BRA to fund such reimbursements and provide the DDA with relevant information necessary to form and execute an Interlocal Agreement to forego capture to allow the BRA to utilize additional capture to assist with reimbursement for Eligible Activities in this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Eligible activities are to be financed by the Developer. The BRA will not incur any note or bonded indebtedness to finance Brownfield eligible activities outlined in this Plan.

6.5 Duration of Brownfield Plan

The duration of this Plan is projected to be 16 years total tax capture after the first year of tax capture anticipated as 2023. The duration of the Plan includes TIR capture for reimbursement to the Developer, capture for BRA administrative fees, capture for deposits

into the State Brownfield Revolving Fund and one year of TIR capture for deposit into the BRA's LBRF. In the final year of Developer reimbursement, the BRA will capture tax increment revenues remaining after final Developer reimbursement and deposit remaining revenue into the LBRF. The BRA will then capture all available TIR in the following and last year of the Plan for deposit into the LBRF.

In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsections (4) and (5) of Section 13 of Act 381 or 30 years, except as authorized by those subsections or other provisions of Act 381. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

The legal description of the eligible property is:

M.D. L4339 P352 11/21/2003 UNIT 7 CHELSEA CLOCK TOWER SPLIT ON 11/24/2003 FROM
ROCKWELL BUILDING
CITY OF CHELSEA, COUNTY OF WASHTENAW, MI
Parcel ID Number: 06-06-12-111-007

The general Property location and characteristics are described in Section 3.0 and depicted on Figures 1 and 2.

The subject Property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer or occupants.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development, and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan's Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Brownfield Revolving Fund

LBRF monies will not be used to finance or reimburse eligible activities incurred by the Developer as described in this Plan.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

In addition to the 10-year tax abatement outlined herein, the Developer is pursuing additional financial support through the Michigan Economic Development Corporation (MEDC), Community Revitalization Program (CRP).

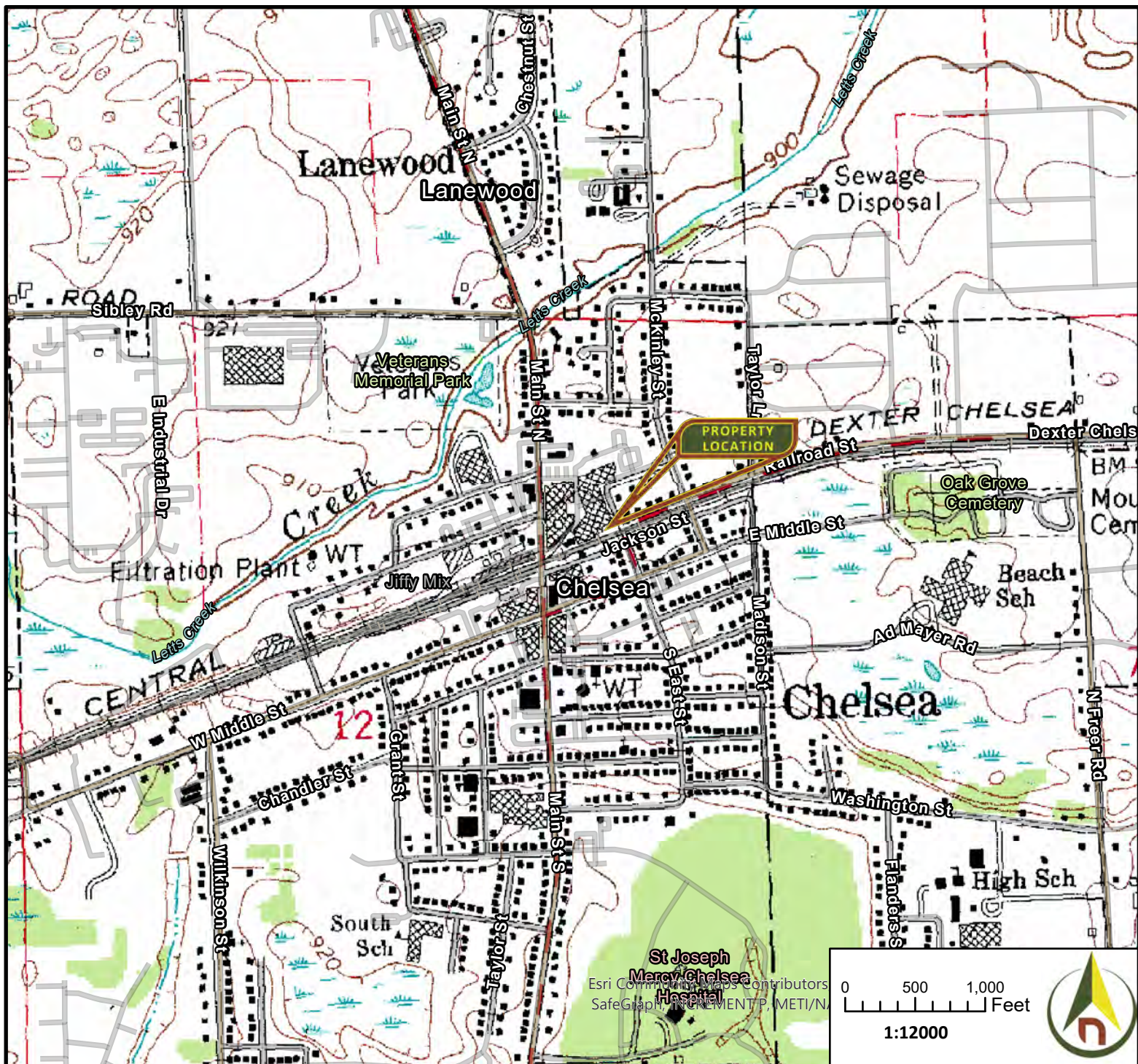
The Authority and the City, as the governing body, in accordance with the Act, may amend this Plan in the future in order to fund additional eligible activities associated with the Project or subject property described herein.

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Boundary Map

Figure 3: Soil and Soil Gas Exceedances



TRI TERRA

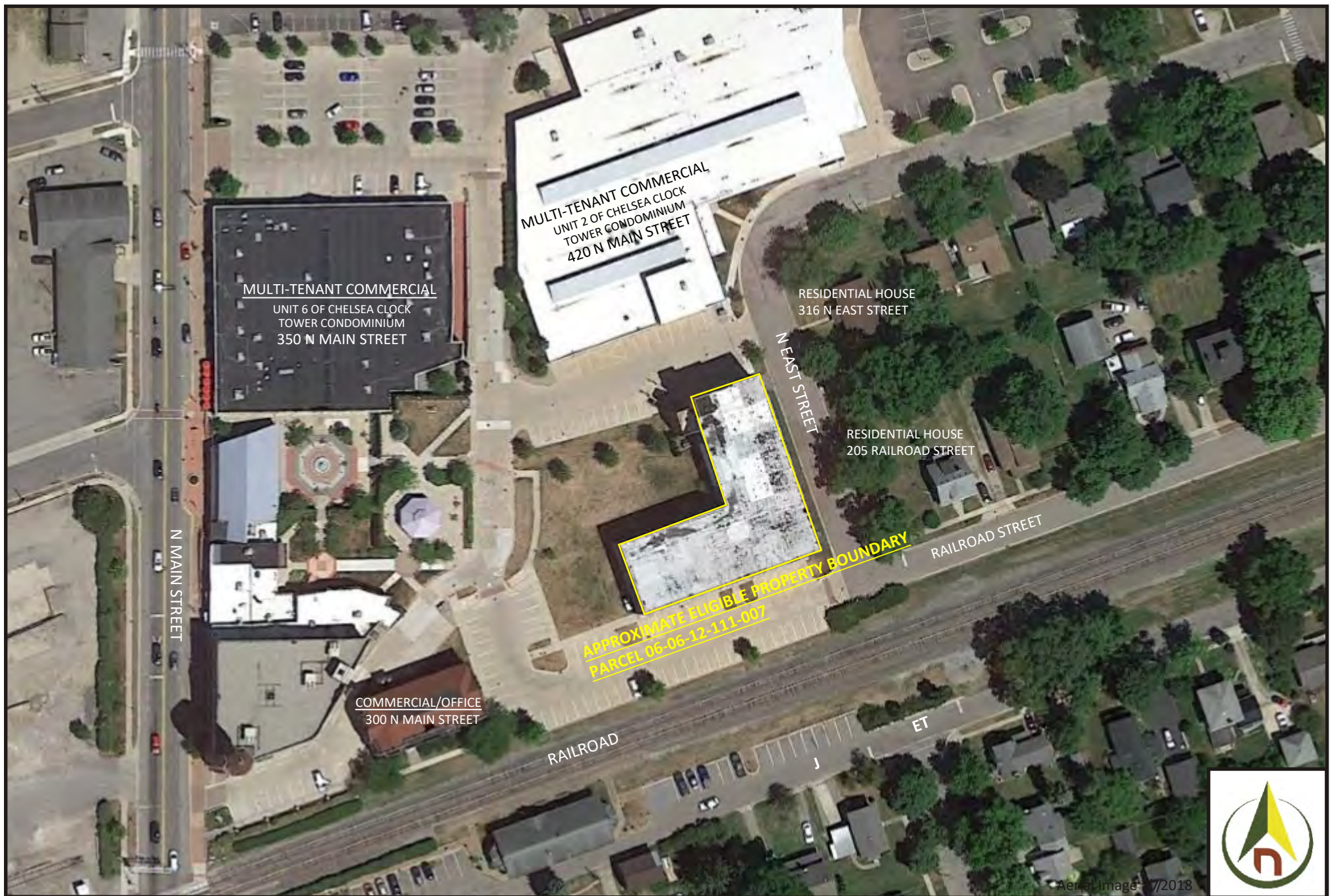
FIGURE 1 PROPERTY LOCATION

301 N. EAST STREET
CHELSEA, MICHIGAN 48118

WASHTENAW COUNTY
T2S, R3E, SECTION 12

PROJECT NUMBER 21-2662





TRI TERRA

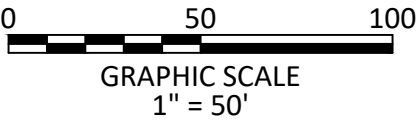
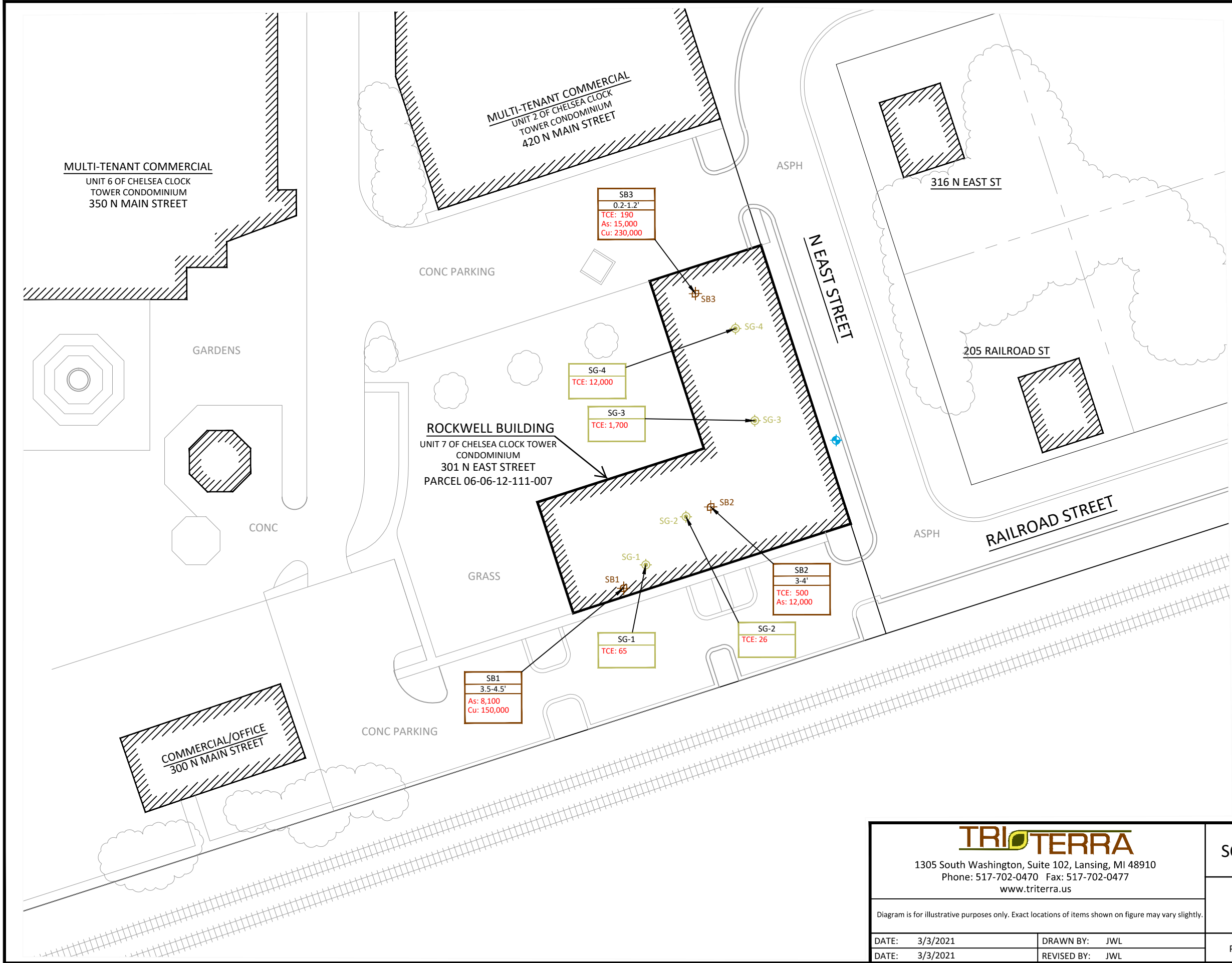
FIGURE 2

ELIGIBLE PROPERTY BOUNDARY MAP

PROJECT NUMBER: 21-2662

**301 N. EAST STREET
CHELSEA, MICHIGAN 48118**

DIAGRAM CREATED BY: AL DATE: 03/04/2021



SYMBOLS LEGEND

- SB1 2017 SOIL BORING LOCATION
- SG-3 2017 SOIL GAS SAMPLE LOCATION
- MONITORING WELL LOCATION

CONSTITUENTS LEGEND

VOLATILES (VOCs)
TCE: Trichloroethylene

INORGANICS, METALS
As: Arsenic
Cu: Copper

- NOTES**
1. Soil concentrations are in μg per kg (ppb).
 2. Soil gas concentrations are in μg per m^3 (ppb).
 3. All exceedances are highlighted in red.



