Washtenaw County Brownfield Redevelopment Authority

IN-PERSON MEETING AGENDA

Thursday, September 8th 2022 9:00 a.m.
200 N. Main, Ann Arbor, Lower Level Conference Room

Zoom Link to Webinar for Public to Join the Meeting:

https://washtenawcounty.zoom.us/j/88190242596?pwd=L2pwNy9PT3d1TkY2OU1Ga0MvVXFWdz09 Passcode: 733219

Join Webinar by Telephone:

US: +1 470 381 2552 or +1 267 831 0333 or +1 301 715 8592 or +1 312 626 6799 or +1 470 250 9358 or +1 206 337 9723 or +1 213 338 8477

1. **Call to Order**
2. **Public Comment***
3. **Approval of Agenda**
4. **Approval of Minutes**
   a. August 11th, 2022 Meeting
5. **Board Member Conflict of Interest Disclosure**
6. **Business**
   1. 303 N. Fifth-312/314 Detroit Street Act 381 Work Plan and Reimbursement Agreement – Action
   2. 220 N. Park Reimbursement Agreement – Action
   3. 4025 Packard Road Reimbursement Agreement – Action
   4. 2 W. Michigan, Increase Environmental Assessment Grant Application – Action
   5. 175 N. Main, Washtenaw County, Phase II Env. Assessment Grant – Action
   6. Village of Ann Arbor Project Introduction, and Form Brownfield Plan Review Sub-Committee, City of Ann Arbor, Robertson Homes – Presentation
   7. 300 W. Michigan Avenue (former EMU COB), Phase II Environmental Assessment Grant – Action
   8. August 2022 Financial Report – Action
7. **Other Business**
8. **Public Comment***
9. **Adjournment**

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

For more information on this agenda please contact Nathan Voght, Washtenaw County Office of Community and Economic Development at (734) 660-1061 or voghtn@washtenaw.org.

Washtenaw County
Brownfield Redevelopment Authority (WCBRA)
Meeting held in-person at 200 N. Main, downtown Ann Arbor
Lower Level Large Conference Room

DRAFT MEETING MINUTES
Thursday, August 11, 2022, 9:00 a.m.

Board Present: Trevor Woollatt – Chair, James Harless, Allison Krueger – Vice Chair, Sam Baushke, Colleen O'Toole, Joe Meyers - Secretary, Christy Maier,

Board Absent: Sue Shink

Staff: Nathan Voght – OCED

Joining the Meeting: Ryan Higuchi – PM Environmental, for 4025 Packard, Jill Ferrari and Shannon Morgan – Renovare 220 N. Park, Bret Stuntz, SME – 3874 Research Park Drive, Wendy Carty-Saxon, Michael Appel, Avalon, 206-210 N. Washington LBRF

Handouts: None

1. Call to Order

Chair Woollatt called the meeting to order at 9:02 a.m.

2. Public Comment

There was no public comment.

3. Approval of Agenda

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

4. Approval of July 14th, 2022 Meeting Minutes

J. Meyers moved to approve the July 14th meeting minutes, with three minor revisions, (2nd A. Krueger), and the motion passed unanimously.

5. Board Member Conflict of Interest Disclosure

None disclosed.

6. Business

1. <u>4025 Packard Brownfield Plan – Action</u>

   Staff indicated the Pittsfield Township Board approved the Plan last night. The Board got an introduction to this project several months ago. The Brownfield Plan is structured so that if the developer opts to not submit a Work Plan, the local millage burden does not increase, but rather stays proportional to if the capture of State School Taxes were included. The Township approval resolution includes a cap of 25 years, assuming Work Plan approval, or 15 years, assuming no Work Plan is approved and the Plan is "local only."

   J. Harless stated that Section G of the Brownfield Plan should be updated to reflect the Township's approval conditions related to 25 or 15 year cap. This would leave no doubt as to the expiration of the Plan. The Board discussed this, and felt this change would be minor and N. Voght indicated he would inform the Township of the update and that it should not be a problem.

J. Harless moved to approve the Brownfield Plan, with the revision to Section G to reflect the Township's approval conditions (2nd C. O'Toole), and the motion passed unanimously.

2. <u>3874 Research Park Drive, Sartorius, Act 381 Work Plan and Reimbursement Agreement – Action</u>

N. Voght referred to the revised Work Plan, which had several additional changes requested after J. Harless reviewed the draft. The Eligible Activity Table needed to be in the body of the Plan. Although the Board approved the Work Plan last month, it is requested the Board approve this updated Work Plan today.

The Board discussed whether MEDC should be reviewing the Work Plans prior to BRA review and approval. Staff stated it was always requested that developers contact MEDC prior to Brownfield Plan approval for general indication of support for non-environmental activities, but that it has not usually been requested that developers first submit a Work Plan draft to the MEDC for comment. However, this can be requested of developers if the Board prefers this.

J. Harless moved to approve the Act 381 Work Plan (2nd J. Meyers), and the motion passed unanimously.

3. <u>206-210 N. Washington Avalon Housing, Approved LBRF Eligible Activities – Action</u>

Staff reminded the Board of the previous LBRF Grant award of approximately $30,000 to support Due Diligence by Avalon for this vacant multi-family building for suitability for rehabilitation as affordable housing. Avalon has a purchase agreement with the City of Ypsilanti.

Wendy Carty-Saxon and Michael Appel joined the meeting via Zoom to answer any questions.

The investigation supported by the LBRF Grant is complete, and there will be approximately $7,600 of unused LBRF grant, which staff indicated to Avalon could not be "rolled" over to support other activities. However, staff provided Mr. Appel with Avalon several possible eligible activities that could be included in a future LBRF Grant request, such as stormwater, utilities, streetscape, demolition, etc.

After looking at rehabilitation costs, Avalon has determined the structure must be demolished, and has had conversations with the City and City Historic District Commission about this.

J. Meyer moved to approve an additional $5,897 in LBRF Eligible Activities and issue reimbursement to Avalon Housing (2nd C. Maier), and the motion passed unanimously.

4. <u>220 N. Park Act 381 Work Plan – Action</u>

Staff referred to the Work Plan in the packet, and updated the Board on the project. Jill Ferrari, with Renovare, the developer, provided a status update, including an approved Land Contract with the City, Historic District Commission approval, and closing with Michigan Community Capital, the construction lender, in October.

J. Meyers moved to approve the Work Plan for 220 N. Park as presented (2nd J. Harless) and the motion passed unanimously.

J. Harless mentioned that the Board did not approve the 3874 Research Park Drive Reimbursement Agreement, under Business item #2. He mentioned that there are some things that need to be looked at, and it might be the underlying template. He also commented that the last sentence of #8, Eligible Costs Reimbursement, should state "…and Due Care Planning activities, if conducted prior to approval of a Brownfield Plan."

J. Meyers moved to approve the 3874 Research Park Drive Reimbursement Agreement with the noted revision to Section #8 (2nd S. Baushke), and the motion passed unanimously.

5. <u>July Financial Report – Information Only</u>

Staff referred to the Report, which is for information only.

7. Other Business

T. Woollatt asked staff if the Brownfield Plan review Sub-Committees also review the Work Plan, when submitted, to which staff responded that they do. It's usually a step that is taken, given the Sub-Committee was involved in early review of the Brownfield Plan. However, staff stated that in the case of 220 N. Park, there wasn't time to send the Work Plan back to the Sub-Committee.

T. Woollatt provided some background on the Board's LBRF Policy for the newer members. As the LBRF fund increased, the Board considered community benefits to achieve by awarding projects that provided affordable housing. However, there was concern about dictating to participating members land use considerations. So, the policy has criteria to consider, but does not mandate only supporting affordable housing projects.

N. Voght explained further that the adopted LBRF policy suggested the Board should consider projects that advance affordable housing, Smart Growth, and properties with significant contamination. The projects supported so far have been entirely public or non-profit owned, and have been well aligned with the policy, supporting affordable housing projects, as well as sites, such as Leslie Science Center, and 415 W. Washington, with significant environmental concerns.

C. O'Toole updated the Board on the City of Saline's Salt Springs Park parking lot LBRF grant, and that excavation and disposal costs have significantly exceeded budget. She and Triterra will be presenting information at the next meeting, with a request to increase the LBRF grant.

8. Public Comment:

None.

9. Adjournment:

The meeting was moved by C. O'Toole to adjourn at 9:53 a.m. (2nd J. Meyers), and the motion passed unanimously.

These minutes were approved by the Washtenaw County Brownfield Redevelopment Authority at the _______________, 2022 meeting, held at 200 N. Main, lower level large conference room, downtown Ann Arbor.

Washtenaw County Brownfield Redevelopment Authority

Agenda Summary Memo

REGULAR IN-PERSON MEETING

9:00 a.m. Thursday, September 8th, 2022

200 N. Main, Lower Level Conference Room, Ann Arbor

TO: Washtenaw County Brownfield Authority
FROM: Nathan Voght, Washtenaw County Brownfield Coordinator
DATE: September 2, 2022

This regular board meeting will be held in-person, at 200 N. Main, lower level Conference Room, downtown Ann Arbor. Any public wishing to participate can attend the meeting in-person, or use the provided Zoom Webinar link on the meeting agenda.

Business Items:

1. **303 N. Fifth-312/314 Detroit Street Act 381 Work Plan and Reimbursement Agreement – Action**

   Please see the Act 381 Work Plan here, and the Reimbursement Agreement in the packet. The Agreement uses our template, and no revisions were requested other than the entity LLC name by the developer.