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Diagram is for illustrative purposes only. Exact locations of items shown on figure may vary slightly.

DATE:	3/3/2021	DRAWN BY:	JWL
DATE:	3/3/2021	REVISED BY:	JWL

SOIL AND SOIL GAS EXCEEDANCES

301 N. EAST STREET
CHELSEA, MICHIGAN 48118

PROJECT NUMBER:	21-2662	FIGURE	3
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TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
301 N. East Street
Chelsea, Michigan

					REIMBURSEMENT ALLOCATION		
ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	EGLE ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
EGLE ELIGIBLE ACTIVITIES							
Exempt Activities							
Phase I Environmental Site Assessments	1	EA	\$ 1,900	\$ 1,900	\$ 1,900		
Baseline Environmental Assessments	1	EA	\$ 2,900	\$ 2,900	\$ 2,900		
Due Care Investigation - Vapor Mitigation System - Feasibility Investigation	1	EA	\$ 10,000	\$ 10,000	\$ 10,000		
Due Care Planning - Vapor Mitigation System - Design	1	EA	\$ 7,500	\$ 7,500	\$ 7,500		
Pre-Development Plan for Compliance with Section 2017a	1	EA	\$ 3,200	\$ 3,200	\$ 3,200		
Department Specific Activities					\$ -		
Industrial Cleaning	1	EA	\$ 22,500	\$ 22,500	\$ 22,500		
Vapor Mitigation System - Installation	14,200	SF	\$ 6.00	\$ 85,200	\$ 85,200		
Vapor Mitigation System - Oversight & Testing	14,200	SF	\$ 1.50	\$ 21,300	\$ 21,300		
Engineering Controls - Stormwater Management Controls	1	EA	\$ 6,000	\$ 6,000	\$ 6,000		
Engineering Controls - Gaskets on Waterlines	1	EA	\$ 3,500	\$ 3,500	\$ 3,500		
Soil Management - Transportation and Disposal (Non-Hazardous)	300	TN	\$ 45	\$ 13,500	\$ 13,500		
Due Care - Soft Costs including Bidding, Contractor Procurement, Oversight	1	EA	\$ 7,600	\$ 7,600	\$ 7,600		
Post-Development - Plan for Compliance with Section 20107a	1	EA	\$ 5,000	\$ 5,000	\$ 5,000		
EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 190,100	\$ 190,100	\$ -	\$ -
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
Asbestos and Lead - Abatement	1	EA	\$ 250,000	\$ 250,000		\$ 250,000	
Asbestos and Lead - Abatement Oversight, Material Testing, Clearance Testing	1	EA	\$ 15,000	\$ 15,000		\$ 15,000	
Asbestos Abatement - Soft Costs	1	EA	\$ 13,250	\$ 13,250		\$ 13,250	
Subtotal Asbestos and Lead Activities				\$ 278,250		\$ 278,250	\$ -
Demolition							
Demolition - Building Interior and Selective Exterior	1	EA	\$ 58,000	\$ 58,000		\$ 58,000	
Demolition - Soft Costs	1	EA	\$ 2,900	\$ 2,900		\$ 2,900	
Subtotal Demolition Activities				\$ 60,900	\$ -	\$ 60,900	\$ -
MSF ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 339,150	\$ -	\$ 339,150.00	\$ -
MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL				\$ 529,250	\$ 190,100	\$ 339,150	\$ -
Contingency (15%)	1	EA	\$ 74,812	\$ 74,812	\$ 23,940	\$ 50,872	\$ -
Brownfield Plan & Act 381 Work Plan Preparation	1	EA	\$ 18,000	\$ 18,000	\$ 7,200	\$ 10,800	
Brownfield Plan & Act 381 Work Plan Implementation	1	EA	\$ 2,000	\$ 2,000	\$ 800	\$ 1,200	
Interest (5%, simple)				\$ 232,683	\$ 82,482	\$ 150,200	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT				\$ 856,745	\$ 304,522	\$ 552,222	\$ -
State Brownfield Revolving Fund				\$ 99,401			
BRA Administrative Fees / Local Brownfield Revolving Fund (LBRF)				\$ 319,959			
GRAND TOTAL				\$ 1,276,104			
					35.54%	64.46%	0.00%

NOTES:

These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.

It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.

Costs for Phase I ESA, Asbestos Survey, Brownfield Plan and Act 381 Work Plan Preparation and Implementation are excluded from contingency calculation.

Table 2
Tax Increment Revenue Capture Estimates
301 N. East Street
Chelsea, Michigan

Estimated Taxable Value (TV) Increase Rate:		1% per year																	
Plan Year		2023 1	2024 2	2025 3	2026 4	2027 5	2028 6	2029 7	2030 8	2031 9	2032 10	2033 11	2034 12	2035 13	2036 14	2037 15	2038 16		
Base Taxable Value (TV) of Land	\$	48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400	\$ 48,400		
Base Taxable Value (TV) of Building	\$	37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980	\$ 37,980		
Estimated New TV for Land	\$	48,884	\$ 49,373	\$ 49,867	\$ 50,365	\$ 50,869	\$ 51,378	\$ 51,891	\$ 52,410	\$ 52,934	\$ 53,464	\$ 53,998	\$ 54,538	\$ 55,084	\$ 55,635	\$ 56,191	\$ 56,753		
Estimated New TV for Building	\$	1,951,116	\$ 1,970,627	\$ 1,990,333	\$ 2,010,237	\$ 2,030,339	\$ 2,050,643	\$ 2,071,149	\$ 2,091,860	\$ 2,112,779	\$ 2,133,907	\$ 2,155,246	\$ 2,176,798	\$ 2,198,566	\$ 2,220,552	\$ 2,242,758	\$ 2,265,185		
Incremental Difference for Land (New TV - Base TV)	\$	484	\$ 973	\$ 1,467	\$ 1,965	\$ 2,469	\$ 2,978	\$ 3,491	\$ 4,010	\$ 4,534	\$ 5,064	\$ 5,598	\$ 6,138	\$ 6,684	\$ 7,235	\$ 7,791	\$ 8,353		
Incremental Difference for Building (New TV - Base TV)	\$	1,913,136	\$ 1,932,647	\$ 1,952,353	\$ 1,972,257	\$ 1,992,359	\$ 2,012,663	\$ 2,033,169	\$ 2,053,880	\$ 2,074,799	\$ 2,095,927	\$ 2,117,266	\$ 2,138,818	\$ 2,160,586	\$ 2,182,572	\$ 2,204,778	\$ 2,227,205		
Total Incremental Difference	\$	1,913,620	\$ 1,933,620	\$ 1,953,820	\$ 1,974,222	\$ 1,994,828	\$ 2,015,640	\$ 2,036,660	\$ 2,057,891	\$ 2,079,333	\$ 2,100,991	\$ 2,122,864	\$ 2,144,957	\$ 2,167,270	\$ 2,189,807	\$ 2,212,568	\$ 2,235,558		
School Capture	Millage Rate																	Total New Taxes	
School Operating	18.00000	\$	34,445	\$ 34,805	\$ 35,169	\$ 35,536	\$ 35,907	\$ 36,282	\$ 36,660	\$ 37,042	\$ 37,428	\$ 37,818	\$ 38,212	\$ 38,609	\$ 39,011	\$ 39,417	\$ 39,826	\$ 40,240	\$ 596,406
State Education Tax (SET)	6.00000	\$	11,482	\$ 11,602	\$ 11,723	\$ 11,845	\$ 11,969	\$ 12,094	\$ 12,220	\$ 12,347	\$ 12,476	\$ 12,606	\$ 12,737	\$ 12,870	\$ 13,004	\$ 13,139	\$ 13,275	\$ 13,413	\$ 198,802
School Total:	24.00000	39.53%	\$ 45,927	\$ 46,407	\$ 46,892	\$ 47,381	\$ 47,876	\$ 48,375	\$ 48,880	\$ 49,389	\$ 49,904	\$ 50,424	\$ 50,949	\$ 51,479	\$ 52,014	\$ 52,555	\$ 53,102	\$ 53,653	\$ 795,208
Local Capture	Millage Rate																		
GENERAL FUND	11.20000	\$	5	\$ 11	\$ 16	\$ 22	\$ 28	\$ 33	\$ 39	\$ 45	\$ 51	\$ 57	\$ 23,776	\$ 24,024	\$ 24,273	\$ 24,526	\$ 24,781	\$ 25,038	\$ 146,725
STREETS	1.22000	\$	1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 4	\$ 5	\$ 6	\$ 6	\$ 2,590	\$ 2,617	\$ 2,644	\$ 2,672	\$ 2,699	\$ 2,727	\$ 15,983
SOLID WASTE	0.73550	\$	0	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 3	\$ 4	\$ 1,561	\$ 1,578	\$ 1,594	\$ 1,611	\$ 1,627	\$ 1,644	\$ 9,635
DDA	1.62750	\$	1	\$ 2	\$ 2	\$ 3	\$ 4	\$ 5	\$ 6	\$ 7	\$ 7	\$ 8	\$ 3,455	\$ 3,491	\$ 3,527	\$ 3,564	\$ 3,601	\$ 3,638	\$ 21,321
COUNTY OPERATING	4.39470	\$	2	\$ 4	\$ 6	\$ 9	\$ 11	\$ 13	\$ 15	\$ 18	\$ 20	\$ 22	\$ 9,329	\$ 9,426	\$ 9,525	\$ 9,624	\$ 9,724	\$ 9,825	\$ 57,573
CHEL AREA FIRE	2.38650	\$	1	\$ 2	\$ 3	\$ 5	\$ 6	\$ 7	\$ 8	\$ 10	\$ 11	\$ 12	\$ 5,066	\$ 5,119	\$ 5,172	\$ 5,226	\$ 5,280	\$ 5,335	\$ 31,264
WISD	5.66250	\$	3	\$ 6	\$ 8	\$ 11	\$ 14	\$ 17	\$ 20	\$ 23	\$ 26	\$ 29	\$ 12,021	\$ 12,146	\$ 12,272	\$ 12,400	\$ 12,529	\$ 12,659	\$ 74,181
DISTRICT LIBRARY	2.51440	\$	1	\$ 2	\$ 4	\$ 5	\$ 6	\$ 7	\$ 9	\$ 10	\$ 11	\$ 13	\$ 5,338	\$ 5,393	\$ 5,449	\$ 5,506	\$ 5,563	\$ 5,621	\$ 32,940
WCC	3.35380	\$	2	\$ 3	\$ 5	\$ 7	\$ 8	\$ 10	\$ 12	\$ 13	\$ 15	\$ 17	\$ 7,120	\$ 7,194	\$ 7,269	\$ 7,344	\$ 7,421	\$ 7,498	\$ 43,936
CSD SINKING FUND	0.91200	\$	0	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 5	\$ 1,936	\$ 1,956	\$ 1,977	\$ 1,997	\$ 2,018	\$ 2,039	\$ 11,948
COUNTY PARKS	0.46950	\$	0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 997	\$ 1,007	\$ 1,018	\$ 1,028	\$ 1,039	\$ 1,050	\$ 6,151
COUNTY NATL AREA	0.23250	\$	0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 494	\$ 499	\$ 504	\$ 509	\$ 514	\$ 520	\$ 3,046
COUNTY EECS	0.1930	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 410	\$ 414	\$ 418	\$ 423	\$ 427	\$ 431	\$ 2,528
COUNTY HCMA	0.2104	\$	0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 447	\$ 451	\$ 456	\$ 461	\$ 466	\$ 470	\$ 2,756
COUNTY VET RELF	0.0970	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 206	\$ 208	\$ 210	\$ 212	\$ 215	\$ 217	\$ 1,271
COUNTY ROADS	0.5000	\$	0	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 1,061	\$ 1,072	\$ 1,084	\$ 1,095	\$ 1,106	\$ 1,118	\$ 6,550
COUNTY MH&PS	0.9791	\$	0	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3	\$ 3	\$ 4	\$ 4	\$ 5	\$ 2,078	\$ 2,100	\$ 2,122	\$ 2,144	\$ 2,166	\$ 2,189	\$ 12,827
COUNTY CONS DIST	0.0200	\$	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 42	\$ 43	\$ 43	\$ 44	\$ 44	\$ 45	\$ 262
Local Total:	36.70840	60.47%	\$ 18	\$ 36	\$ 54	\$ 72	\$ 91	\$ 109	\$ 128	\$ 147	\$ 166	\$ 186	\$ 77,927	\$ 78,738	\$ 79,557	\$ 80,384	\$ 81,220	\$ 82,064	\$ 480,897
Total Capturable Taxes:	60.70840	100.00%	\$ 45,945	\$ 46,443	\$ 46,946	\$ 47,453	\$ 47,967	\$ 48,485	\$ 49,008	\$ 49,537	\$ 50,070	\$ 50,610	\$ 51,149	\$ 51,693	\$ 52,241	\$ 52,793	\$ 53,349	\$ 53,908	\$ 1,276,104
Non-Capturable Millages	Millage Rate																		
CSD DEBT	7.00000	\$	13,395	\$ 13,535	\$ 13,677	\$ 13,820	\$ 13,964	\$ 14,109	\$ 14,257	\$ 14,405	\$ 14,555	\$ 14,707	\$ 14,860	\$ 15,015	\$ 15,171	\$ 15,329	\$ 15,488	\$ 15,649	\$ 231,936
Total Non-Capturable Taxes:	7.00000	\$	13,395	\$ 13,535	\$ 13,677	\$ 13,820	\$ 13,964	\$ 14,109	\$ 14,257	\$ 14,405	\$ 14,555	\$ 14,707	\$ 14,860	\$ 15,015	\$ 15,171	\$ 15,329	\$ 15,488	\$ 15,649	\$ 231,936
Notes:																		\$ 1,508,040	
= PA 210 Commercial Rehabilitation Abatement 2023 - 2032																			

Table 3
Tax Increment Revenue Reimbursement Allocation Table
301 N. East Street
Chelsea, Michigan

Developer Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	63.9%	\$ 547,139	\$ -	\$ 547,139
Local	36.1%	\$ 309,605	\$ -	\$ 309,605
TOTAL		\$ 856,745	\$ -	\$ 856,745
EGLE	35.5%	\$ 304,522		
MSF	64.5%	\$ 552,222		

Estimated Total Years of Plan: 16

Administrative Fees & Revolving Funds*	
State Brownfield Revolving Fund	\$ 99,401
BRA Administrative Fees	\$ -
Local Brownfield Revolving Fund	\$ 319,959

* During the life of the Plan

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	TOTALS	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Available Tax Increment Revenue (TIR)																			
Total State Tax Capture Available		\$ 45,927	\$ 46,407	\$ 46,892	\$ 47,381	\$ 47,876	\$ 48,375	\$ 48,880	\$ 49,389	\$ 49,904	\$ 50,424	\$ 50,949	\$ 51,479	\$ 52,014	\$ 52,555	\$ 53,102	\$ 53,653		
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)		\$ 5,741	\$ 5,801	\$ 5,861	\$ 5,923	\$ 5,984	\$ 6,047	\$ 6,110	\$ 6,174	\$ 6,238	\$ 6,303	\$ 6,369	\$ 6,435	\$ 6,502	\$ 6,569	\$ 6,638	\$ 6,707	\$ 99,401	
State TIR Available for Reimbursement to Developer		\$ 40,186	\$ 40,606	\$ 41,030	\$ 41,459	\$ 41,891	\$ 42,328	\$ 42,770	\$ 43,216	\$ 43,666	\$ 44,121	\$ 44,580	\$ 45,044	\$ 45,513	\$ 45,986	\$ 46,464	\$ 46,947		
Total Local Tax Capture Available		\$ 18	\$ 36	\$ 54	\$ 72	\$ 91	\$ 109	\$ 128	\$ 147	\$ 166	\$ 186	\$ 77,927	\$ 78,738	\$ 79,557	\$ 80,384	\$ 81,220	\$ 82,064		
Capture for BRA Administrative Fees (0% of total capturable taxes; before capture for SBRF)*		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Local TIR Available for Reimbursement to Developer		\$ 18	\$ 36	\$ 54	\$ 72	\$ 91	\$ 109	\$ 128	\$ 147	\$ 166	\$ 186	\$ 77,927	\$ 78,738	\$ 79,557	\$ 80,384	\$ 81,220	\$ 82,064		
Total State & Local TIR Available for Reimbursement to Developer		\$ 40,204	\$ 40,642	\$ 41,084	\$ 41,531	\$ 41,982	\$ 42,438	\$ 42,898	\$ 43,363	\$ 43,832	\$ 44,307	\$ 122,507	\$ 123,782	\$ 125,070	\$ 126,370	\$ 127,684	\$ 129,010	99,400.95	
DEVELOPER		Beginning Balance																	
		\$ 856,745	\$ 821,135	\$ 785,138	\$ 748,748	\$ 711,963	\$ 674,778	\$ 637,188	\$ 599,191	\$ 560,782	\$ 521,956	\$ 482,711	\$ 373,091	\$ 262,331	\$ 150,418	\$ 37,342	\$ -	\$ -	
MSF Eligible Activities		\$ 552,222	\$ 529,270	\$ 506,067	\$ 482,612	\$ 458,902	\$ 434,934	\$ 410,705	\$ 386,214	\$ 361,457	\$ 336,432	\$ 311,135	\$ 240,479	\$ 169,088	\$ 96,953	\$ 24,069	\$ 0	\$ 0	
State Tax Reimbursement		\$ 352,663	\$ 22,942	\$ 23,182	\$ 23,424	\$ 23,669	\$ 23,916	\$ 24,165	\$ 24,417	\$ 24,672	\$ 24,929	\$ 25,188	\$ 25,451	\$ 25,715	\$ 25,983	\$ 26,253	\$ 8,759	\$ -	\$ 352,663
Local Tax Reimbursement		\$ 199,559	\$ 10	\$ 21	\$ 31	\$ 42	\$ 53	\$ 63	\$ 74	\$ 85	\$ 97	\$ 108	\$ 45,206	\$ 45,676	\$ 46,151	\$ 46,631	\$ 15,310	\$ -	\$ 199,559
EGLE Eligible Activities		\$ 304,522	\$ 291,865	\$ 279,070	\$ 266,136	\$ 253,061	\$ 239,844	\$ 226,483	\$ 212,977	\$ 199,325	\$ 185,525	\$ 171,575	\$ 132,612	\$ 93,243	\$ 53,465	\$ 13,273	\$ 0	\$ 0	
State Tax Reimbursement		\$ 194,476	\$ 12,651	\$ 12,784	\$ 12,917	\$ 13,052	\$ 13,188	\$ 13,326	\$ 13,465	\$ 13,605	\$ 13,747	\$ 13,890	\$ 14,035	\$ 14,181	\$ 14,328	\$ 14,477	\$ 4,830	\$ -	\$ 194,476
Local Tax Reimbursement		\$ 110,046	\$ 6	\$ 11	\$ 17	\$ 23	\$ 29	\$ 35	\$ 41	\$ 47	\$ 53	\$ 59	\$ 24,929	\$ 25,188	\$ 25,450	\$ 25,715	\$ 8,443	\$ -	\$ 110,046
LOCAL-ONLY Activities		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Local-Only Tax Reimbursement		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL ANNUAL DEVELOPER REIMBURSEMENT		\$ 35,609	\$ 35,997	\$ 36,390	\$ 36,785	\$ 37,185	\$ 37,589	\$ 37,997	\$ 38,409	\$ 38,825	\$ 39,246	\$ 109,620	\$ 110,760	\$ 111,913	\$ 113,076	\$ 37,342	\$ -	\$ 856,745	
LOCAL BROWNFIELD REVOLVING FUND (LBRF)																			
State (10%/100%)*		\$ 4,593	\$ 4,641	\$ 4,689	\$ 4,738	\$ 4,788	\$ 4,838	\$ 4,888	\$ 4,939	\$ 4,990	\$ 5,042	\$ 5,095	\$ 5,148	\$ 5,201	\$ 5,256	\$ 32,875	\$ 46,947	\$ 148,667	
Local (10%/100%)*		\$ 2	\$ 4	\$ 5	\$ 7	\$ 9	\$ 11	\$ 13	\$ 15	\$ 17	\$ 19	\$ 7,793	\$ 7,874	\$ 7,956	\$ 8,038	\$ 57,467	\$ 82,064	\$ 171,292	
Total LBRF Capture		\$ 4,594	\$ 4,644	\$ 4,695	\$ 4,745	\$ 4,797	\$ 4,848	\$ 4,901	\$ 4,954	\$ 5,007	\$ 5,061	\$ 12,888	\$ 13,022	\$ 13,157	\$ 13,294	\$ 90,342	\$ 129,010	\$ 319,959	

Notes:

* It is the intent of the BRA to capture ten percent (10%) of the available Tax Increment Revenue (TIR) annually during the duration of this plan, in addition to the balance of the final year of developer reimbursement, plus one full year of tax capture, and deposit those funds in the LBRF; however, at the sole discretion of the BRA, all or part of the incremental local TIR captured for the LBRF in any tax year may be used to pay the administrative and operational costs of the BRA incurred in that year. Pursuant to Act 381, school taxes may not be used to pay the administrative and operational costs of the BRA; therefore, any such funds will be deposited in to the LBRF.

Developer Reimbursement Complete

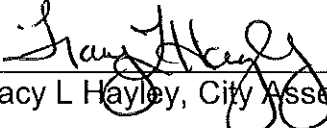
ATTACHMENTS

Attachment A: Affidavit of Functional Obsolescence

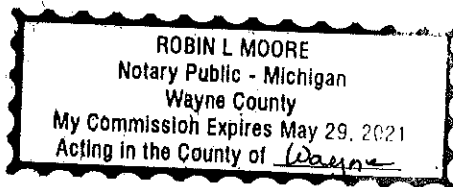
AFFIDAVIT OF CITY OF CHELSEA ASSESSOR

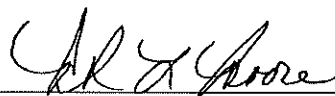
I, Tracy Hayley, being duly sworn, states that if called upon will testify to the following facts:

1. I am employed by the City of Chelsea as the City Assessor.
2. I am a certified Michigan Advance Assessing Officer (3).
3. I am familiar with the property known as the Rockwell Building located at 301 N East St, in the City of Chelsea. Parcel ID number, 06-06-12-111-007.
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:
5. 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 , changes in technology, deficiencies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.


Tracy L Hayley, City Assessor 6928

Subscribed and sworn to before me by Tracy Hayley on March 17, 2021.




Robin Moore Notary Public
Wayne County, Michigan
Commission Expires: May 29, 2021

Prepared by:
Tracy Hayley (R-6928)
City Assessor
305 S. Main St Ste 100
Chelsea, MI 48118
(734 475 1771 x 213)

ATTACHMENT B

MEETING MINUTES AND RESOLUTIONS

ATTACHMENT C

EXECUTED INTERLOCAL AGREEMENT

ATTACHMENT D

EXECUTED REIMBURSEMENT AGREEMENT

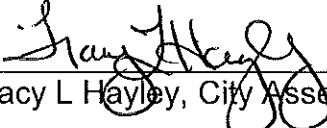
ATTACHMENT E

AFFIDAVIT OF FUNCTIONAL OBSOLESCENCE

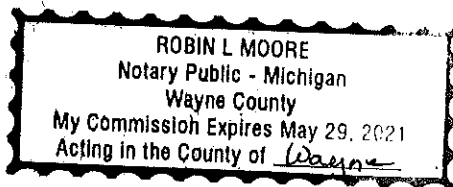
AFFIDAVIT OF CITY OF CHELSEA ASSESSOR

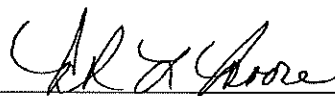
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4. This affidavit is given in accordance with MCL 125.2663(1) (h) and is made to confirm this property qualifies as 'Functionally Obsolete Property' as that term is defined under MCL 125.2652(r). The following facts, without limitation, form the basis for my expert opinion:
5. 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 , changes in technology, deficiencies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.


Tracy L Hayley, City Assessor 6928

Subscribed and sworn to before me by Tracy Hayley on March 17, 2021.




Robin Moore Notary Public
Wayne County, Michigan
Commission Expires: May 29, 2021

Prepared by:
Tracy Hayley (R-6928)
City Assessor
305 S. Main St Ste 100
Chelsea, MI 48118
(734 475 1771 x 213)

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY REIMBURSEMENT AGREEMENT

This Agreement (the “Agreement”) dated 19th day of May, 2021 is entered between the WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY (the “Authority”), an authority established pursuant to Act 381 of 1996, as amended (“Act 381”), whose address is 220 N. Main, P.O. Box 8645, Ann Arbor, Michigan 48107-8645 and Chelsea Rockwell, LLC (the “Developer”), a Michigan Corporation, whose address is 615 South Saginaw, Ste 7004, Flint, MI 48502.

RECITALS

- A. Pursuant to Act 381, as amended, the Authority has prepared a Brownfield Plan for the Eligible Property (the “Property”) described below that was duly approved by the Washtenaw County Board of Commissioners with concurrence from the City of Ann Arbor:
 - a. Located at 301 N. East Street, in the City of Chelsea, Washtenaw County, Michigan
 - b. Tax Identification Number 06-06-12-111-007.
 - c. Legal Description provided in Exhibit B
- B. The Developer plans to redevelop the Property as follows:
 - a. Redevelopment of a 3-story, vacant brick historic building in the Chelsea Clocktower Complex, creating approximately 51 apartments (the “Improvements”).
 - b. This will occur through the Developer incurring costs.
 - c. The Improvements will result in a total private investment of approximately \$9.2 million, and will increase the tax base within the County, and otherwise enhance the economic vitality and quality of life within Washtenaw County.
- C. The Developer will conduct Eligible Activities and incur eligible costs pursuant to the approved Brownfield Plan, Act 381, and according to the terms of this Agreement.
- D. Act 381 permits the capture and use of the real and personal property tax revenues generated from the increase in value of the Eligible Property to pay or reimburse the costs of Eligible Activities.
- E. Act 381 permits the use of Tax Increment Revenue (TIR) to support the payment of interest on unreimbursed Eligible Costs.
- F. The Authority intends to fund the Local Brownfield Revolving Fund (LBRF) during and after the Developer Reimbursement period.