2. **220 N. Park Reimbursement Agreement – Action**

   The developers' attorney has requested revisions to our template Agreement, which are being reviewed by County Corporation Counsel. Other revisions were needed from the template to address details of the development:

   1. Remove references to 10% annual capture for Admin/LBRF fees.
   2. Add reference to repayment of $500,000 LBRF loan, which will be handled through a separate LBRF Grant/Loan Agreement
   3. State that the $730,000 in assistance with housing will be Local Only reimbursement
   4. State that the $680,000 of the housing assistance that is direct construction subsidy will not require documentation for reimbursement, but will be presumed approved and reimbursable upon evidence of Certificates of Occupancy for the affordable units.
   5. Add Interest to be reimbursed up to $871,563.
   6. Add a reference under "Recitals" to the Memorandum of Understanding that will be signed between the developer, City of Ypsilanti, and Washtenaw County, which will spell out roles and responsibilities for all parties for administering the affordable units, reviewing marketing plans, etc.

Staff has included the working version of the Agreement (using our template), showing staff's revisions (in blue), and developers' attorney's requested revisions (in red). County Corporation Counsel is reviewing the changes requested by the developer, and will have feedback for the Board for the meeting.

The 220 N. Park Brownfield Plan is scheduled for public hearing and adoption at the September 7th, County Board of Commissioners meeting.

3. 4025 Packard Road Reimbursement Agreement – Action

The packet includes a draft Agreement, including the Township's conditions to cap the payback to 15 or 25 years, depending on if a Work Plan is approved. Please note the highlighted sections of the draft Agreement, which are sections changed from the template for the particulars of this project.

Corporation Counsel has reviewed and approved the draft Agreement.

The Brownfield Plan will be scheduled for Public Hearing by the Board of Commissioners on September 7th, for the October 5th meeting.

4. 2 W. Michigan, Increase Environmental Assessment Grant Application – Action

The developer, Jamie Taranlunga, previously was approved a DCC grant of $20,000 for Phase II investigation, and the Brownfield Authority approved $15,000. Both entities only pay 50% of the cost, but the funding sources complement each other, to allow the developer to cover all the costs. SME was assigned by the DCC to conduct the investigations, and the results of their initial Phase II work is included in the packet.

The developer closed on the real estate in mid August, and is proceeding to plan for a music recording, performing, and record producing facility.

SME has provided a $27,700 proposal for the next phase of work, intended to be covered by the Authority's $15,000 grant, which includes BEA (expected to be done Sept 2nd), Pressure extension test, DDCC and some consulting costs. This exceeds the $15,000 by $12,700. Staff suggested the owner request an increase in Assessment Funding from the Authority. This would be a deviation from the policy of $15,000 maximum, so the Authority should consider the merits and need. An option would be to provide the funding as an LBRF loan, to be repaid with TIF. It's not clear if a Brownfield TIF Plan will be proposed/requested, but staff believes there are sufficient costs to justify one. The SEV for the property is $235,000, however the Taxable Value is only $113,611, so with uncapping that will occur in 2023, and increased assessment resulting from building renovation, it's possible there will be some tax increment to finance eligible activities.

5. 175 N. Main, Washtenaw County, Phase II Env. Assessment Grant – Action

The Board previously funded a $3,000 Phase I study of this site in downtown Ann Arbor, (and title search) which the County is exploring for potential affordable housing redevelopment. The consultant, ECT, is recommending a Phase II study due to historic filling station to the north. ECT has provided a Phase II proposal for $6,485.18 to conduct the Phase II work. Staff recommends this be funded with LBRF, instead of Admin fund, to preserve funds.

6. Village of Ann Arbor Project Introduction, City of Ann Arbor, Robertson Homes – Presentation

Representatives from Robertson Homes and SME will be providing a project overview for a proposed 580 unit rental and for sale residential development on the north side of Ann Arbor. A preliminary table of Eligible Activities is included in your packet, which includes substantial environmental activities, and some non-environmental expenses responding to city requests.

Staff also requests the Board form a Brownfield Plan Review Sub-Committee for this project.

Staff provided a July 20th Mlive Article about the City Planning Commission's review of the development.

7. 300 W. Michigan Avenue (Former EMU COB), Phase II Environmental Assessment Grant – Action

Mark Smith, of MI-HQ, the entity that purchased the former EMU College of Business in downtown Ypsilanti, will be submitting a cost proposal for Phase II investigation. The Board previously funded a Phase I, and a link to the Phase I will be provided either today or Monday.

The 126,000 s.f. building will become an innovation headquarters, with multiple research, biotech, and medical research tenants. The City of Ypsilanti approved a Zoning Ordinance Text Amendment, which would allow wet labs in the downtown zoning district, and this building.

8. August 2022 Financial Report – Action

Please see the noted summer TIF distributions from the City of Ann Arbor, and proposed TIF reimbursement transactions. Staff has made contact with Dexter, Chelsea and Saline to inquire as to summer distributions for projects in those communities. Ypsilanti only distributes once per year, and will not distribute only summer taxes.

Staff updates:

1. MEDC Reporting: Staff completed the MEDC annual reporting on all active Brownfield Projects on August 31st. The State uses the reporting of SET to generate the 3 mills SET capture invoice later in the fall.
2. Federal Screw/Main Street Park Alliance – The Park Alliance has a signed Purchase Agreement and will conduct the Phase II investigation funded by the Board's $64K LBRF Grant in October. However, they were not given permission by Federal Screw to utilize their existing wells for sampling, so there will be an increased cost to drill additional wells. A meeting will be held with the City Manager and Mayor, Main Street Park Alliance, and staff on September 6th to coordinate with all parties and understand the next steps in the project.
3. Maple Oaks in Saline will be submitting additional brownfield expenses for approval in the next week.

4. 415 W. Washington: The City of Ann Arbor and Housing Commission will soon submit development plans to "pre-entitle" (seek City land use approval) this site, and then seek a development partner to redevelop the site. The intent is to provide at least 15% of the units as affordable, consistent with the City's Brownfield Policy for seeking Non-Environmental Eligible Activities, as part of a Brownfield Plan. The City will also request a Brownfield Plan as part of the pre-entitlement, as there is a fairly detailed concept plan with building placement, use, and massing pre-determined. The reason for including a Brownfield Plan as part of this early process is to give greater certainty of city support for the various eligible activities, including infrastructure, parking, etc. to a future development partner.

5. Gault Village, Ypsilanti Township: The Township and owner had a court hearing in August, where the Township sought a demolition order. The Judge requested both parties seek demolition cost proposals and return in late September for a follow up hearing. Staff met with Township attorneys and leadership, and the Township has contracted with SME to assist with advising the Township on necessary environmental investigation prior to demolition. For example, a former auto repair and dry cleaning operation were in the shopping center requiring soil investigation, and a hazardous material survey and abatement will be required of the structures prior to demolition. Should the Township be in a position to pursue demolition, they will likely seek Brownfield Authority support for the environmental work needed.

6. 1140 Broadway (Beekman on Broadway) CMI EGLE Grant: The June 2022 sampling event has been completed by WOOD Environmental and a draft report issued for review by EGLE. WOOD is the consultant the County hired to provide consulting and third party review of the on-site activities and installation of the Permeable Reactive Barrier (PRB Wall) as part of the redevelopment, and conduct ongoing sampling of the effectiveness of the PRB. The results continued to show great success with the PRB wall, with a 99% reduction in PCE in groundwater leaving the site.

   The next apartment phase of the Beekman on Broadway development will be completed next spring, and will include the 7 remaining (out of 15 total) affordable housing units within the development. A reminder that the City of Ann Arbor requested that the TIF Reimbursement Agreement stated that reimbursement of $2.5 million to support the parking deck be reimbursed on a pro-rata basis, as the 15 affordable units are constructed. There will be at least a year or two before reimbursement of the $2.5 million will begin, and all 15 affordable units should be complete before then.

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY REIMBURSEMENT AGREEMENT

This Agreement (the "Agreement") dated August 19, 2022 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 Street, P.O. Box 8645, Ann Arbor, Michigan 48107-8645 and Detroit Street Condos, LLC (the "Developer"), a Michigan Limited Liability Company, whose address is 2723 South State Street, Suite 250, Ann Arbor, MI 48104.

RECITALS

A. Pursuant to Act 381, as amended, the Authority has prepared a Brownfield Plan for the Eligible Property below that was duly approved by the Washtenaw County Board of Commissioners with concurrence from the City of Ann Arbor:

    a. Located at 303 North Fifth Avenue, 312 Detroit Street, and 314 Detroit Street.

    b. Located in the City of Ann Arbor, Washtenaw County, Michigan

    c. Tax Identification Numbers 09-09-29-124-003, 09-09-29-124-002, and 09-09-124-001 (the "Property"),

    d. Legal Descriptions provided in Exhibit B

B. The Developer plans to redevelop the Property as follows:

    a. Combine and redevelop three parcels into a 30,000 s.f. mixed-use building, with 14 residential condominiums, and ground floor office or retail space, and associated parking, landscaping, and streetscape enhancements (the "Improvements").

    b. This will occur through the Developer incurring costs.

    c. The Improvements are expected to 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 Work Plan, 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, but Interest is not included as an Eligible Activity in the approved Plan.

F. 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 seeks reimbursement from TIR.

G. The Authority intends to fund the Local Brownfield Revolving Fund (LBRF) during and after the Developer Reimbursement period.