- G. The Authority has incurred and will incur Administrative Costs for its operations and the preparation, approval, and administration of the Brownfield Plan, for which it may seek reimbursement from TIR captured to fund the Administrative Costs.
- H. In accordance with Act 381, the approved Brownfield Plan, and this Agreement, the parties desire to use TIR generated from an increase in the taxable value of the Property resulting from its Improvements to reimburse the Developer for actual expenses incurred for approved Eligible Activities, the Authority for its Administrative Costs, and to fund the LBRF.
- I. The parties are entering into this Agreement to establish the terms, conditions and procedures for the reimbursement from TIR.

TERMS AND CONDITIONS

Pursuant to the Recitals of this Agreement, the parties agree with each other as follows:

1. Definitions All terms included in this agreement are defined through Exhibit A “Definitions”
2. The Brownfield Plan – The Brownfield Plan, which may be amended from time to time, shall be the Plan in effect at the time that Eligible Activities are conducted and Eligible Costs are incurred. To the extent provisions of the Brownfield Plan conflict with this Agreement, the terms and conditions of this Agreement control. To the extent provisions of the Brownfield Plan or this Agreement conflict with Act 381, Act 381 shall control.
3. Term of Agreement – In accordance with the Brownfield Plan, the Authority shall capture the Tax Increment Revenues (TIR) generated by the Improvements on the Property to reimburse for Eligible Costs until the earlier of (i) the date that all the Eligible Costs are fully reimbursed under this Agreement; or (ii) at the end of the 20th tax year, whichever comes first, or as may subsequently be extended by a Brownfield Plan amendment, amendment to this agreement, and amendment to the Interlocal Agreement between the Chelsea DDA and Authority, after the date the Authority begins to capture Tax Increment Revenues under the Brownfield Plan, which is anticipated to be in 2023. If this Agreement ends before the reimbursement of all Eligible Costs, the last payment by the Authority shall be whatever TIR remains from the summer and winter taxes distributed during the final year of the Agreement, after full reimbursement for the State Brownfield Fund, Authority Administrative Expenses, and the LBRF.
4. Eligible Activities – The Eligible Activities shall be as listed in Table 1, Brownfield Eligible Activities, and as described in the Brownfield Plan, and approved Act 381 Work Plan.
5. Developer Reimbursable Eligible Costs – The total of costs eligible for reimbursement, the Total Eligible Costs, and the estimated costs for each type of eligible activity, shall be as listed and described in Table 1, Brownfield Eligible Activities, in the Brownfield Plan. The Total Developer Reimbursable Eligible Costs shall be the maximum amount of reimbursement authorized under this Agreement. The actual cost for one or more types of activity may differ from that described in the Brownfield Plan, as long as the grand total Developer Reimbursable Eligible Costs are not exceeded,

However, the total Reimbursable Eligible Costs individually within each of the Environmental and Non-Environmental categories shall also not be exceeded.

6. Reimbursement Source – During the term of this Agreement, the Authority shall capture, as provided in the Brownfield Plan and allowed by Act 381, those TIR, which are levied from both Local Taxes and Taxes for School Operating Purposes on the Property, and any new personal property. The Authority will use those TIR to reimburse Developer Reimbursable Eligible Costs in accordance with the Brownfield Plan and this Agreement. Local TIR alone shall not be used to reimburse any Eligible Costs unless expressly allowed by the Brownfield Plan.
7. Allocation of Captured Taxes – Captured taxes will be allocated in the following order of priority during each year of the Brownfield Plan:
 - a. Fifty percent (50%) of the taxes levied under the State Education Tax Act in each of the first 25 years of the Brownfield Plan, or as otherwise required by statute, will be paid to the State of Michigan for allocation to the state brownfield redevelopment fund;
 - b. Local Taxes and State School Operating captured taxes in an amount of 10% of total annual captured TIR during and after reimbursement of Developer Reimbursable Eligible Costs, as identified in the Brownfield Plan, and will be allocated for deposit in the LBRF during the nine-year Commercial Rehabilitation Period, and after the Period, allocated for deposit in the LBRF, or reimbursement of Authority Administrative fees, at the sole discretion of the Authority, with any reimbursement of Administrative fees coming from local taxes only;
 - c. The balance of Local Taxes and School Operating captured taxes will be allocated for the reimbursement of actual costs of Eligible Activities incurred by the Developer;
 - d. The Authority will then capture, after Developer has been fully reimbursed all eligible costs or after the capture limit described in Section 3 has been reached, whichever comes first, an amount necessary to result in \$195,000 total capture in LBRF. Should the Authority choose to capture Administrative fees after the Commercial Rehabilitation Tax Abatement Period, the total amount of those fees will correspondingly reduce the \$195,000 total LBRF capture.
8. Eligible Costs Reimbursement – For those Eligible Costs for which Developer seeks reimbursement from the Authority, the Developer shall incur the Eligible Costs and submit documentation to the Authority according to the instructions and guidelines provided in Exhibit E. The parties agree that Developer shall only seek reimbursement for its actual costs to perform the Eligible Activities, in accordance with the Brownfield Plan, and any approved Local Act 381 Work Plan. Eligible Activities, with the exception of environmental assessment, BEA, and Due Care activities, Eligible Activities being submitted for reimbursement shall not have occurred more than 24 months prior to the submittal date.

9. Interest – Interest will be paid at a 4% rate, calculated at the end of every year, as a Simple rate, on the total of any unreimbursed approved Eligible Activities. Any Interest generated will be added to the total Eligible Costs to be reimbursed.

10. Payments – Payments to Developer shall be made as follows:

- a. Within 90 days of its receipt of the documentation described in paragraph 8 above, the Authority, in its sole discretion, shall either approve Eligible Costs for payment or request additional information. If the Authority determines all or a portion of the requested payment is for Approved Eligible Costs, it shall process that the portion of the payment request as provided in subparagraph (b) below. If the Authority determines that insufficient information has been provided, disputes any portion of any payment request or disputes the eligibility of any costs of any payment request, it shall notify Developer in writing of its determination and the reasons for its determination. Developer shall have 28 days to address the reasons given by the Authority and shall have an opportunity to meet with the Authority's representatives or, if the Authority Board consents, to formally meet with the Authority and be placed on a meeting agenda to discuss and resolve any remaining dispute. In doing so, Developer shall provide the Authority a written response to the Authority's decision and the reasons given by the Authority. If the parties do not resolve the dispute in such a manner, it shall be resolved as provided in Paragraph 11 below.
- b. Once the Authority determines that Eligible Costs are Approved Eligible Costs, it shall pay to Developer the amounts for which submissions have been made pursuant to paragraph 7 of this Agreement within 60 days after the Authority receives TIR from which the Approved Eligible Costs may be wholly or partially paid. The Authority shall only be obligated to reimburse Developer to the extent TIR is available to reimburse such costs.
- c. The repayment obligation under this Agreement shall expire at the earliest of the following:
 - i) payment by the Authority to Developer of all amounts due Developer under this Agreement; ii) expiration of the reimbursement period as defined in the Brownfield Plan; or iii) expiration of the reimbursement period as defined in Act 381; or iv) 20 years, whichever comes first.
- d. The amount to be reimbursed under this Agreement shall not exceed the following:
 - i. The maximum amount of Developer Reimbursable eligible costs in the approved Brownfield Plan and as further determined by any approved Act 381 Work Plan;
 - ii. The maximum amount of Approved Eligible Costs as determined by this Agreement.
- e. The Authority may not make TIR reimbursements while Real Property Taxes are delinquent on the Property.
- f. If the property owner has filed an appeal of property assessment and/or the outcome of such an appeal is still pending, the Authority, at its sole discretion, may withhold

reimbursement of Developer Reimbursable eligible costs, until such appeal is resolved. The purpose of any delay is to prevent overpayment and the need to “claw-back” funds reimbursed due to lowered Taxable Values.

11. Dispute As to Eligible Costs – If there is a dispute over whether a cost submitted by Developer is an Eligible Cost the dispute shall be resolved by an independent knowledgeable professional chosen by mutual agreement of the parties. If the parties are unable to agree upon a knowledgeable professional, then the County and Authority shall together choose an independent knowledgeable professional and Developer shall choose an independent knowledgeable professional to review the Authority’s decision. If the two knowledgeable professionals so selected agree that costs submitted are eligible, the Developer shall be reimbursed those costs in accordance with this Agreement. If the two professionals so selected cannot agree that costs submitted are eligible, the two selected professionals shall appoint a third knowledgeable professional who shall make a final determination and Developer shall then be reimbursed those costs in accordance with this Agreement to the extent determined by the third knowledgeable professional. All fees and costs incurred by any party with respect to this paragraph, shall be the sole responsibility of the Developer. Failure of the Developer to pay any obligation incurred with respect to this paragraph shall constitute a default of this Agreement pursuant to paragraph 12.
12. Default –Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement by giving written notice to the defaulting party, and the defaulting party shall have 30 days to cure the default. If the default is not cured within this time period, then the non-defaulting party shall have the right to terminate this Agreement, or, at the election of such non-defaulting party, may obtain any form of relief permitted under this Agreement, and any applicable laws and court rules of the State of Michigan, including the right to seek and obtain a decree of specific performance of a court of competent jurisdiction. If the Authority, in its sole discretion, determines that any cure proposed by the Developer may take more than 30 days to complete, the Authority may permit the Developer to complete the cure in a time and manner agreeable to the Authority. Any right or remedy provided by a specific provision of this Agreement shall be deemed cumulative to, and not conditioned on, any other remedies upon default.
13. Local Brownfield Revolving Fund – In accordance with Act 381 and the Brownfield Plan, the Authority will fund the LBRF using a portion of the TIR captured by the Authority during, and after, the period of reimbursement of Developer’s Eligible Costs and accrued interest. The Authority will annually capture and deposit into the LBRF as described in the approved Brownfield Plan and this Agreement.
14. Authority Monitoring -- The Authority may monitor the Project for the purpose of verifying that the activities, invoices and accounting of the Developer are accurate, reasonable and constitute Eligible Activities under this Agreement. The Developer shall provide any authorized representative of the Authority access to or copies of permits, data, reports, testing, or sampling results, invoices or other such documents reasonably necessary for monitoring. The Authority, EGLE or MSF shall also be given access to the property upon reasonable request in order to review any Eligible Activities or

perform any other obligations under this Agreement. Except in the case of an emergency or exigent circumstance, the Authority shall give the Developer at least 24 hours notice of requests under this paragraph. Except for the right to monitor the Developer's compliance with this Agreement, nothing in this Agreement shall be interpreted to give the Authority any right to exercise control over the performance of Eligible Activities or other actions by the Developer.

15. Adjustments – If, due to an appeal of any tax assessment, reassessment of any portion of the Property, abatement of any taxes, or for any other reason, the Authority is required to reimburse any TIR to any tax levying unit, then: i) the Developer shall pay the Authority the full amount required to reimburse such TIR, including interest and penalties, within 30 days of receiving any invoice from the Authority; or ii) the Authority may deduct the amount of any such reimbursement, including interest and penalties, from all subsequent payments due to the Developer until such TIR, including interest and penalties, is fully recovered. If all amounts due the Developer under this Agreement have been fully paid or the Authority is no longer obligated to make any further payments to the Developer, the Authority shall invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within thirty (30) days of the Developer's receipt of the invoice. Amounts invoiced and paid to the Authority by the Developer pursuant to this paragraph shall not reduce Eligible Costs for which the Developer shall have the opportunity to be reimbursed in accordance with the terms, conditions and limitations of this Agreement.
16. Insurance – The Developer shall purchase and maintain insurance coverages as indicated at limits not less than those set forth below. The Developer shall also require each and every contractor(s) and/or subcontractor(s) engaged by the Developer to perform services pursuant to this agreement to purchase and maintain insurance coverages at the limits set forth below. Developer and its contractor(s) and/or subcontractor(s) shall name Washtenaw County and Washtenaw County Brownfield Redevelopment Authority as an additional insureds under all coverages listed below except Worker's Compensation. The Developer shall maintain other insurance as it deems appropriate for its own protection.
 - a. Worker's Disability Compensation and Occupational Disease Insurance including Employers Liability Coverage in accordance with all applicable statutes of the State of Michigan.
 - b. Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and \$2,000,000 aggregate combined single limit. Coverage shall include the following:
 - i. Contractual Liability
 - ii. Products and Completed Operations
 - iii. Independent Contractors Coverage
 - iv. Broad Form General Liability Endorsement or Equivalent

- c. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability of not less than \$1,000,000 per occurrence for Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.
 - d. Environmental Impairment Liability Insurance shall be provided by Developer, Contractors, sub-contractors and site work contractors engaging in environmental and/or demolition activities, covering any sudden and non-sudden pollution or environmental impairment, including cleanup costs and defense, with limits of liability of not less than \$1,000,000 per occurrence.
 - e. All insurance coverages described above shall remain in effect at all times until completion of all eligible activities. The Developer shall deliver copies of certificates of insurance for each of the policies mentioned above to the Authority. If so requested, certified copies of all policies will be provided. It is understood and agreed that thirty (30) days advanced written notice of cancellation, non-renewal, reduction and/or material change in any coverage shall be sent to the Authority.
17. Indemnification – The Developer shall indemnify, defend, and hold harmless, the Authority, Washtenaw County, and their officers, board members, commissioners, employees and agents from all claims, damages, lawsuits, costs and expenses, including reasonable attorney fees, incurred as a result of any acts, omissions, negligence, or gross negligence of the Developer or its employees, agents, consultants, contractors or subcontractors related to the Project or its performance under this Agreement. This indemnification includes any damages, costs, and expenses in excess of those covered by any insurance of the Developer. The Developer shall indemnify the Authority, Washtenaw County, and any of the listed entities officers, board members, commissioners, employees and agents from all reasonable costs and expenses, including reasonable attorney fees, incurred in the enforcement of any obligation or claim against the Developer under this Agreement. These indemnification provisions will survive the termination of this Agreement. By entering this Agreement, neither party waives any immunities provided under state or federal law.
18. Freedom of Information Act – Developer understands that all communications, information, and/or documentation submitted by Developer may be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, being Sections 15.23 to 15.24 of the Michigan Compiled Laws and no claim of trade secrets or any other privilege or exception to the Freedom of Information Act will be claimed by Petitioners as it relates to this Agreement, Petitions for Reimbursement and supporting documentation.
19. Notices – All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Either party may change the address by written notice sent by registered or certified mail to the other party.
20. Assignment – The interest of any party under this Agreement shall not be assignable without the other parties' written consent, which shall not be unreasonable withheld, except for an assignment

by the Developer for the purposes of securing financing for the Project, which shall require notice but not the prior consent of the other parties.

21. 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.
22. Non-Waiver – No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.
23. Headings – Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
24. Governing Law – This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.
25. Compliance with Applicable Law – Developer agrees to comply all applicable federal, state, and local laws, statutes, rules, regulations, ordinances, and other legal obligations of a similar effect.
26. Counterparts – This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
27. No Third Party Beneficiaries – This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise in the Consultant, Contractors, Subcontractors, or any third parties. This Agreement shall not be construed to create any third party beneficiary contract or claim, and the parties intend there to be no third party beneficiaries.
28. Binding Effect – The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, legal representatives, successors, and assigns.
29. The Authority's reimbursement obligations under this Agreement are contingent on the requirement that there shall be no action, suit, proceeding or investigation pending before any court, public board or body to which the Developer, the County, the City, or the Authority is a party, or threatened against the Developer, the County, City, or the Authority contesting the validity or binding effect of this Agreement or the validity of the Plan or which could result in an adverse decision which would have one or more of the following effects:
 - a. A material adverse effect upon the ability of the Authority to collect and use Tax Increments to pay the obligations;
 - b. A material adverse effect upon the ability of the Developer to conduct Eligible Activities;
 - c. Any other material adverse effect on the Developer's or the Authority's ability to comply with the obligations and terms of this Agreement, or the Brownfield or Work Plan.

30. Annual Reporting – The Developer shall report annually, by June 1, the following information to the Authority for the previous calendar year, as applicable:

- a. Number of residential units constructed or rehabilitated;
- b. Square feet of new or rehabilitated residential, retail, commercial, or industrial space
- c. Number of new jobs created;
- d. For projects actively capturing TIR, amount of actual capital investment;
- e. Any additional information deemed necessary by the Authority.

The parties have executed this Agreement on the dates set forth below.

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

BY: _____
Trevor Woollatt, Chairman

Date: _____

Attested to:

By: _____
Lawrence Kestenbaum, County Clerk/Register

Date: _____

Approved As to Form:

By: _____
Michelle Billard, Corporation Counsel

DEVELOPER

BY: _____

PRINT NAME: _____

ITS: _____

Date: _____

Exhibits

Exhibit A – Definitions

Exhibit B – Legal Description

Exhibit C – Brownfield Plan

Exhibit D – Approved Act 381 Work Plan(s)

Exhibit E – Eligible Costs Reimbursement Procedures

EXHIBIT A - Definitions

- b. "Administrative Costs," as defined in Section 13b, Sub-Section 7 (a) (i, ii, and iii).
- c. "Baseline Environmental Assessment " is defined by Section 2(b) of Act 381;
- d. "Brownfield Plan" is defined by Section 2(e) of Act 381 and is incorporated by reference in Exhibit C;
- e. "Approved Eligible Costs" – Those Eligible Costs which have been submitted, reviewed, and approved by the Authority.
- f. "Department specific activities" are defined by Section 2 (l) of Act 381
- g. "Due Care Activities" are defined by Section 2 (m) of Act 381;
- h. "Eligible Activities" are defined by Section 2(o) of Act 381;
- i. "Eligible Costs" are those being submitted to the Authority for Certification.
- i. "Eligible Property" is defined by Section 2(p) of Act 381;
- j. "Event of Default" means the failure of performance or breach by a party to carry out any of its obligations or comply with any of its warranties, representations, or conditions under this Agreement or, with respect to a party, if any representation, omission, or warranty of such party was false when made.
- k. "Local Brownfield Revolving Fund", "LBRF" pursuant to Section 8 of Act 381.
- l. "Local Taxes" are defined by Section 2(ff) of Act 381;
- m. "Tax Increment Revenues" (TIR) are defined by Section 2(ss) of Act 381;
- n. "Taxes Levied for School Operating Purposes" is defined by Section 2(uu) of Act 381;
- o. "Work Plan" is defined by Section 2(zz) of Act 381.

EXHIBIT B – Legal Description

M.D. L4339 P352 11/21/2003 UNIT 7 CHELSEA CLOCK TOWER SPLIT ON
11/24/2003 FROM ROCKWELL BUILDING
CITY OF CHELSEA, COUNTY OF WASHTENAW, MI
Parcel ID Number: 06-06-12-111-007

EXHIBIT C – Brownfield Plan

EXHIBIT D – Approved Act 381 Work Plan(s)

EXHIBIT E – Eligible Costs Reimbursement Procedures

Reimbursement of Eligible Costs Certification

- a. For those Eligible Costs for which Developer seeks reimbursement from the Authority, Developer shall submit to the Authority any of the following as may be required by Authority representatives:
 - i. A written statement detailing the costs.
 - ii. A written explanation as to why reimbursement is appropriate under the Brownfield Plan and this Agreement.
 - iii. Copies of invoices from the consultants, contractors, subcontractors, engineers, attorneys or others who provided such services. To verify quantities for unit price billings such invoices shall include sufficient backup information, including but not limited to, labor hours per person per billing period for professional services, detailed invoices from subcontractors and subconsultants, manifests and/or weigh tickets for disposed materials, and days used and rates for equipment and materials charges. All Eligible Costs for which certification is being sought must have occurred within 24 months prior to the date submitted.
 - iv. Copies of waivers of liens by the contractors, subcontractors, and materials suppliers, or cancelled checks demonstrating payment.
 - v. If not already submitted, copies of the contract with the contractor or supplier providing the services or supplies, for which reimbursement is sought.
 - vi. A statement from the engineer and project manager overseeing the work recommending payment.
 - vii. Any other information which may be required by state authorities or reasonably required by the Authority.



May 28, 2021

Nathan Voght
Washtenaw County Brownfield Redevelopment Authority (WCBRA)
415 W. Michigan Ave., 2nd Floor
Ypsilanti, MI 48197

Dear Mr. Voght and WCBRA Members:

Avalon Housing is pleased to submit this request for an Environmental Assessment Grant for our proposed development at 206-210 N. Washington St. in Ypsilanti. Avalon was chosen by the City of Ypsilanti through an RFP process to develop this blighted site for affordable housing. We are in the first weeks of our due diligence period and appreciate the opportunity to request funding support from the WCBRA.

In the attached application, we identify the following costs that we hope your grant can cover:

- \$12,500 for Phase I, BEA, DCP and Hazardous Material Survey
- If needed, Phase II investigation costs based on the above results, typically costing \$5,000 - \$10,000
- Up to \$9,856 to address safe access conditions to permit environmental assessment on site

We have attached proposals for both the Environmental work and safe access work.

Thank you again for your consideration. We are excited to move forward this project that remediates a blighted site, increases residential options near downtown Ypsilanti and provides affordable housing.

Please contact me with any questions.

Michael Appel

Michael Appel
Senior Developer



WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

Environmental Assessment Grant Program APPLICATION FORM

The WCBRA Environmental Assessment Grant Program provides grants for conducting Department Specific Activities, as defined by Act 381, by, or on behalf of, the Brownfield Authority on prospective eligible properties to be included in a Brownfield Plan. These include, but are not limited to, Phase I and II studies, as part of Baseline Environmental Assessments, Due Care Activities and Hazardous Materials Surveys.

The program is funded using available Brownfield Administrative Funds from active brownfield projects. Municipal and Non-Profit sites are eligible for 100% of the cost of eligible assessment activities, up to \$15,000, and privately-owned sites are eligible for 50% of the cost, up to \$15,000. Higher awards may be given on a case-by-case basis.

Type of Application

☒ Publicly-Owned or Non-Profit-Owned Property

☐ Privately-Owned Property

☐ Site is located within a Low or Very Low Opportunity Area, within the [Washtenaw County Opportunity Index](#)

Owner Information

Property Owner: City of Ypsilanti Contact: Joe Meyers

Property Address: 206-210 N. Washington St., Ypsilanti, MI 48197 Phone No.: 231-350-2547

Property Tax ID #: 11-40-411-003

Applicant Information

Applicant Name: Avalon Nonprofit Housing Corporation Phone No.: 734-260-0331

Address: 1327 Jones Dr, Suite 102, Ann Arbor, MI 48105

Developer (Entity) Name (if different than applicant): TBD

Project Information

Project Name: 206-210 N. Washington St.

Project Description: The project involves the renovation of a 3-story, vacant, blighted, burned-out residential building into an affordable, rental housing development of up to 20 units. Includes the



possible addition of a second story on the southern extension of the building and the preservation of two out-buildings that are recognized as contributing to the historic district.

Please provide a Site Map, Aerial, and/or Site Plan for the redevelopment.

Property Information

Previous Owners: Per City website: Beal Properties LLC, Historic Ypsilanti Properties LLC, Charles Soule, James & Lisa Woo

Historic Property Uses: Residential

Property Acreage: .45

Zoning: Core Neighborhood

Surrounding Land Use: Residential, mechanics shop

Proposed Environmental Activities:

	Estimated Cost
■ Phase I	\$2,000 (Phase I) + \$1,200 (MSHDA Noise) = \$3,200
■ Phase II	TBD (\$5,000 - \$10,000)
■ BEA Report	\$1,900
■ Due Care Plan	\$1,800
■ Hazardous Material Survey	\$2,800 (ACM) + \$2,800 (LBP) = \$5,600

- Address safe access conditions up to \$9,856

Please attach a price quote from a qualified environmental firm.

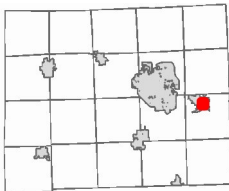
Please describe Previous Environmental Assessments Completed: None known

Please describe environmental conditions: Building damaged by fire. Main structure largely gutted to studs. Safe access requires \$9,856 in shoring up, also requested in this grant application as noted above.

Please provide cloud links to any relevant environmental reports.

Please return the completed form and attachments to:

Nathan Voght
Economic Development Specialist
Washtenaw County Office of Community and Economic Development
415 W. Michigan Ave.
Ypsilanti, MI 48197
734-660-1061
voghtn@washtenaw.org



1: 4,800

5/28/2021

THIS MAP REPRESENTS PARCELS AT THE TIME OF PRINTING. THE OFFICIAL PARCEL TAX MAPS ARE MAINTAINED SOLELY BY THE WASHTENAW COUNTY EQUALIZATION DEPARTMENT AND CAN BE OBTAINED BY CONTACTING THAT OFFICE AT 734-222-6662.



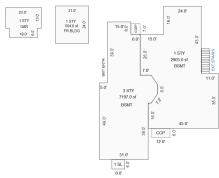
NOTE: Parcels may not be to scale.

The information contained in this cadastral map is used to locate, identify and inventory parcels of land in Washtenaw County for appraisal and taxing purposes only and is not to be construed as a "survey description". The information is provided with the understanding that the conclusions drawn from such information are solely the responsibility of the user. Any assumption of legal status of this data is hereby disclaimed.