H. In accordance with Act 381, the 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 for approved Eligible Activities, the Authority for its Administrative Costs (at the discretion of the Authority), 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 12th tax capture year where capture is anticipated to begin in 2023, 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; or (iii) the maximum number of years as established pursuant to a tax appeal, pursuant to Section 4, below. 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 described in the "Eligible Activities and Costs" Table in the Brownfield Plan, and further defined in the 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 described in the "Eligible Activities and Costs" Table of the Brownfield Plan, and further defined by the approved Act 381 Work 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 (including interest where applicable) in accordance with the Brownfield Plan, approved Act 381Work Plan(s) (See Exhibit D) 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 and 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 and/or allocated for reimbursement of Authority Administrative fees, at the sole discretion of the Authority;

   c. The balance of Local 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 $750,776 total capture in LBRF~~ and Administrative fees~~.

8. Eligible Costs Reimbursement – For those Eligible Costs for which Developer seeks reimbursement from the Authority, the Developer shall incur 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 Act 381 Work Plan. Eligible Activities being submitted for reimbursement shall not have occurred more than 24 months prior to the submittal date, with the

exception of environmental assessments, BEA, and Due Care Planning Activities, if conducted prior to approval of the Brownfield Plan.

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. 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 30 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 the approved Act 381 Work Plan; and

        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/or after, the period of reimbursement of Developer's Eligible Costs and accrued interest, if any. The Authority, at its sole discretion, will annually capture TIR to fund Administrative operations and/or 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 – 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 clean up 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 of Ann Arbor, or the Authority is a party, or threatened against the Developer, the County, City of Ann Arbor, 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 April 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
Detroit Street Condos, LLC

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

a. “Administrative Costs,” as defined in Section 13b, Sub-Section 7 (a) (*I, ii, and iii*).

b. “Baseline Environmental Assessment ” is defined by Section 2(b) of Act 381;

c. “Brownfield Plan” is defined by Section 2(e) of Act 381 and is incorporated by reference in Exhibit C;

d. “Approved Eligible Costs” – Those Eligible Costs which have been submitted, reviewed, and approved by the Authority.

e. "Department specific activities" are defined by Section 2 (l) of Act 381

f. “Due Care Activities” are defined by Section 2 (m) of Act 381;

g. “Eligible Activities” are defined by Section 2(o) of Act 381;

h. “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

LAND SITUATED IN THE CITY OF ANN ARBOR, WASHTENAW COUNTY, MICHIGAN DESCRIBED AS:

303 North Fifth Avenue

Lot 79 Assessor's Plat No. 29

312 Detroit Street

Lot 80 Assessor's Plat No. 29

314 Detroit Street

Lot 81 Assessor's Plat No. 29

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.

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY REIMBURSEMENT AGREEMENT

This Agreement (the “Agreement”) dated ~~August 22~~____________, 2022 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 Street, P.O. Box 8645, Ann Arbor, Michigan 48107-8645 and Renovare Ypsilanti Homes, LLC (the “Developer”), a Michigan Limited Liability Company, whose address is 42 Watson Street, Suite B, Detroit, MI 48201.

RECITALS

A. Pursuant to Act 381, as amended, the Authority has prepared a Brownfield Plan for the Eligible Property below that was duly approved by the Washtenaw County Board of Commissioners on September 8, 2022 with concurrence from the City of Ypsilanti:

   a. Located at 220 N. Park Street.

   b. Located in the City of Ypsilanti, Washtenaw County, Michigan

   c. Tax Identification Number 11-11-09-111-004 (the “Property”),

   d. Legal Descriptions provided in Exhibit B

B. The Developer plans to redevelop the Property as follows:

   a. Redevelop the parcel into forty six (46) attached and detached residential dwelling units, including twenty three (23) affordable units and twenty three (23) market rate, and associated access roads, public and private utilities, stormwater management system, sidewalks, parking and landscaping, and streetscape enhancements (the “Improvements”).

   b. This will occur through the Developer incurring costs.

   c. The Improvements are expected to 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 Work Plan, 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)~~TIR to support the payment of Interest on unreimbursed Eligible Costs.

F. The Authority has incurred and will incur Administrative Costs for its operations and the preparation, approval, and administration of the Brownfield Plan, but will not seek~~for which it seeks~~ reimbursement from TIR for these costs ~~in this Plan~~ under the Brownfield Plan.

G. The Authority ~~intends~~ has agreed to fund the Local Brownfield Revolving Fund ("LBRF") ~~during and~~ after the Developer Reimbursement period, in a lump sum amount equal to 15% of the total developer reimbursable Eligible Activities included in the Brownfield Plan.

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~~G.~~H. The Authority has approved a Five Hundred Thousand Dollar ($500,000) Loan ("LBRF Loan") and a Five Hundred Thousand Dollar ($500,000) Grant ("LBRF Grant") from ~~its Local Brownfield Revolving Fund~~ the LBRF to fund Eligible Activities. The terms of the LBRF Grant and the LBRF Loan are provided in a separate LBRF ~~Loan and Grant~~Grant and Loan Agreement ~~with~~between the Authority and the Developer. This includes the Authority's ~~intent~~agreement to commit a portion of annual TIR as repayment for the LBRF Loan, as included in the Brownfield Plan.

Commented [BK1]: Included in the Downpayment Assistance and the Interest line items.

~~H.~~I. In accordance with Act 381, the Brownfield Plan, and this Agreement, the parties desire to use TIR generated from an increase in the taxable value of the Eligible Property resulting from its Improvements to reimburse the Developer for actual expenses for approved Eligible Activities, ~~the Authority for its Administrative Costs (at the discretion of the Authority),~~ and to fund the LBRF.

J. The parties are entering into this Agreement to establish the terms, conditions and procedures for the reimbursement from TIR.

~~I.~~K. To assist in clarifying the various roles and requirements of the County funding (including the Tax Increment Financing via the Brownfield Plan, LBRF Grant and Loan, and $3.6 million of American Rescue Plan (ARP) granted by the Washtenaw County Board of Commissioners), and City of Ypsilanti requirements of the Planned Unit Development and Community Benefits Agreement, and other requirements, a Memorandum of Understanding (MOU) has been developed between Washtenaw County, the Developer, and the City of Ypsilanti. It is included by reference as Exhibit F.

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~~ herein, as supplemented by 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, except to the extent that the conflicting provisions in Act 381 are adopted after the Effective Date of this Agreement.

3. Term of Agreement – In accordance with the Brownfield Plan, the Authority shall capture the ~~Tax Increment Revenues (TIR)~~ TIR generated by the Improvements ~~on the~~at the Eligible 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 30th tax capture year where capture is anticipated to begin in 2023, or as may subsequently be extended by a Brownfield Plan amendment and amendment to this A~~a~~greement, after the date the Authority begins to capture ~~Tax Increment Revenues~~TIR under the Brownfield Plan; or (iii) the maximum number of years as established pursuant to a tax appeal, pursuant to Section 4, below. If this Agreement ends before the reimbursement of all Eligible Costs, the last payment by the Authority to the Developer 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 generally as described in the "~~Eligible Activities and Costs~~Estimated Costs of Eligible Activities" Table in the Brownfield Plan, Attachment E, and further defined in the approved Act 381 Work Plan. The actual cost for one or more types of activity may ~~differ~~vary up or down from that described in the Brownfield Plan, as long as the Total Developer Reimbursable Eligible Costs as defined herein are not exceeded.

~~4.~~

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 described in the "Estimated Cost of Eligible Activities~~ and Costs~~" Table of the Brownfield Plan, and further defined by the approved Act 381 Work 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~~ plus any new personal property that is subject to taxation. The Authority will use those TIR to reimburse Developer Reimbursable Eligible Costs (including I~~i~~nterest~~ where applicable~~) in accordance with the Brownfield Plan, approved Act 381Work Plan(s) (See Exhibit D) 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:

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a. Fifty percent (50%) of the taxes levied under the State Education Tax Act in each of the first twenty five (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 and 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 and/or allocated for reimbursement of Authority Administrative fees, at the sole discretion of the Authority;~~

~~c.~~b. The balance of Local and School Operating captured taxes will be allocated for both repayment of the Five Hundred Thousand Dollars ($500,000) LBRF Loan and the reimbursement of actual costs of Eligible Activities incurred by the Developer, in accordance with the separate LBRF Grant and Loan Agreement between the Authority and Developer. A maximum of Seven Hundred Thirty Thousand Dollars ($730,000 in Eligible Activities for Assistance with Disposition for Economic Development Purposes will be reimbursed using Local captures taxes only.

~~d.~~c. The Authority will then capture, after Developer has been fully reimbursed all ~~eligible costs~~Eligible Costs or after the capture limit described in Section 3 has been reached, whichever comes first, a lump sum~~n~~ amount ~~necessary to result in~~of $~~750,776~~537,784 ~~total capture in~~to be paid into the LBRF~~ and Administrative fees~~.

8. Eligible Costs Reimbursement – For those Eligible Costs for which Developer seeks reimbursement from the Authority, the Developer shall incur 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 (plus interest as authorized in the Brownfield Plan), in accordance with the Brownfield Plan and Act 381 Work Plan, whether or not they were incurred after the Brownfield Plan and Act 381 Work Plan were first approved. Eligible Activities being submitted for reimbursement shall not have occurred more than twenty four (24) months prior to the submittal date, with the exception of Eligible Activities (e.g. environmental assessments, BEA, and Due Care Planning Activities)~~, if conducted~~ which were incurred prior to approval of the Brownfield Plan. Further, Six Hundred Eighty Thousand Dollars ($680,000) of the "Assistance with Disposition for Economic Development Purposes" for Downpayment Assistance (Construction Subsidy) shall be reimbursable solely with documentation from the Developer providing evidence that Certificates of Occupancy have been given by the City of Ypsilanti for the twenty-three (23) affordable housing units (fifteen (15) cottages and (8) duplexes).

9. Interest – A maximum of Eight Hundred Seventy One Thousand, Five Hundred Sixty Three Dollars ($871,563) in Interest will be reimbursed in accordance with~~is not included as an Eligible Cost in~~ the Brownfield Plan, calculated annually at a rate of five percent (5%) of the unreimbursed approved actual Eligible Activities.~~.~~

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

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a. Within ninety (90) days of its receipt of the documentation described in ~~paragraph~~Section 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 sub-section ~~paragraph~~ (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 and the additional documentation that the Authority determines to be sufficient for the Authority to approve the Eligible Cost(s) in question. Developer shall have ~~28~~ thirty (30) days to address the reasons given by the Authority (including providing additional documentation) 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 for the denial of the Eligible Cost(s) in question. If the parties do not resolve the dispute in such a manner, it shall be resolved as provided in Section ~~Paragraph~~ ~~11~~ 11below.

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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~~Section 7 of this Agreement within thirty (30) 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.

~~b.~~c. INTENTIONALLY DELETED

Commented [BK3]: This is covered in Section 3, above.

~~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~~Eligible Costs in the approved Brownfield Plan and as further determined by the approved Act 381 Work Plan; and

    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 for the Property 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~~Eligible Costs to the extent such reimbursement exceeds the TIR based upon Developer's purported value in a filing with the State Tax Commission, 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~~Section , shall be the sole responsibility of the Developer. Failure of the Developer to pay any obligation incurred with respect to this ~~paragraph~~Section shall constitute a default of this Agreement pursuant to ~~paragraph~~Section 12~~2~~.

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 thirty (30) days (or such longer reasonable time as may be required given the circumstances, or by agreement of the parties) ~~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~~ from 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 I~~i~~nterest~~, if any~~. ~~The Authority, at its sole discretion, will annually capture TIR to fund Administrative operations and/or 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

Commented [BK4]: This is a fair way to do this. WCBRA has little risk.

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, the Michigan Department of Environment, Great Lakes and Energy ("EGLE") or the Michigan Strategic Fund ("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 or under Act 381. Except in the case of an emergency or exigent circumstance, the Authority shall give the Developer at least twenty four (24) hours notice of requests under this ~~paragraph~~Section . 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~~ to otherwise direct or control the 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 thirty (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~~Section 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 A~~a~~greement to purchase and maintain insurance coverages at the limits set forth below while performing services at the Property. 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.

Commented [BK5]: Confirm that the limits and types are acceptable and attainable.

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 clean~~-~~-up 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 actual and 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~~ certain ~~communications, information, and/or~~ documents ~~documentation~~ submitted by Developer may be ~~open~~ available 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

Commented [BK6]: FOIA only covers “documents”, which includes emails, etc. I want to keep out things like verbal communications, etc.

Agreement, Petitions for Reimbursement and supporting documentation. The Developer retains the right to assert a claim of trade secret or other privilege as may be applicable otherwise.

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, conditioned or delayed, 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~~Authority.

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. Authority Obligations: 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 of ~~Ann Arbor~~Ypsilanti, or the Authority is a party, or threatened against the Developer, the County, City of ~~Ann Arbor~~Ypsilanti, 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~~TIR to pay the obligations set forth herein;

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 April 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
Renovare Ypsilanti Homes, LLC

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 F – Memorandum of Understanding Between Renovare Development LLC, City of Ypsilanti, and Washtenaw County

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EXHIBIT A - Definitions

a. "Administrative Costs," as defined in Section 13b, Sub-Section 7 (a) (*I, ii, and iii*).

b. "Baseline Environmental Assessment " is defined by Section 2(b) of Act 381;

c. "Brownfield Plan" is defined by Section 2(e) of Act 381 and is incorporated by reference in Exhibit C;

d. "Approved Eligible Costs" – Those Eligible Costs which have been submitted, reviewed, and approved by the Authority.

e. "Department ~~specific activities~~Specific Activities" are defined by Section 2 (l) of Act 381

f. "Due Care Activities" are defined by Section 2 (m) of Act 381;

g. "Eligible Activities" are defined by Section 2(o) of Act 381;

h. "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

LAND SITUATED IN THE CITY OF YPSILANTI, WASHTENAW COUNTY, MICHIGAN DESCRIBED AS:

11E-29A-1 LOT 60 GILBERT'S ADDITION, EXC BEG AT NE COR LOT 60, TH S 00-40-00 W 175.00 FT, TH S 89-50-50 W 147.63 FT, TH N 46-18-30 W 83.72 FT, TH S 89-50-50 W 82.16 FT, TH N 00-40-00 E 117.00 FT, TH N 89-50-50 E 291.00 FT TO THE POB, ALSO BEG AT ELY ROW LN OF PARK ST AT SW COR LOT 60 GILBERT'S ADDITION TO CITY OF YPSI, TH 669.09 FT ALNG ARC OF CURV-LFT-RAD 1945.58 FT - CH S 52-50-00 E 665.80 FT, TH S 00-2-30 W 45.57 FT, TH 660.01 FT ALNG ARC OF CURV-RT-RAD 1986.74 FT - CH N 53-51-20 W 656.98 FT, TH NLY ALNG ROW 60.30 FT TO THE POB. PT OF NE 1/4 SEC 9, T3S-R7E. 0.63 AC, PT OF LOT 60 GILBERT'S ADDITION. 221 N. GROVE *, COMBINED ON 07/28/2014 FROM 11-11-09-111-001, 11-11-09-111-003

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 in the amount stated.

   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.

Commented [BK7]: Do you want to include these contracts? Do they contain provisions that: a) Renovare does not have the right to release and make public; or b) are proprietary or trade secret?

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY REIMBURSEMENT AGREEMENT

This Agreement (the "Agreement") dated August 19, 2022 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 Street, P.O. Box 8645, Ann Arbor, Michigan 48107-8645 and 4025 Packard, LLC (the "Developer"), a Michigan Limited Liability Company, whose address is 600 N. Old Woodward, Suite 100, Birmingham, MI 48009.

RECITALS

A. Pursuant to Act 381, as amended, the Authority has prepared a Brownfield Plan for the Eligible Property below that was duly approved by the Washtenaw County Board of Commissioners with concurrence from Pittsfield Charter Township:

    a. Located at 4025 Packard Road.

    b. Located in the Charter Township of Pittsfield, Washtenaw County, Michigan

    c. Tax Identification Number L-12-01-354-015 (the "Property"),

    d. Legal Description provided in Exhibit B

B. The Developer plans to redevelop the Property as follows:

    a. Redevelop a 1 acre parcel into a 7,000 s.f. multi-tenant commercial building, with associated parking, landscaping, driveways, and streetscape enhancements (the "Improvements").

    b. This will occur through the Developer incurring costs.

    c. The Improvements are expected to 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 Work Plan, 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, but Interest is not included as an Eligible Activity in the approved Plan.

F. 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 seeks reimbursement from TIR.

G. The Authority intends to fund the Local Brownfield Revolving Fund (LBRF) during and after the Developer Reimbursement period.

H. In accordance with Act 381, the 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 for approved Eligible Activities, the Authority for its Administrative Costs (at the discretion of the Authority), 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, and Pittsfield Charter Township Brownfield Plan approval Resolution, 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 25th tax capture year where capture is anticipated to begin in 2023, 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; or (ii) at the end of the 15th tax capture year, in the event the Developer does not submit an Act 381 Work Plan to EGLE in order to secure capture of State School Taxes; or (iv) the maximum number of years as established pursuant to a tax appeal, pursuant to Section 4, below. If this Agreement ends before the reimbursement of all Approved 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 described in Table 1, "Eligible Activities Cost Estimates" in the Brownfield Plan, and further defined in any 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 described in Table 1, "Eligible Activities Cost Estimates" of the Brownfield Plan, and further defined by any approved Act 381 Work 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.

   As stated in Section D., Estimate of Captured Taxable Value and Tax Increment Revenues, of the approved Brownfield Plan, and incorporated into the approval Resolution by the Pittsfield Charter Township Board of Trustees, should EGLE not approve an Act 381 Work Plan for the project, or the Developer elects not to submit a Work Plan, the total Developer Reimbursable Eligible Costs will be reduced to 53.31% of the approved amount, and reimbursed with Local Only taxing jurisdictions. The calculation for determining Developer Reimbursable Eligible Costs in this instance shall be made by multiplying the total actual Approved Eligible Costs by 53.31%.

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 (if an Act 381 Work Plan is approved) on the Property, and any new personal property. The Authority will use those TIR to reimburse Developer Reimbursable Eligible Costs (including interest where applicable) in accordance with the Brownfield Plan, approved Act 381Work Plan(s) (See Exhibit D) and this Agreement. Local TIR alone shall not be used to reimburse any Eligible Costs unless as provided for in Section 5, above, in the event an Act 381 Work Plan is not approved for the project.

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 and 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 and/or allocated for reimbursement of Authority Administrative fees, at the sole discretion of the Authority;

   c. The balance of Local 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 $107,442 total capture in LBRF.

8. Eligible Costs Reimbursement – For those Eligible Costs for which Developer seeks reimbursement from the Authority, the Developer shall incur 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 Act 381 Work Plan. The parties further agree that, in the event no Act 381 Work Plan is approved for the project, any actual Approved Eligible Costs shall be reduced to 53.31% of the approved amount, and reimbursed using Local Taxing millages only. Eligible Activities being submitted for reimbursement shall not have occurred more than 24 months prior to the submittal date, with the exception of environmental assessments, BEA, and Due Care Planning Activities, if conducted prior to approval of the Brownfield Plan.