206 N WASHINGTON Lot REG 10/14, Block Ward 3 YPSILANTI, MI 48197 (Property Address)

Parcel Number: 11-11-40-411-003



Item 2 of 2

[1 Image / 1 Sketch](#)**Property Owner: CITY OF YPSILANTI****Summary Information**

- > Commercial/Industrial Building Summary
 - Yr Built: 1941
 - # of Buildings: 5
 - Total Sq.Ft.: 11,059
- > Assessed Value: \$0 | Taxable Value: \$0
- > 47 Building Department records found
- > Property Tax information found

Owner and Taxpayer Information

Owner	CITY OF YPSILANTI 1 SOUTH HURON ST YPSILANTI, MI 48197	Taxpayer	SEE OWNER INFORMATION
--------------	--	-----------------	-----------------------

General Information for Tax Year 2021

Property Class	COMMERCIAL-IMPROVED	Unit	11 CITY OF YPSILANTI
School District	YPSILANTI SCHOOL DISTRICT	Assessed Value	\$0
MAP #	K-2 9-2 (B)	Taxable Value	\$0
INDEX #	0	State Equalized Value	\$0
ALPHA #1	No Data to Display	Date of Last Name Change	09/13/2019
ALPHA #3	No Data to Display	Notes	Not Available
Historical District	Yes	Census Block Group	No Data to Display
ALPHA #2	No Data to Display	Exemption	No Data to Display

Principal Residence Exemption Information**Homestead Date** No Data to Display

Principal Residence Exemption	June 1st	Final
2021	0.0000 %	0.0000 %

Previous Year Information

Year	MBOR Assessed	Final SEV	Final Taxable
2020	\$0	\$0	\$0
2019	\$132,900	\$132,900	\$132,900
2018	\$132,500	\$132,500	\$132,500

Land Information

Zoning Code	Split	Total Acres	0.450
Land Value	\$0	Land Improvements	\$4,250
Renaissance Zone	No	Renaissance Zone Expiration Date	No Data to Display
ECF Neighborhood	61. APARTMENTS	Mortgage Code	No Data to Display
Lot Dimensions/Comments	AVERAGE LOT SIZE IS	Neighborhood Enterprise Zone	No

Lot(s)	Frontage	Depth
Lot 1	82.50 ft	66.00 ft
Lot 2	66.00 ft	16.50 ft
Lot 3	88.00 ft	148.50 ft
Total Frontage: 236.50 ft		Average Depth: 77.00 ft

Legal Description

*OLD SID - 11 11-441-334-00 YP CITY 44W-24 S 22' OF LOT 331 & ALL OF LOT 334 & N 1/2 OF W 1/4 OF LOT 335 & VAC ALLEY ADJ TO REAR OF LOT 334 NORRIS & CROSS ADDITION. 206-210 N WASHINGTON

Land Division Act Information

Date of Last Split/Combine	<i>No Data to Display</i>	Number of Splits Left	<i>Not Available</i>
Date Form Filed	<i>No Data to Display</i>	Unallocated Div.s of Parent	<i>Not Available</i>
Date Created	<i>No Data to Display</i>	Unallocated Div.s Transferred	<i>Not Available</i>
Acreage of Parent	0.00	Rights Were Transferred	Yes
Split Number	0	Courtesy Split	No
Parent Parcel	<i>No Data to Display</i>		

Sale History

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms of Sale	Liber/Page	Comments
08/23/2019	\$101,977.00	PTA	WASHTENAW COUNTY TREASURER	CITY OF YPSILANTI	10-FORECLOSURE		
10/15/2014	\$595,000.00	WD	BEAL PROPERTIES, LLC	BALMORAL HOLDINGS LLC	03-ARM'S LENGTH		
04/15/2009	\$450,000.00	LC	HISTORIC YPSILANTI PROPERTIES, LLC	BEAL PROPERTIES, LLC	16-LC PAYOFF	4733/585	
01/10/2000	\$515,000.00	WD	SOULE CHARLES	HISTORIC YPSILANTI PROPERTIES	16-LC PAYOFF	3925/0812	ALSO 4228-238
07/28/1998	\$484,753.00	WD	WOO JAMES & LISA	SOULE CHARLES	16-LC PAYOFF	4228-237	
10/28/1997	\$485,000.00	WD	SOULE CHARLES	WOO JAMES & LISA	03-ARM'S LENGTH		OUTSTATE BUYER
07/29/1983	\$100,000.00	WD		SOULE CHUCK	16-LC PAYOFF		

Building Information - 7197 sq ft Apartment (Commercial)

Floor Area	7,197 sq ft	Estimated TCV	\$98,760
Occupancy	Apartment	Class	D,Frame
Stories Above Ground	3	Average Story Height	8 ft
Basement Wall Height	8 ft	Identical Units	1
Year Built	1941	Year Remodeled	1953
Percent Complete	50%	Heat	Zoned A.C. Warm & Cooled Air
Physical Percent Good	40%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	46 yrs

Building Information - 2903 sq ft Apartment (Commercial)

Floor Area	2,903 sq ft	Estimated TCV	\$46,574
Occupancy	Apartment	Class	D,Frame
Stories Above Ground	1	Average Story Height	8 ft
Basement Wall Height	8 ft	Identical Units	1
Year Built	<i>No Data to Display</i>	Year Remodeled	<i>No Data to Display</i>
Percent Complete	50%	Heat	Zoned A.C. Warm & Cooled Air
Physical Percent Good	35%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	46 yrs

Building Information - 504 sq ft Garages - Storage (Commercial)

Floor Area	504 sq ft	Estimated TCV	\$7,078
Occupancy	Garages - Storage	Class	C
Stories Above Ground	0	Average Story Height	10 ft
Basement Wall Height	0 ft	Identical Units	1
Year Built	<i>No Data to Display</i>	Year Remodeled	<i>No Data to Display</i>
Percent Complete	100%	Heat	No Heating or Cooling
Physical Percent Good	35%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	46 yrs

Building Information - 407 sq ft Garages - Storage (Commercial)

Floor Area	407 sq ft	Estimated TCV	\$5,716
Occupancy	Garages - Storage	Class	C
Stories Above Ground	0	Average Story Height	10 ft
Basement Wall Height	0 ft	Identical Units	1
Year Built	<i>No Data to Display</i>	Year Remodeled	<i>No Data to Display</i>
Percent Complete	100%	Heat	No Heating or Cooling
Physical Percent Good	35%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	46 yrs

Building Information - 48 sq ft Apartment (Commercial)

Floor Area	48 sq ft	Estimated TCV	\$932
Occupancy	Apartment	Class	C
Stories Above Ground	1	Average Story Height	8 ft
Basement Wall Height	0 ft	Identical Units	1
Year Built	<i>No Data to Display</i>	Year Remodeled	<i>No Data to Display</i>
Percent Complete	100%	Heat	Zoned A.C. Warm & Cooled Air
Physical Percent Good	35%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	46 yrs

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1 of 1

Image/Sketch for Parcel: 11-11-40-411-003

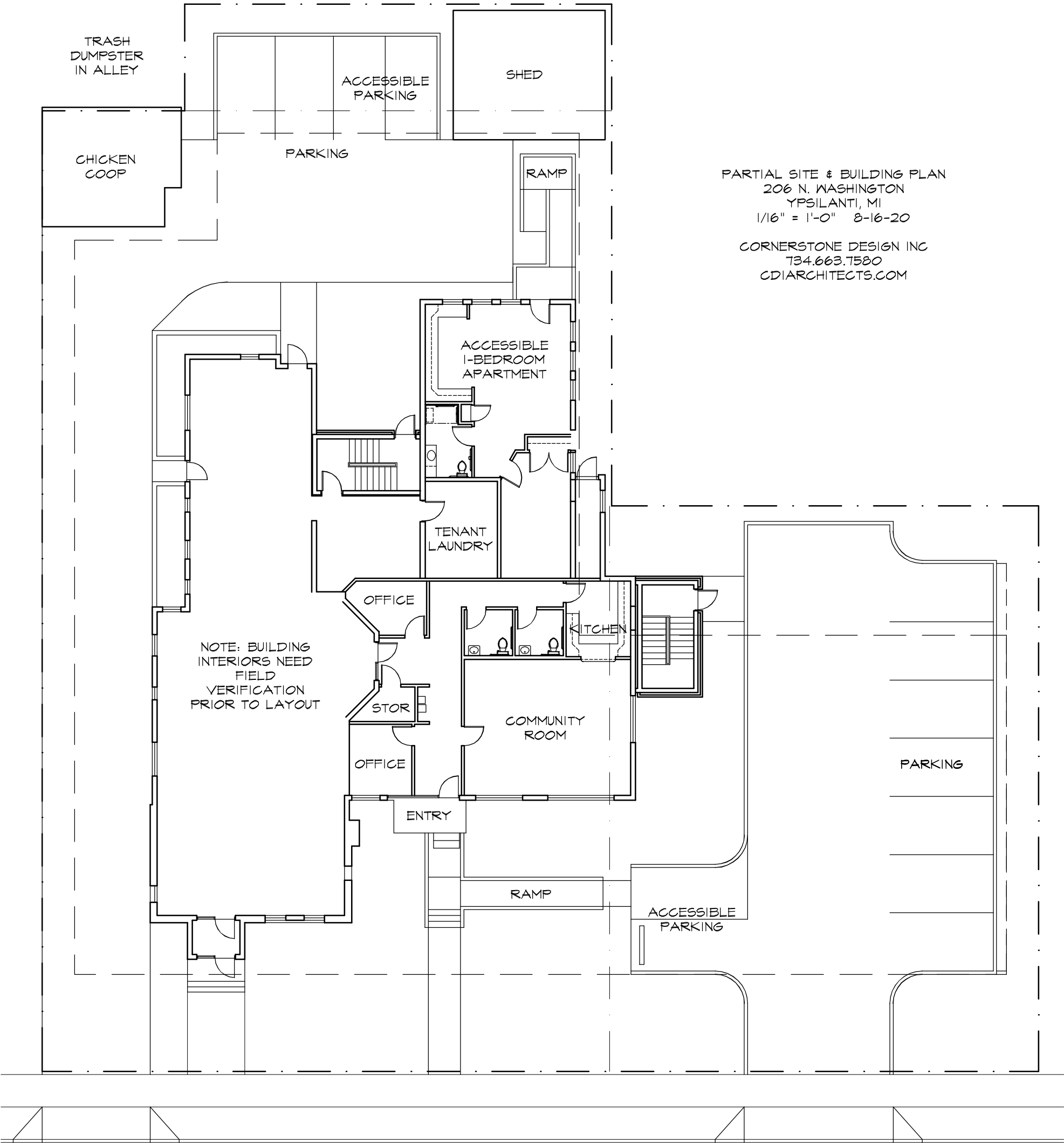


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Concept Plans or Renderings





PARTIAL SITE & BUILDING PLAN
206 N. WASHINGTON
YPSILANTI, MI
1/16" = 1'-0" 8-16-20
CORNERSTONE DESIGN INC
734.663.7580
CDIARCHITECTS.COM

Mailing Address:
P.O. Box 2160
Brighton, MI 48116-2160800 395-ASTI
Fax: 810.225.3800www.asti-env.com**Sent Via Email Only**

May 27, 2021

Ms. Brandyn Walker
Avalon Housing
1327 Jones Drive
Suite 102
Ann Arbor, MI 48105

*RE: Environmental Services, 210 N. Washington St., Ypsilanti, MI (ASTI
Proposal #DAA052521-1)*

Dear Ms. Walker:

Thank you for your interest in the environmental services offered by ASTI Environmental (ASTI). Based on the information provided, this letter is a cost quotation to conduct environmental due diligence services for the above referenced property (the "Subject Property"). It is our understanding that the Subject Property is a single parcel that contains three buildings including a 14-unit apartment building. The property has recent fire damage and follow-up preliminary removal of damaged building materials. It is also our understanding that the intended future use is residential, and that the Phase I Environmental Site Assessment (ESA) may be used for a submittal to the Michigan State Housing and Development Authority (MSHDA) (LIHTC, GAP, or Home Funds) funding or US Department of Housing and Urban Development (HUD) for financing and to satisfy one of the requirements to qualify for Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) landowner liability protections.

ASTI Experience

To date, ASTI has completed over 1,000 projects where MSHDA funding is involved and hundreds more for other financial institutions and federal programs. Furthermore, ASTI has completed projects of varying magnitudes, including those

with budgets up to \$1,200,000 and durations of over five years. ASTI's skill set to address the environmental requirements for MSHDA and other institutions include, but are not limited to: Phase I ESAs, Phase II ESAs, Baseline Environmental Assessments (BEAs), Due Care Plans, Asbestos-Containing Materials (ACM) Inspections, Lead-based Paint (LBP) Inspections / Risk Assessments, Radon Testing, Noise Assessments, Part 50 and 58 NEPA Studies (EA & ERR), Vapor Intrusion Assessments, and Vapor Mitigation System Design.

In addition, ASTI has successfully completed hundreds of Brownfield projects with incentives ranging from \$100,000 to over \$91,000,000. To obtain incentives, ASTI typically completes a variety of tasks. Each task is based on the successful approval of preceding tasks and is customized for each development project

Scope of Services

Based on our understanding of your project and the preliminary stage of the planning, we have provided the following scope of work to address some of the environmental needs for the development of this property

Phase I ESA

ASTI will complete a Phase I ESA at the Subject Property according to the *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* issued by the American Society for Testing and Materials - E 1527-13, All Appropriate Inquiry, MSHDA Environmental Review Requirements for 2021. and in accordance with the March 2021 HUD Multifamily Accelerated Processing (MAP) Guide, Chapter 9.

Chain of title is not typically consulted by ASTI unless all other standard and historical sources cannot adequately document Subject Property usage or if required by a lender. A chain of title can be ordered below or through the Change Order process.

Per *ASTM E1527-13, Section 6, User Responsibilities*, a search for environmental liens is required by the User through a search of title documents or other judicial records. If the required search for liens cannot be achieved through User-provided documentation, ASTI can obtain the liens search. Additional fees may apply which can be authorized through the Change Order process. Michigan participates in the Superfund Super Lien program, which is accepted by many lenders and institutions as meeting the Section 6 requirement.

Please note that due to changes in the FOIA policies of EGLE, the Phase I cost may not include all FOIA charges. These charges are set by EGLE and other government agencies and are, in part, based on the number of pages copied. Therefore, they can vary widely, and we cannot provide a quote at this time. If FOIA costs are more than \$20, you will be charged for these costs as indicated below. Please authorize these charges in the space provided below.

Any document review outside of the records review noted above, as well as any meetings and consultations, or report revisions by third parties will be billed when requested on a time and materials basis at a Project Manager rate of \$190/hr.