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. 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 (subject to the aforementioned 53.31% reduction with no approval of an Act 381 Work Plan) pursuant to paragraph 7 of this Agreement within 30 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 due to the 25 or 15 year limitations pursuant to the Pittsfield Charter Township approval Resolution described in Section 3, 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 reductions due to no Act 381 Work Plan approval; and

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/or

after, the period of reimbursement of Developer's Eligible Costs and accrued interest, if any. The Authority, at its sole discretion, will annually capture TIR to fund Administrative operations and/or 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 – 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 clean up 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, Pittsfield Charter Township, or the Authority is a party, or threatened against the Developer, the County, Pittsfield Charter Township, 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 April 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

a. "Administrative Costs," as defined in Section 13b, Sub-Section 7 (a) (*I, ii, and iii*).

b. "Baseline Environmental Assessment " is defined by Section 2(b) of Act 381;

c. "Brownfield Plan" is defined by Section 2(e) of Act 381 and is incorporated by reference in Exhibit C;

d. "Approved Eligible Costs" – Those Eligible Costs which have been submitted, reviewed, and approved by the Authority.

e. "Department specific activities" are defined by Section 2 (l) of Act 381

f. "Due Care Activities" are defined by Section 2 (m) of Act 381;

g. "Eligible Activities" are defined by Section 2(o) of Act 381;

h. "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

LAND SITUATED IN PITTSFIELD CHARTER TOWNSHIP, WASHTENAW COUNTY, MICHIGAN DESCRIBED AS:

L 12-145-002-00
PI 47-1, 2, 31, 32 B1K 1 SUDIVISION OF LOTS 1 TO 73 INCLUSIVE EXCEPT LOTS 34 &36 AND LOTS 109 TO 111 INCLUSIVE OF OAK PARK

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.

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: Full Moon Realty, LLC Contact: Jamie Taralunga

Property Address: 3399 Daleview Drive, Ann Arbor, MI 48105 Phone No.: 734-274-1748

Property Tax ID #: 11-11-40-401-001

Applicant Information

Applicant Name: Full Moon Realty, LLC Phone No.: 734-274-1748

Address: 3399 Daleview Drive, Ann Arbor, MI 48105

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

Project Information

Project Name: 2 W. Michigan Ave

Project Description: The owner has acquired the property and intends to rehabilitate the existing 10,000 square-foot, three-level building into a music venue, recording studio, record store, bar/café, and musician loft. Additional activities proposed for grant funding include preparing a Baseline

Environmental Assessment (BEA) report, conducting a pressure extension test to support design and engineering of a vapor mitigation system, preparing documentation of due care compliance, and providing consulting services to support financial incentive acquisitions so that the current building can better serve the public.

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

Property Information

Previous Owners: Reynold and Judith Lowe, Ypsilanti NO 782, Staebler & Sons

Historic Property Uses: Auto Dealership, Moose Lodge, Unlimited Materials Antique Store

Property Acreage: 0.38 Acres

Zoning: B3 Surrounding Land Use: Commercial businesses, public park, river, and parking lot.

Proposed Environmental Activities:

	Estimated Cost
☐ Phase I	Already Completed
✔ Phase II (pressure extension testing and consulting)	$16,200
✔ BEA Report (data from multiple assessments)	$5,000
✔ Due Care Plan (DDCC with vapor mitigation)	$6,500
☐ Hazardous Material Survey	not included in current scope
TOTAL	**$12,700 increase to existing award***

*The WCBRA previously approved a $15,000 grant for this project, and now a detailed scope of recommended work is provided, which will require an increase of $12,700.

Please attach a price quote from a qualified environmental firm.

Please describe Previous Environmental Assessments Completed: A Phase I Environmental Site Assessment (ESA) was completed in May 2022 and multiple environmental subsurface assessments have been completed between 2019 and June 2022. A link to the May 2022 Phase I ESA completed for this purchaser is provided in Brownfield meeting packet

Please describe environmental conditions: The building is currently occupied by Materials Unlimited, a restoration and antiques business and was previously occupied by the Moose Club, the Michigan Unemployment Commission / Michigan Employment Service, a tire business, an auto repair business, a ball room and an auto sales business. Prior to the current site building being constructed in approximately 1927, there was a building used for poultry dressing (dry picking), a livery (stable) and a carriage factory, as early as 1888. Previous environmental assessments have found volatile organic compounds (VOCs) in soil, groundwater and soil gas.

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

The Kramer Building
43980 Plymouth Oaks Blvd.
Plymouth, MI 48170-2584

T (734) 454-9900

www.sme-usa.com

July 27, 2022

Ms. Jamie Taralunga
3399 Daleview Drive
Ann Arbor, Michigan 48105

Via Electronic Mail: jtaralunga@gmail.com

RE: Proposal for Environmental Services
2 W. Michigan Avenue
Ypsilanti, Michigan 48197
SME Proposal No.: P01837.22

Dear Ms. Taralunga:

As requested, we prepared this proposal to provide environmental services to support your acquisition of the above referenced property (Property) and begin the process of designing the needed chemical vapor intrusion mitigation system. Our proposed scope of service is summarized below.

As we have discussed, most of the costs noted below are anticipated to be covered by Washtenaw County Brownfield Redevelopment Authority's (WCBRA's) previously awarded $15,000 reimbursement grant. You can petition the WCBRA to reimburse you for up to $15,000 of the costs noted in this proposal once the work is completed and proof of payment is provided. We will assist you with this request, as needed.

SCOPE OF SERVICE

BASELINE ENVIRONMENTAL ASSESSMENT

We will use the data collected from our recent soil and groundwater sampling activities to prepare a Baseline Environmental Assessment (BEA) report. The BEA report, disclosed to the Michigan Department of Environment, Great Lakes, and Energy (EGLE), will provide the prospective Property owner with liability protection from having to clean up the contamination at the Property.

PRESSURE EXTENSION PILOT TEST

A limited site characterization and pilot test (a.k.a. pressure extension pilot test) is needed to design the proposed chemical vapor mitigation system. The data obtained from the test will help us determine the necessary component parts and layout of a sub-slab depressurization system (SSD), which will be used as the chemical vapor mitigation system.

We will subcontract A-Z Solutions (A-Z) to conduct the pressure extension pilot test. A-Z personnel will begin by outlining the treatment area and installing 5/8-inch monitoring points (MP) into the concrete floor at the edge of the proposed treatment area. A-Z personnel will use a digital micromanometer to measure differential pressure in the MPs. Larger, 5-inch extraction points (EPs) will be drilled in areas where proposed EPs for the finished system are planned. Each EP will be tested for natural flow and pressure characteristics without a plenum space below the slab. Differential pressure, if any, will be recorded at each MP.

From these baseline measurements, A-Z will evaluate the pressure and flow of the proposed blower needed to achieve the benchmark at each EP. Additional MPs will be installed until all EPs meet or exceed the benchmark measurement. All EPs and MPs will be filled with the soil generated during the test and a concrete seal will be added on the top of each hole. A-Z personnel will use the data generated during the pressure extension pilot test to create a draft set of construction documents for the proposed SSD system. The construction documents will include Included specifications for the system design and materials, design drawings of the system layout and major components, installation schedule and the final installation cost for the SSD system.

DOCUMENTATION OF DUE CARE COMPLIANCE

Concentrations of target analytes at the Property were measured above EGLE Part 201 criteria; therefore, the prospective owner/operator will need to comply with due care obligations as the owner of a contaminated property ("facility"). Owners and operators of a facility must maintain documentation that an evaluation to identify unacceptable risks was conducted, necessary actions have been taken, and actions are adequate. The documentation does not need to be submitted to EGLE but must be available for EGLE to review upon request within eight months of acquisition or beginning operations. We will prepare a Documentation of Due Care Compliance (DDCC) to document the prospective owner's due care obligations. The DDCC will include operational and maintenance information related to the planned mitigation system.

ESTIMATED FEES

Our (lump sum) fees to implement the scope of services herein are:

- Baseline Environmental Assessment..$5,000
- Pressure Extension Test..$14,700
- Documentation of Due Care Compliance $6,500
- General and Financial Incentives Consulting $1,500

Total..$27,700

SCHEDULE

We will complete the BEA report within four weeks after receiving authorization to proceed. We will coordinate with you and A-Z to schedule the pressure extension pilot test. We will complete the DDCC within four to five weeks upon completion of the vapor mitigation design.

AUTHORIZATION AND GENERAL COMMENTS

We will provide the proposed services in accordance with the with the attached General Conditions (3/15). As authorization to proceed, please sign and return the attached General Conditions. It is SME's policy to require a retainer for services provided to new clients until a payment history can be established.

Along with a signed copy of the attached SME General Conditions, **we will require a retainer of $27,700 prior to commencing services** for the project. The retainer will be applied to our final invoice. The retainer can be in the form of a check, credit card, or electronic funds transfer (EFT). Attached is the SME Payment Form to arrange for the retainer payment.

As part of our continual improvement efforts, SME requests feedback from our clients during and/or at the end of our projects to help us understand their project experience and to show us where we can improve. When you receive an SME feedback request, please take a minute or two to respond. Doing so will help us serve you better on the next project. If there are questions concerning this proposal or Scope of Services, please contact us.

Sincerely,

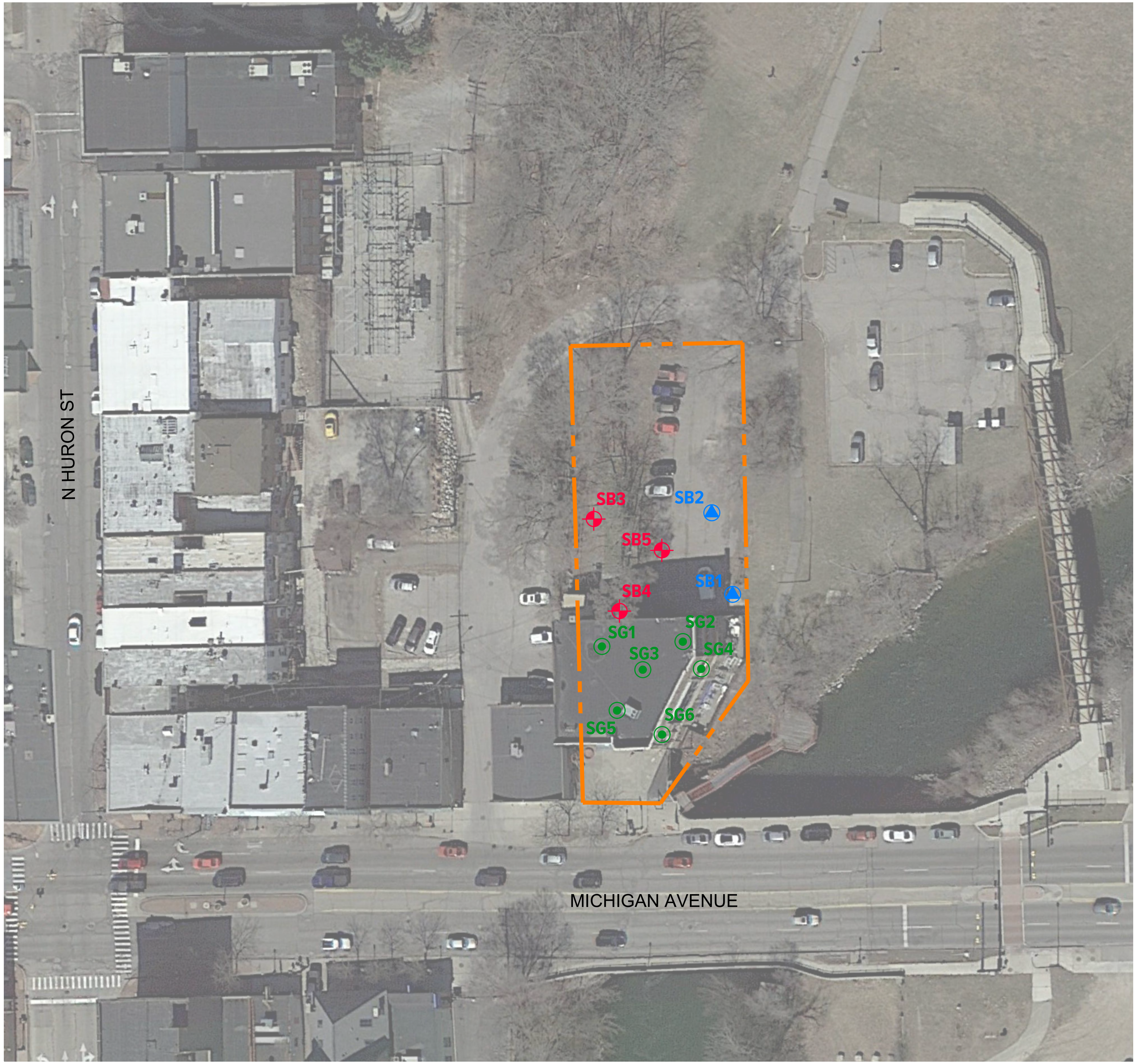
SME

Reason: for

DocuSign

PREPARED BY:	**REVIEWED BY:**
Mary C. Hoeh, CHMM	Daniel R. Cassidy, CPG
Senior Project Consultant	Principal/Vice President

Attachments: General Conditions (3/15)
SME Payment Form
Fee Schedule – Personnel and Expenses (FS0.1-01/22)
Environmental Services Fee Schedule (FS6.1-01/22)



N
W
E
S

0'
60'
120'

GRAPHIC SCALE: 1" = 60'

LEGEND

	APPROXIMATE PROPERTY BOUNDARY
	APPROXIMATE SOIL BORING LOCATION
	APPROXIMATE SOIL BORING LOCATION WITH TEMPORARY MONITORING WELL
	APPROXIMATE SOIL GAS SAMPLE LOCATION

NOTE:
1. AERIAL IMAGE TAKEN FROM GOOGLE EARTH PRO WITH AN IMAGE DATE OF 3/19/2021 AND SITE RECONNAISSANCE.

SME
www.sme-usa.com

Project
2 W. MICHIGAN AVENUE

Project Location
YPSILANTI, MICHIGAN

Sheet Name
SAMPLE LOCATION DIAGRAM

No.	Revision Date

Date 07/28/2022
CADD MNR
Designer MH
Scale AS NOTED
Project 085916.00.003.008
Figure No. 2

PLOT DATE: Jul 28, 2022 - 9:37am - matt.nowakrochford \\Sme-inc\pz\WIP\085916.00\CAD\DWGS\Env\085916.00.003.008\rev0\085916.00.003.008-PFSB.dwg

TABLE 1
SUMMARY OF SOIL ANALYTICAL RESULTS
2 WEST MICHIGAN AVENUE
YPSILANTI, MICHIGAN
SME PROJECT NO.: 085916.00

Constituent		Part 201 Generic Residential Cleanup Criteria			VIAP Screening Levels	Statewide Default Background Levels	Chemical Analysis Results Sample Identification Depth (Feet) Date Collected								Maximum Concentration Measured at Property
		Drinking Water Protection Criteria	Groundwater Surface Water Interface Protection Criteria	Direct Contact Criteria	Residential Volatilization to Indoor Air Pathway (VIAP) Screening Levels		SB1	SB2	DUP Soil SB2	SB2	SB3	SB4	SB5	SB5	
							(10' - 11')	(1' - 2')	(1' - 2')	(7' - 8')	(14' - 15')	(10' - 11')	(1' - 2.5')	(7' - 8')	
							06/28/22	06/28/22	06/28/22	06/28/22	06/28/22	06/28/22	06/28/22	06/28/22	
VOCs	**CAS #**														
Tetrachloroethylene	127-18-4	100	1,200	200,000	6.2	NA	270	64	69	<55	<120	1,300	1,700	<91	1,700
Other Analyzed VOCs	CS	CS	CS	CS	CS	CS	<RL	<RL	<RL	<RL	<RL	<RL	<RL	<RL	<RL
Polynuclear Aromatic Hydrocarbons (PAHs)															
Acenaphthene	83-32-9	300,000	8,700	41,000,000	200,000	NA	<330	2,700	6,600	<330	<330	<330	<330	<330	<RL
Acenaphthylene	208-96-8	5,900	ID	1,600,000	NA	NA	<330	6,800	14,000	<330	<330	<330	<330	<330	<RL
Anthracene	120-12-7	41,000	ID	230,000,000	13,000,000	NA	<330	14,000	29,000	<330	<330	<330	<330	<330	<RL
Benzo(a)anthracene	56-55-3	NLL	NLL	20,000	160,000	NA	<330	20,000	51,000	<330	<390	<330	500	<330	51,000
Benzo(a)pyrene	50-32-8	NLL	NLL	2,000	NA	NA	<330	24,000	49,000	<330	<330	<330	460	<330	49,000
Benzo(b)fluoranthene	205-99-2	NLL	NLL	20,000	NA	NA	<330	28,000	67,000	<330	<330	<330	590	<330	67,000
Benzo(g,h,i)perylene	191-24-2	NLL	NLL	2,500,000	NA	NA	<330	11,000	27,000	<330	<330	<330	<330	<330	<RL
Benzo(k)fluoranthene	207-08-9	NLL	NLL	200,000	NA	NA	<330	9,000	21,000	<330	<330	<330	<330	<330	<RL
Chrysene	218-01-9	NLL	NLL	2,000,000	NA	NA	<330	21,000	56,000	<330	<330	<330	480	<330	56,000
Dibenzo(a,h)anthracene	53-70-3	NLL	NLL	2,000	NA	NA	<330	3,000	6,800	<330	<330	<330	<330	<330	<RL
Fluoranthene	206-44-0	730,000	5,500	46,000,000	NA	NA	<330	52,000	140,000	<330	390	<330	830	<330	140,000
Fluorene	86-73-7	390,000	5,300	27,000,000	470,000	NA	<330	7,900	18,000	<330	<330	<330	<330	<330	<RL
Indeno(1,2,3-cd)pyrene	193-39-5	NLL	NLL	20,000	NA	NA	<330	14,000	29,000	<330	<330	<330	<330	<330	<RL
2-Methylnaphthalene	91-57-6	57,000	4,200	8,100,000	1,700	NA	<330	3,600	6,200	<330	<330	<330	<330	<330	<RL
Phenanthrene	85-01-8	56,000	2,100	1,600,000	1,700	NA	<330	54,000	130,000	<330	430	<330	850	<330	130,000
Pyrene	129-00-0	480,000	ID	29,000,000	250,000	NA	<330	46,000	130,000	<330	400	<330	900	<330	130,000
Metals															
Arsenic	7440-38-2	*5,800*	*5,800*	7,600	NA	5,800	10,000	12,000	12,000	4,300	5,100	7,300	6,500	2,400	12,000
Barium	7440-39-3	1,300,000	440,000*	37,000,000	NA	75,000	53,000	140,000	140,000	80,000	78,000	27,000	21,000	46,000	140,000
Cadmium	7440-43-9	6,000	3,600*	550,000	NA	1,200	210	480	540	250	1,300	160	200	650	1,300
Chromium, Total**	7440-47-3	30,000	3,300	2,500,000	NA	NA	7,600	12,000	17,000	8,600	15,000	9,200	6,200	7,700	17,000
Copper	7440-50-8	5,800,000	75,000*	20,000,000	NA	32,000	6,900	52,000	48,000	12,000	35,000	15,000	15,000	18,000	52,000
Lead	7439-92-1	700,000	5,100,000*	400,000	NA	21,000	4,600	460,000	660,000	27,000	2,900	20,000	24,000	1,700	660,000
Mercury	7439-97-6	1,700	*130*	160,000	22	130	<50	720	2,900	52	<57	<50	69	<50	2,900
Selenium	7782-49-2	4,000	*410*	2,600,000	NA	410	530	930	570	2,100	6,000	<200	<200	2,600	6,000
Silver	7440-22-4	4,500	*1,000*	2,500,000	NA	1,000	<100	1,200	780	<100	<100	<100	<100	<100	1,200
Zinc	7440-66-6	2,400,000	170,000*	170,000,000	NA	47,000	23,000	190,000	220,000	75,000	32,000	41,000	46,000	20,000	220,000

Notes are found on the last page of this table.