Phase I Report

At the completion of the assessment, one electronic copy of the final report will be provided. The Phase I ESA findings will generally follow the ASTM format unless otherwise requested by the client or as outlined in any applicable lender requirements. The report will include an outline of the work completed during the investigation, a discussion of the items identified during the investigation, the results of the investigation, and appended copies of all supporting materials. Evaluations of business risk, recommendations for Phase II ESA testing, identification of suspected asbestos containing building materials, or remediation are not provided within the final report, but can be detailed in the cover letter at your request.

If you require a paper copy of the report, this must be identified before delivery of the above referenced report. After that time, additional paper copies of the report can be provided at a cost of \$100 per copy. Meetings or additional copies of the report are not included in the project costs below, but can be provided on request.

Phase I Schedule

The final report will be provided 20 business days after project award and authorization to proceed, assuming the materials requested below are available. Please note that the Phase I must be completed prior to purchase or occupancy of the Subject Property.

Please note that there is uncertainty about file reviews at government agencies due to COVID-19 restrictions. We will keep you informed of any delays associated with both municipal and state office visits.

- *Potentially delayed FOIA requests that are not critical to the Phase I Environmental Site Assessment (ESA) conclusions will be defined as "data gaps" in the final report.*

Phase II Sampling (if necessary)

Based on the findings of the Phase I ESA, ASTI will prepare a proposal to address the recognized environmental conditions (RECs), if identified during completion of the Phase I ESA. A cost for this project cannot be calculated given that it is not known whether there are any RECs to warrant a Phase II investigation. However, many Phase II ESAs can anticipate costs ranging from \$5,000-\$10,000.

Baseline Environmental Assessment (if necessary)

If contamination is identified at the Subject Property above the EGLE GRCC, the property would then be considered a "facility" as defined by Part 201 of Act 451. A Baseline Environmental Assessment (BEA) can be completed for the purchaser in order to provide statutory liability protection under state regulations. The BEA will describe the Limited Phase II ESA results. Per EGLE requirements, this report must be completed prior to or within 45 days after purchase or occupancy and must be submitted to EGLE within 6 months from purchase or occupancy.

BEA Report

One electronic copy of the BEA would be issued. An additional paper copy will be prepared for submittal to EGLE.

If you require a paper copy of the report, we must be notified before delivery of the report. After that time, additional paper copies of the report can be provided at a cost of \$80 per copy. Meetings or additional copies of the report are not included in the project costs below; but can be provided on request.

BEA Schedule

The BEA can be completed within 10 business days after completion of the Limited Phase II ESA report described above.

Due Care Plan (if necessary)

Purchasers of a facility that follow the procedures of Part 201, and have not caused the impact, are not liable for any historic contamination identified. However, in accordance with Part 201, a person who owns a property and has knowledge that it is a facility shall maintain documentation of compliance with section 20107a and shall provide the documentation to the department upon request. This documentation of compliance is typically prepared as a written Due Care Plan (DCP) and must comply with the following due care obligations:

- Undertake measures as necessary to prevent exacerbation of the existing contamination.
- Exercise due care by undertaking response activities necessary to mitigate unacceptable exposure to hazardous substances and to allow for the intended use of the facility in a manner that protects the public health and safety.
- Take reasonable precautions against the foreseeable acts or omissions of a third party and the resultant consequences of those acts or omissions.
- Provide reasonable cooperation/access to persons conducting cleanup
- Comply with established land use or resource use restrictions
- Refrain from interfering with restrictions or response activities

ASTI will prepare a DCP, to describe measures that will be taken to avoid

exacerbating contamination, prevent or mitigate exposures to contamination, and to guard against acts or omissions of a third party. This proposal assumes that the DCP will not be provided to the EGLE for review and approval. If EGLE review and approval is required, or a regulatory agency "No Further Action Letter" is required, additional costs will apply. Completion of the DCP may also require additional sampling not included in this proposal to determine risk or if response activities are needed. The DCP does not include any design of any mitigation system/action or meetings with the regulatory authority.

DCP Report

One electronic copy of the DCP will be provided within the cost of this project. If you require a paper copy of the report, we must be notified before delivery of the report. After that time, additional paper copies of the report can be provided at a cost of \$80 per copy. Meetings or additional copies of the report are not included in the project costs below; but can be provided on request.

DCP Schedule

The DCP can be completed approximately 10 business days after completion of the BEA unless additional assessment is needed for evaluation of risk. ASTI will need to be provided information on the final site plan and intended use of the Property for completion of the DCP.

Lead-Based Paint (LBP) Inspection & Risk Assessment

ASTI will inspect all units and areas of the site buildings in accordance with HUD guidelines. The LBP inspection will be completed using an XRF instrument on exposed painted surfaces. Based on the age of the presumed pre-1960 age of the building, a LBP Risk Assessment may be required. If required, the LBP Risk Assessment will be based on the collection and analysis of up to 30 dust wipes and two soil samples (weather permitting).

This proposal includes a fee for an LBP O&M Plan, but does not include acquisition of abatements estimates, preparation of removal specifications, preparation of site drawings, assessment of removal contractors, or site meetings with potential contractors. These services can be provided on request.

LBP Inspection and Risk Assessment Report

At the completion of the assessment, one electronic copy of the final report will be provided. The report will include an outline of the work completed during the investigation, a discussion of the items identified during the investigation, the results of the investigation, and appended copies of all supporting materials.

If you require a paper copy of the report, we must be notified before delivery of the above referenced report. After that time, additional paper copies of the report can be provided at a cost of \$100 per copy. Meetings or additional copies of the report are not included in the project costs below but can be provided on request.

LBP Inspection & Risk Assessment Schedule

The LBP Inspection and Risk Assessment can be completed in within 20 business after project award and authorization to proceed, assuming the materials requested below are available.

Asbestos-Containing Materials (ACM) Inspection

To complete the asbestos inspection, ASTI will visually evaluate all accessible portions of the building to identify the presence and condition of any potential asbestos-containing materials (ACMs). The purpose of this survey is to locate and evaluate the condition and quantity of any suspect ACMs present in the buildings. A pre-renovation survey entails surveying ALL areas of the buildings, including interior and exterior building materials, to evaluate reasonably accessible areas of the building. Once completed with the visual evaluation, ASTI personnel will collect samples in accordance with applicable local, state, and federal regulations. Should destructive methods be needed to access areas of the building during survey activities, ASTI will not be responsible for any site restoration activities, including roofing. Samples will be analyzed using US Environmental Protection Agency (EPA) approved methods. This proposal estimates that 50 sample layers will be collected and analyzed in the building. Additional samples tested beyond 50 will be invoiced at the unit rates provided below.

Following collection, the samples will be shipped to a National Voluntary Laboratory Accreditation Program (NVLAP) -accredited laboratory under proper chain-of-custody for analysis. ASTI will submit the suspect ACM samples to an accredited laboratory for analysis via Polarized Light Microscopy (PLM) to determine those materials that contain one percent (1%) or more asbestos by the visual estimation method. This proposal assumes 50 sample layers will be collected and analyzed in the buildings. Additional sample layers tested beyond 50 will be invoiced at the unit rates provided below. Samples found to contain less than five percent (5%) asbestos via the visual estimation method of PLM will be further verified via the Point Count method or the NOB gravimetric method.

ACM Inspection Report

At the completion of the assessment, one electronic copy of the final report will be provided. The report will include an outline of the work completed during the investigation, a discussion of the items identified during the investigation, the results of the investigation, and appended copies of all supporting materials.

If you require a paper copy of the report, we must be notified before delivery of the above referenced report. After that time, additional paper copies of the report can be provided at a cost of \$100 per copy. Meetings or additional copies of the report are not included in the project costs below but can be provided on request.

ACM Inspection Schedule

The ACM Inspection can be completed 15 business days after project award and authorization to proceed, assuming the materials requested below are available.

Radon Testing

Per your request and requirements of HUD and MSHDA, our scope of work for radon testing is presented below. The Subject Property is in Radon Zone 1.

ASTI will complete radon monitoring at the Subject Property in accordance with the HUD Office of Multifamily Development Radon Policy and the following publication.

- Protocol for Conducting Radon and Radon Decay Product Measurements in Multifamily Buildings, AARST, ANSI/MAMF-2017

Testing is required in 100% of the ground-contact units for HUD and 25% of ground contact units for MSHDA, however there does not appear to be any ground contact units on the property. ASTI will test 10% of the residential units of each floor in each building for a total of four units, 10% duplicates (1), and 5% field blanks (1) for a total of six detectors. We will use short-term detectors from AirChek and will deploy the detectors for a period of four days. The monitoring must be conducted under closed-building conditions: all windows to be kept closed, heating and cooling set to normal, and whole house or window fans shall not be operated. Prior notification must be provided to the tenants and all tenants are required to sign a Compliance Statement (provided by ASTI). ASTI radon testers are certified by the National Radon Safety Board (NRSB).

Radon Testing Report

At the completion of the assessment, one electronic copy of the final report will be provided. The report will include an outline of the work completed during the investigation, a discussion of the items identified during the investigation, the results of the investigation, and appended copies of all supporting materials.

If you require a paper copy of the report, we must be notified before delivery of the above referenced report. After that time, additional paper copies of the report can be provided at a cost of \$100 per copy. Meetings or additional copies of the report are not included in the project costs below but can be provided on request.

Radon Testing Schedule

The radon testing can be completed 15 business days after project award and authorization to proceed, assuming the materials requested below are available.

Section 106 Historic Preservation

Based on the proposed renovations, a Section 106 review by the State Historic Preservation Office is likely to be required. New requirements set forth by the State Historic Preservation Office (SHPO) on July 1, 2020, now require that a qualified Architectural Historian and a qualified Archaeologist perform the Section 106 review together. If there will be any ground disturbance ASTI will sub-contract the archaeological research portion of the Section 106 Review. The historic preservation review will include a Section 106 submittal to SHPO for review and approval. Additional assessment requested by SHPO following the initial review (SHPO has 30+/- days once the application is received) for cultural resources or other archeological resources is not included and will need to be addressed through an approved Change Order.

Section 106 Review Report

At the completion of the assessment, one electronic copy of the final report will be provided. The report will include an outline of the work completed during the investigation, a discussion of the items identified during the investigation, the results of the investigation, and appended copies of all supporting materials.

If you require a paper copy of the report, we must be notified before delivery of the above referenced report. After that time, additional paper copies of the report can be provided at a cost of \$100 per copy. Meetings or additional copies of the report are not included in the project costs below but can be provided on request.

Section 106 Review Schedule

The schedule for the Section 106 review can be addressed upon contract award.

Noise Assessment

A HUD noise analysis is included in this proposal due the presence of nearby busy roads (1,000 feet), railroads (3,000 feet), and airports (15 miles). The noise analysis will determine the day-night noise level (DNL) at selection Noise Assessment Location(s) using the HUD DNL Calculator to ascertain if attenuation will be needed.

If a combined DNL is calculated greater than 65 decibels, an evaluation of noise attenuation will likely be required by HUD. If a combined DNL is calculated at or greater than 75.9 decibels, the project will require the approval of the Assistant Secretary for Community Planning and Development and the acceptance of such locations normally requires an Environmental Impact Statement. No additional noise-related services, such as StraCAT calculations or barrier wall design, are included in this proposal. Additional noise services required will need to be addressed through an approved Change Order.

Noise Assessment Report

At the completion of the assessment, one electronic copy of the final report will

be provided. The report will include an outline of the work completed during the investigation, a discussion of the items identified during the investigation, the results of the investigation, and appended copies of all supporting materials.

If you require a paper copy of the report, we must be notified before delivery of the above referenced report. After that time, additional paper copies of the report can be provided at a cost of \$100 per copy. Meetings or additional copies of the report are not included in the project costs below but can be provided on request.

Part 58 – Environmental Review

Based on the potential funding sources and since the project involves significant rehabilitation, an Environmental Assessment is required (24 CFR Part 58.36). If required, ASTI will complete the project in accordance with the Responsible Entity (RE) requirements.

The Environmental Assessment (EA) will be completed in accordance with 24 CFR Part 58 Environmental Review Procedures for Entities Assuming US Department of Housing and Urban Development (HUD) Environmental Responsibilities. The EA includes the following items: project information; discussion of conditions and trends; documentation of compliance with Statutory Checklist items under 24 CFR 58.5; documentation of compliance with items under 24 CFR 58.6; completion of the additional factors and analysis checklist under 24 CFR 58.40, Ref CFR 1508.8, and 1508.27; discussion of alternatives; and a discussion of mitigation measures. The EA will follow MSHDA's or the otherwise appointed RE's recommended report format.

The Statutory Checklist includes a review and discussion of historic preservation, floodplain management, wetland protection, coastal areas, sole source aquifers, endangered species, wild and scenic rivers, air quality, farm protection, environmental justice, noise abatement and control, explosive and flammable operations, toxic chemicals and radioactive materials, and airport clear zones and accident potential.

Confidentiality

The results of this assessment and any material provided by you will be kept confidential and will not be provided to third parties without your prior written authorization.

Fees

Our fees for conducting the services discussed in this proposal are provided below. These fees are based on the tasks, deliverables, and assumptions described in this proposal, and any changes in the tasks, deliverables, or assumptions may result in changes to project costs. These services will be provided on a fixed-fee basis, except for those estimated. Any additional work outside the above scope of services will be performed at our standard fees;



however, any additional work will not be performed without your prior authorization.