TABLE 2

SUMMARY OF GROUNDWATER ANALYTICAL RESULTS
2 WEST MICHIGAN AVE
YPSILANTI, MICHIGAN
SME PROJECT NO.: 085916.00

Constituent	CAS #	Part 201 Generic Cleanup Criteria: Residential Drinking Water Protection Criteria	Part 201 Generic Cleanup Criteria: Groundwater Surface Water Interface Protection Criteria	Part 201 Generic Cleanup Criteria: Residential Groundwater Volatilization to Indoor Air Inhalation Criteria	Volatilization to Indoor Air Pathway (VIAP) Screening Levels: Nonresidential Shallow Groundwater	Chemical Analysis Results (Sample Identification / Depth (Feet) / Date Collected / Environmental Concern): SB2 (7-12)	DUP GW SB2	SB1 (7-12)	Maximum Concentration Measured at Property
						(7' - 12')	(7' - 12')	(7' - 12')	
						06/28/22	06/28/22	06/28/22	
VOCs	**CAS #**								
Chloromethane	74-87-3	260	ID	8,600	110	<5.0	<5.0	<5.0	NA
cis-1,2-Dichloroethylene	156-59-2	70	620	93,000	14	**1.5**	**1.4**	**5.8**	5.8
Tetrachloroethylene	127-18-4	**5**	**60**	25,000	**35**	**8.7**	**8.8**	**180**	180
Trichloroethylene	79-01-6	**5**	200	2,200	**1.6**	<1.0	<1.0	**19**	19
Vinyl chloride	75-01-4	**2**	13	1,100	10	**3.5**	**3.7**	**8.1**	8.1
Trihalomethanes									
Other Analyzed VOCs	CS	CS	CS	CS	CS	<RL	<RL	<RL	<RL
Polynuclear Aromatic Hydrocarbons (PAHs)									
All Analyzed PAHs	CS	CS	CS	CS	CS	<RL	<RL	<RL	<RL
Metals									
Arsenic	7440-38-2	10	10	NLV	NA	<5.0	<5.0	**6.5**	6.5
Barium	7440-39-3	2,000	670*	NLV	NA	<100	<100	**110**	110
Cadmium	7440-43-9	4	6.7*	NLV	NA	<1.0	<1.0	<1.0	NA
Chromium, Total**	7440-47-3	500	7,200*	NLV	NA	<10	<10	<10	NA
Copper	7440-50-8	5	3.0*	NLV	NA	<4.0	<4.0	<4.0	NA
Lead	7439-92-1	100	11	NLV	NA	**7.5**	**6.1**	<3.0	7.5
Mercury	7439-97-6	100	100*	NLV	NA	<0.20	<0.20	<0.20	NA
Selenium	7782-49-2	100	11	NLV	NA	<5.0	<5.0	<5.0	NA
Silver	7440-22-4	40	100	NLV	NA	<0.20	<0.20	<0.20	NA
Zinc	7440-66-6	1,000	13*	NLV	NA	<50	<50	<50	NA

Notes are found on the last page of this table.

TABLE 3

SUMMARY OF SOIL GAS ANALYTICAL RESULTS
2 WEST MICHIGAN AVENUE
YPSILANTI, MICHIGAN
SME PROJECT NO.: 085916.00

Constituent		Volatilization to Indoor Air Pathway Screening Levels	Chemical Analysis Results Sample Identification Depth (Feet) Date Collected							Maximum Concentration Measured at Property
		Non Residential	SG1	SG2	DUP SG SG2	SG3	SG4	SG5	SG6	
			Sub-Slab	Sub-Slab	Sub-Slab	Sub-Slab	Sub-Slab	Sub-Slab	Sub-Slab	
			06/30/22	06/30/22	06/30/22	06/30/22	06/30/22	06/30/22	06/30/22	
VOCs (TO-15)	**CAS #**									
Cyclohexane	110-82-7	310,000	<140	<180	**1,800**	<41	<180	<41	<41	1,800
cis-1,2-Dichloroethene	156-59-2	410	**400**	<210	**180**	<24	<200	<24	<24	400
Ethylbenzene	100-41-4	800	<180	**290**	**190**	<52	**300**	<52	<52	300
Methylene Chloride	75-09-2	31,000	<2900	<3600	<2300	<240	<3500	**56**	**710**	710
Tetrachloroethene	127-18-4	1,400	**210,000**	**340,000**	**350,000**	**18,000**	**440,000**	**81**	<41	440,000
Toluene	108-88-3	250,000	<1200	<1500	<990	<100	<1500	<23	**310**	310
Trichloroethene	79-01-6	67	**6,400**	**8,400**	**8,500**	**570**	**7,000**	<1.6	<1.6	8,500
Other Analyzed VOCs	CS	CS	<RL	<RL	<RL	<RL	<RL	<RL	<RL	NA

Notes are found on the last page of this table.

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

X 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: Washtenaw County____ Contact:___Jason Fee______

Property Address:_____175 (Vacant) North Main Street, Ann Arbor, MI 48104__Phone No.:____734-222-3792

Property Tax ID #:_____09-09-29-141-031______________________________

Applicant Information

Applicant Name:___Jason Fee__ Phone No.:___734-222-3792___

Address:______220 E. Huron Street, Ann Arbor, MI 48104__________________

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

Project Information

Project Name:_______Anne Street Parking Lot Affordable Housing__________________________

Project Description: ___Washtenaw County is exploring feasibility of Affordable Housing Development on the site. ____

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

Property Information

Previous Owners: City of Ann Arbor

Historic Property Uses: Hills Opera House (late 1800s – 1950s) and County Jail (1950s-1970s)

Property Acreage: 0.349 Acres

Zoning: Downtown   Surrounding Land Use: Office, Commercial

Proposed Environmental Activities:

	Estimated Cost
☐ Phase I and Title Work	
X Phase II	$6,845.18
☐ BEA Report	
☐ Due Care Plan	
☐ Hazardous Material Survey	
TOTAL	$6,485.18

Please attach a price quote from a qualified environmental firm.

Please describe Previous Environmental Assessments Completed: Phase I ESA and Title Search

Please describe environmental conditions: Potential migration from former petroleum tanks at north adjoining property and right-of-way.

Please provide cloud links to any relevant environmental reports. Available environmental reports are attached

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

August 10, 2022

Mr. Nathan Voght
Washtenaw County Brownfield Redevelopment Coordinator
Washtenaw County Office of Community & Economic Development
415 West Michigan Avenue
Ypsilanti, Michigan 48197

RE: Proposal for a Phase II Environmental Subject Property Assessment (ESA)
175 North Main Street, Ann Arbor, Michigan 48104
Parcel #09-09-29-141-031

Dear Mr. Voght:

In response to your request, Environmental Consulting & Technology, Inc. (ECT) is pleased to provide you with this proposal for conducting a Phase II Environmental Subject Property Assessment (ESA) at the above referenced Subject Property (herein referred to as the Subject Property) for the purpose of verifying the presence or absence of environmental impact from the recognized environmental condition (REC) identified during a Phase I ESA that was conducted by ECT on DATE. The identified REC is described below:

- **REC #1: The potential migration of impacted material from north encroaching and/or adjoining historical storage tanks.** According to a review of historical sources, a circular feature labeled as "Petrol" is illustrated within the West Anne Street right-of-way, encroaching the northeastern corner of the Subject Property on the fire insurance maps dated 1925 through 1972. The use of this feature is unknown, but ECT believes there is the potential that "Petrol" could be indicative of a "petroleum" storage tank. Furthermore, the north adjoining property (201 North Main Street) was occupied by a gasoline filling station from at least 1931 until approximately 1955. The historical fire insurance maps indicate that the former filling station used three gasoline underground storage tanks (USTs), which were located approximately 70 feet north of the Subject Property. ECT was not able to review any records regarding the removal or closure activities of these storage tanks. Based on their proximity to the Subject Property and lack of records about closure activities, there is potential that released materials may have migrated and impacted the subsurface of the Subject Property. It is ECT's opinion that the potential migration of petroleum-impacted material represents a REC to the Subject Property.

Included herein are additional details regarding the proposed scope of work, cost estimate, and schedule.

PROPOSED SCOPE OF WORK

The proposed scope of work is intended to comply with the ASTM International E1903-19 Standard Practice for Environmental Assessments: Phase II ESA Process.