<u>Service</u>	<u>Fixed Fee</u>
Phase I ESA	\$ 2,000
Noise Assessment	\$ 1,200
Radon Testing	\$ 1,000
Asbestos-Containing Materials Inspection	\$ 2,800
Lead-Based Paint Inspection/Risk Assessment	\$ 2,800
<u>Additional Services</u>	<u>Fee</u>
Phase II Sampling (if necessary)	\$ TBD
BEA (if necessary)	\$ 1,900
DCP (if necessary)	\$ 1,800
Part 58 Compliance (HEROS)	\$ 2,200
Section 106 Historic Preservation Submittal	\$1,300-1,600
Asbestos Analysis (greater than listed above)	\$9/sample layer
Point Count Analysis	\$20/sample
NOB Analysis	\$30/sample
Additional Radon Test Kits	\$20/test kit
Lead Wipe Samples (greater than listed above)	\$10/sample
Lead Soil Samples (greater than listed above)	\$20/sample

Please initial all that apply:

Additional Items

I agree to additional FOIA charges greater than \$20, if required to complete the Phase I ESA, and to be charged at actual costs plus 15%.

I will provide a copy of current title work for the property prior to completion of the Phase I ESA Report. I acknowledge that if I do not provide a copy of current title work for the Subject Property prior to completion of the Phase I ESA Report, or do not order the title work below, it could result in a finding that the AAI requirement has not been completed.

Agreed

Additional site visits required to access all or part of the existing structures or property that was not accessible during the scheduled site inspections will be charged at \$500 per visit.

This proposal is firm for 90 days from the above date.

This proposal is subject to the terms and conditions contained in Attachment A, which is made part of this agreement. The proposal, terms and conditions, and payment requirements specified in the proposal are applicable to the party that the proposal is addressed to. If a different party will be executing the proposal,



please contact ASTI to determine if a change in the terms and conditions and payment requirements will be required prior to authorization.

Your acceptance of this proposal indicates that the terms, conditions, and provisions of this proposal are understood, including payment to ASTI upon receipt of the invoice. Unless otherwise provided in writing, your acceptance of this proposal indicates that the billing address is the same as listed in the proposal.

Thank you again for your interest in ASTI. If you have any questions or comments, please do not hesitate to call me at **800.395.ASTI**. We greatly appreciate the opportunity to work with you on this project.

Sincerely yours,

ASTI ENVIRONMENTAL

David Amir
Director-Site Redevelopment Services

Signer below indicates that they are an authorized representative of the Company and by signing indicates that they are engaging the above services for the Company.

Client Authorization

ASTI File DAA052521-1

Signature

Print Name

Print Title

Date_____

For: **Avalon Housing**

- | | |
|--|-------------------------------|
| ☐ C Corporation | ☐ PLLC |
| ☐ S Corporation | ☐ LLC |
| ☐ LDHA | ☐ LP |
| ☐ Other: | |

Federal ID Number_____

Phone Number_____

Attachment A

Terms and Conditions

ASTI Environmental shall perform for Avalon Housing the services described in the proposal titled *Environmental Services, 210 N. Washington, Ypsilanti, Michigan*, and dated May 27, 2021 by CONSULTANT (PROPOSAL) which is made a part of this agreement (ASTI File No. DAA052521-1). Such services shall be performed during the period mutually agreed upon by CLIENT and the CONSULTANT, and as described in the PROPOSAL. "CONSULTANT" means the company or its division, subsidiary, subcontractor, or affiliate performing the work. "CLIENT" means the person or entity ordering the work to be done by CONSULTANT. If CLIENT is ordering the work on behalf of another, CLIENT represents and warrants that CLIENT is the authorized agent of the party for the purpose of ordering and directing the work and in such case the term "CLIENT" also includes the principal for whom the work is being performed.

The services will be performed on behalf of and solely for CLIENT'S exclusive use and not for others. The services performed by CONSULTANT shall be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of the consulting profession in the same locale and acting under similar circumstances and conditions. EXCEPT AS SET FORTH HEREIN, CONSULTANT MAKES NO OTHER REPRESENTATION, GUARANTEE, OR WARRANTY, EXPRESSED OR IMPLIED, IN FACT OR BY LAW, WHETHER OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE, CONCERNING ANY OF THE SERVICES WHICH MAY BE FURNISHED BY CONSULTANT TO CLIENT.

Reports, maps, data, or any pertinent information or documents prepared or assembled by CONSULTANT under this Agreement are confidential, and CONSULTANT agrees that they shall not be made available to any individual or organization without prior written approval of CLIENT. CONSULTANT retains the right to destroy all historic project materials according to the time frames established by CONSULTANT in its document destruction policy.

The CLIENT shall grant or obtain a right of entry for CONSULTANT, its agents, staff, consultants, and contractors or subcontractors, for the purpose of performing and with the right to perform all acts, studies, evaluations, pursuant to the agreed services. CONSULTANT personnel will not access those portions of the subject property or adjacent properties where prearranged access has not been granted, or where personnel health and safety issues preclude entry.

CLIENT will provide CONSULTANT all information regarding the subject property that is known to or reasonably ascertainable by CLIENT, which may be necessary for completion of the services to be performed by CONSULTANT. Such information includes all records of any environmental assessment activities undertaken previously at the subject property. If, during the performance of these services, information within the description of the requested information referenced in the attached PROPOSAL becomes available to the CLIENT, the CLIENT shall provide prompt, full and complete disclosure to CONSULTANT of such new information if it could affect CONSULTANT's performance of its services or could pose potential hazardous conditions or risk to the health or safety of CONSULTANT's employees, agents, and subcontractors.

CONSULTANT COMPENSATION

Unless otherwise indicated in the PROPOSAL, billings will be based on actual accrued time, reimbursables, and expenses incurred and will include additional costs for all applicable sales and use taxes. Unless otherwise indicated in the PROPOSAL, progress billings will be provided to the CLIENT at least monthly. For performance of the services described in the PROPOSAL, CLIENT shall pay to CONSULTANT according to the fees provided for in the PROPOSAL, payable upon receipt of invoice. CONSULTANT reserves the right to increase the unit rates included in this Agreement on the anniversary(s) of the effective date of this agreement. CONSULTANT may, after ten (10) days written notice to CLIENT, suspend performance of services until all past due amounts are paid.

Unless otherwise indicated in the PROPOSAL, the following credit terms will apply to the CLIENT: all invoices are net 30 days. An additional 1.5% monthly service charge will be applied to all delinquent accounts. In the event CONSULTANT is required to pursue collection of any amount due from CLIENT in connection with the scope of services contained in this letter, then CLIENT agrees to payment of all reasonable costs and attorney fees incurred in such collection efforts. CLIENT agrees Washtenaw County, Michigan will be proper venue for collection action.

TERMINATION

This Agreement may be terminated by either party, with or without cause, by providing ten (10) days prior written notice to the non-terminating party. In the event of termination, CONSULTANT shall be paid all costs and fees for all work authorized and performed as of the effective date of termination, plus any additional charges agreeable to CLIENT, to cover any final work necessary to bring ongoing work to a logical conclusion.

All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between the CLIENT and CONSULTANT shall survive the completion of services and the termination of this Agreement.

SITE ACTIVITIES

CONSULTANT will take reasonable precautions to minimize damage to the site due to the performance of its operations, but it shall be understood by CLIENT that in the normal course of performing these operations some damage may occur. CLIENT accepts the fact this is inherent to our work and will not hold CONSULTANT liable or responsible for any such effect, damage or alteration. Except as provided in the PROPOSAL, the costs of restoration for any damage resulting from CONSULTANT's operations are not included in the fees for the attached proposal. Upon request, and at CLIENT's sole cost and expense, CONSULTANT will provide additional services to restore the site to conditions reasonably similar to those existing prior to CONSULTANT's operations.

Unless otherwise indicated in the PROPOSAL, all site work is expected to be performed under Level D health and safety conditions. If the work is upgraded to Level C or higher, all pricing will be re-negotiated.

DISCOVERY OF UNANTICIPATED HAZARDOUS MATERIALS OR CONDITIONS

CONSULTANT and the CLIENT agree that the discovery of unanticipated hazardous materials or conditions may make it necessary for CONSULTANT to take immediate measures to protect the health and safety of its employees, agents or subcontractors. CLIENT agrees to pay the reasonable costs of such protective measures as well as any equipment decontamination or other costs incident to the discovery of unanticipated hazardous materials or conditions. CONSULTANT will notify CLIENT of such discovery as soon as practically possible.

LIMITATION OF LIABILITY

Except for circumstances caused by the willful misconduct or gross negligence of CONSULTANT, any and all liability or claim for damages asserted against CONSULTANT by CLIENT, whether based upon contract, tort, breach of warranty, professional negligence, or otherwise, including claims against CONSULTANT's directors, officers, shareholders, employees, and agents, is limited to 50% of CONSULTANT's available insurance coverage, not to exceed \$1,000,000. CONSULTANT is not responsible for any special, incidental, indirect, or consequential damages (including lost profits) incurred by CLIENT as a result of CONSULTANT's performance or nonperformance of services. Any claim shall be deemed waived unless made by CLIENT in writing and received by CONSULTANT within one (1) year after completion of the services with respect to which the claim is made.

CLIENT shall indemnify CONSULTANT from and against claims associated with or arising out of hazardous substances or other environmental conditions at the subject property, except to the extent of any release of a hazardous substance caused by CONSULTANT at the subject property.

LIMITATIONS OF TESTS AND PROCEDURES

Information obtained from inspections, analysis, and testing of sample materials is considered evidence with respect to the detection, quantification, and identification of pollutants, but any inference or conclusion based thereon is an opinion based upon engineering judgment and shall not be construed as a representation of fact. Groundwater levels and composition may vary due to seasonal and climatological changes and extrinsic conditions and pollutants may or may not be found to exist as a specific time of inspection. CLIENT understands that, due to intervening causes such as natural groundwater flows or human intervention, such sampling and analysis may indicate the presence of contamination. There is a risk that sampling techniques may themselves result in contamination of certain subsurface areas such as when a probe or boring device moves through a contaminated area linking it to an aquifer or other medium not previously contaminated and capable of transporting pollutants. BECAUSE SUCH RISKS ARE UNAVOIDABLE AND BECAUSE THE SAMPLING TECHNIQUES TO BE EMPLOYED ARE A NECESSARY ASPECT OF CONSULTANT'S WORK ON CLIENT'S BEHALF, CLIENT AGREES TO ASSUME THESE RISKS, except those caused by CONSULTANT'S gross negligence or willful misconduct.

FORCE MAJEURE

If CONSULTANT is delayed or prevented from completing its work by reason or acts of God, strikes, lockouts, labor troubles, inability to procure labor or materials, fire, accident, riot, civil commotion, laws or regulations of general applicability, acts of CLIENT, or other cause without its fault and beyond its control (financial inability excepted), completion will be excused for the period of delay and the period of completion will be extended for a period equal to the period of such delay. If CONSULTANT is required to delay any part of its work to accommodate the requests or requirements of CLIENT, regulatory agencies, or third parties or due to any causes beyond the direct reasonable control of CONSULTANT, additional changes shall be assessed with CLIENT's written approval.

COMPLIANCE WITH LAWS

CONSULTANT shall observe and abide by all applicable laws, ordinances, and regulations of federal, state and local governments, and any subdivision thereof, and the rules and regulations of any lawful regulatory body acting thereunder in connection with the service performed hereunder.

COUNTERPARTS AND ELECTRONIC SIGNATURES

Any agreement between CLIENT and CONSULTANT may be executed in one or more counterparts, each of which will be deemed to be an original copy of the agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The facsimile, email or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

SEVERABILITY

If any of these conditions shall be deemed invalid, void, or for any reason unenforceable, that condition shall be deemed severable and shall not affect the validity and enforceability of any remaining condition.

APPLICABLE LAW AND ARBITRATION.

These Terms and Conditions, and any contracts between CLIENT and CONSULTANT, unless otherwise stipulated or agreed to in writing, shall be construed according to and governed by the laws of the State of Michigan, without reference to its conflict of law principles. Any controversy or claim arising out of or relating to these Terms and Conditions or any contract between CLIENT and CONSULTANT, or the breach thereof, shall be settled by arbitration in Livingston County, State of



Michigan, in accordance with the Commercial rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. The award of the Arbitrator(s) shall be made in writing and shall contain the reasons or grounds for the award. The Arbitrator shall not have the power to award any special, incidental, indirect, or consequential damages (including lost profits) against CONSULTANT.

CLIENT represents that CLIENT possesses all necessary permits and licenses required for the continuation of CONSULTANT's activities at the site.



February 23, 2021

Avalon Housing, Inc.
1327 Jones Dr., Suite 102
Ann Arbor, Michigan 48105
Attention: Mr. Michael Appel

Reference: Quotation for Make Safe Conditions for Documentation at 206 / 210
Washington Street, Ypsilanti MI.

Dear Michael,

We quote the sum of \$9,856 as a T&M Allowance to complete miscellaneous carpentry work to make safe conditions for Documentation throughout the existing facility. Our breakdown is as follows:

Allowance:

Two Carpenters 40 hours ea. Total 80 hours @ \$72.00/hr	\$5,760
4'x8'x5/8" OSB Allowance 50 pc at \$34.00 ea.	\$1,700
Misc. Framing Lumber Allowance	\$1,000
Tool and Fasteners	<u>\$ 500</u>
	\$8,960
Fee @ 10%	<u>\$ 896</u>
Total T&M Allowance	\$9,856

Sincerely,

Mark W. Hiser,
President, Owner
Phoenix Contractors, Inc.