Subsurface Investigation

For safety considerations, ECT will prepare a Health and Safety Plan (HASP) and complete utility notices (Miss Dig) prior to drilling and sampling activities.

Using a subcontracted driller, ECT proposes to advance up to **three soil borings** near the northeastern corner of the Subject Property with a maximum depth of 20 feet below ground surface (bgs) unless groundwater is encountered at shallower depths. One soil sample and one groundwater sample (via temporary wells) will be collected from each boring and analyzed for volatile organic compounds (VOCs), polynuclear aromatic hydrocarbons (PNAs), and lead using Environmental Protection Agency (EPA) Methods 8260, 8270, and 6010, respectively.

In addition, ECT proposes to collect one volatile organic analysis (VOA) trip blank as a quality assurance sample during the sampling event. Following the completion of sampling activities, soil borings will be filled with bentonite and/or original soil cuttings, and the temporary groundwater will be removed. Purged water will be returned to the borehole, and surface features will be restored to their original status.

Methods

Soils at each boring location will be field screened with a photoionization detector (PID) for the presence of volatile organic compounds, and soil conditions will be characterized and logged by the field personnel. Soil samples will be collected from biased depth intervals most likely to have contamination, based on PID readings, visual appearance, odor, and/or significant stratigraphy changes. If there is no indication of contamination throughout the soil column, the soil sample may be collected from a depth interval mostly likely to be impacted from the potential source.

Groundwater samples will be collected from temporary monitoring wells, and groundwater samples will be collected using a low flow peristaltic pump with disposable tubing. As standard protocol, groundwater will be filtered during the sample collection for the analysis of lead.

Each sample will be logged on a chain-of-custody form maintained throughout the collection, transport, and delivery of each sample. Standard decontamination and preservations methods will be adhered to during the sampling activities.

Data Analysis and Reporting

Following sampling activities and receipt of analytical data, ECT will prepare a Phase II ESA report summarizing field activities, geological and hydrogeological conditions, and analytical results. ECT anticipates the report will be completed within ten business days of receiving the analytical data.

PROJECT ASSUMPTIONS

- All of the work can be completed during normal business hours. ECT anticipates field activities will be conducted within one day.

- ECT will be provided access to all appropriate areas of the Subject Property.
- The cost estimate assumes a standard turnaround time of seven to ten business days after receipt of the samples at the contracted laboratory.
- The data objective of this scope of work is to verify the presence or absence of environmental impact. Should adverse environmental impact be discovered, additional investigation efforts may be required to fulfill due care obligations.

COST ESTIMATE

ECT proposes to perform the Phase II ESA for a cost of Six Thousand Eight Hundred Forty-five dollars and Eighteen cents (**$6,845.18**) on a time and materials basis, pursuant to the attached General Terms and Conditions. Any additional services beyond the scope of this proposal will be performed at an additional cost upon your approval. Below describes the cost breakdown of the scope of work:

Description	Cost
Health/Safety and Field Labor 1 Personnel for 1 Day	$1,065.00
Field Equipment and Work Truck	$300.00
Driller Subcontractor	$1,874.40
Laboratory Analytical Data 3 Soil Samples: VOCs, PNAs, & Lead 3 Groundwater Samples: VOCs, PNAs, & Lead 1 Trip Blank: VOCs	$1,735.78
Project Management, Data Analysis, and Reporting	$1,870.00
Total	***$6,845.18***

If this proposal is satisfactory to you, you may authorize ECT to proceed by signing one copy of this proposal or forwarding a purchase order. If you have any questions or require additional information, please do not hesitate to contact Maura Gibbons at 248-797-1905 at your earliest convenience.

ECT appreciates the opportunity to submit this proposal and looks forward to providing the highest quality environmental services.

Sincerely,

Environmental Consulting & Technology, Inc.

Maura Gibbons
Project Manager
Site Assessment and Remediation

Dirk Mammen
Associate Vice President
Site Assessment and Remediation

SUBSCRIBER EXCLUSIVE

Big housing development in Ann Arbor postponed as officials raise issues

Updated: Jul. 20, 2022, 3:15 p.m. | Published: Jul. 20, 2022, 3:14 p.m.

The new phase-one site plan for the Village of Ann Arbor housing development off Pontiac Trail and Dhu Varren Road in Ann

Arbor, as presented to the city's Planning Commission on July 19, 2022. Land Design Studio courtesy of Robertson Brothers Homes

By **Ryan Stanton | ryanstanton@mlive.com**

ANN ARBOR, MI — A major housing development on Ann Arbor's north side is working its way through the city's approval process, but officials aren't ready to OK it just yet.

The Planning Commission got the latest look Tuesday night, July 19, at the so-called Village of Ann Arbor proposal, a mix of several hundred for-sale homes and rental apartments planned off the east side of Pontiac Trail south of Dhu Varren Road.

After about two hours of discussion of the plans submitted by Bloomfield Hills-based Robertson Brothers Homes, the commission voted to postpone the proposal until Sept. 7, following city staff's recommendation.

Commissioners gave the development team feedback to consider, urging more consideration of sustainability measures in keeping with city carbon-neutrality goals, such as solar panels, geothermal heating and cooling and building electrification, using all-electric appliances instead of burning gas.

"This is really important because this is such a big development," Commissioner Shannan Gibb-Randall said. "It just feels like here's our chance."

Development team representatives pushed back on some of that, suggesting it could be too costly, it could increase residents' energy bills and the technology isn't there yet, which commissioners and at least one resident questioned, since solar panels, for example, actually save on energy costs.

The developer also would save a lot by not putting in gas infrastructure, Gibb-Randall said.

While there could be solar panels on a clubhouse on the property, not every roof would be good for solar and contamination on the site is an obstacle to installing a geothermal system, according to the development team.

Though it's been described as a 561-unit housing development, what's proposed now in the first phase is 484 units, including 164 attached single-family homes and 320 apartments with a clubhouse and pool, said Tim Loughrin, Robertson's director of land acquisition and development.

The plan is to propose another future phase with adjacent property being annexed, he said.

Buildings would range from two to three stories, with units ranging from 684 to 1,850 square feet, including everything from one- to four-bedroom units, he said.

Latest look at Ann Arbor developments taking shape in 2022

"We're very excited to be here. It's been a very long road," Loughrin told commissioners, explaining the project has been in the works at least three years.

"Essentially it's a village," he said, indicating there would be a mix of housing types for people at all stages of life.

The overall site is about 67 acres and the development would take shape on 58 acres, not counting an old city landfill on the property, Loughrin said, adding 65% of the site would remain open space, with over a mile of bike paths and sidewalks.

The development would reclaim the old landfill property and bring it back to life, Loughrin said.

“That area would be fully treed,” he said. “That is part of our open space.”

It’s still undecided whether there would be walking trails over the landfill area. One of the issues discussed Tuesday night was how to deal with methane releases from the property and special mitigation measures planned.

Robertson is teaming up with Lansing-based DTN Management Co. and has been working to get the land, most of which is an Ann Arbor Township island within the city’s ultimate borders, annexed into the city.

The development team is requesting brownfield tax incentives to have a portion of the new taxes from the project pay for site remediation and infrastructure. The brownfield plan is still in the works and commissioners expressed interest in learning more about it. A city planning staff report cited $25 million as the estimated total of eligible environmental and non-environmental costs reimbursable to the developer.

Because the developer is asking the city to establish R4A multi-family zoning for the annexed property, the project needs to go through City Council in addition to Planning Commission.

The level of housing density proposed is consistent with surrounding developments and the city’s master plan, staying between seven to 10 units per acre, Loughrin said.

“We believe we’re a conforming plan,” he said. “We’re not asking for any deviations.”

A bird's-eye view of Ann Arbor's north side housing boom

Commissioners were presented with a draft development agreement spelling out public benefits the developer may have to provide. That includes a $302,500 payment to the city for improvements to Leslie or Olson parks and an easement for public access to Leslie Park from Pontiac Trail.

The developer also would be required to complete wetland restoration on the western part of the site and maintain existing woodland, landmark and street trees shown in plans as trees to be saved for at least three years.

The developer also could be asked to pay for traffic-mitigation measures along Pontiac Trail. That may include facilitating decreased use of automobiles and increased use of alternate modes of transportation, such as with park-and-ride lots, bicycle and pedestrian facilities and transit improvements, the draft agreement states, indicating the city gets to pick the measures to implement.

The agreement also states the new housing units could be included in a future special assessment district for additional improvements to Pontiac Trail and Dhu Varren Road, potentially including street widening. The idea of roundabouts was briefly discussed at Tuesday night's meeting.

A traffic study indicated the intersection of Pontiac Trail and Barton Drive functions poorly during peak periods and doesn't have capacity for more vehicles. More capacity could be provided by additional lanes or a roundabout, but the intersection doesn't have enough right-of-way and new lanes or a roundabout would substantially compromise non-motorized movement, a city staff report states.

However, the city's Lower Town mobility study has recommended installing a roundabout at Pontiac Trail and Dhu Varren.

The amount of automobile parking spaces proposed for the development was another concern for commissioners, as the city is trying to move away from car-centric developments.

While City Council is expected to vote next month to eliminate minimum parking requirements for developments, 968 parking spaces are currently required for the development and the developer proposes 873 spaces mostly in private garages, plus an additional 617 tandem spaces behind most garages, according to a city staff report.

"We don't want complaints later that there's not enough parking," Loughrin said.

One commissioner suggested having a community bike share program for the complex.

There would be over 700 bicycle parking spaces, the staff report states, noting car garages also would have to meet the city's electric vehicle requirements.

Planning officials decided on postponement until September to give the developer more time to work through the issues raised.

TABLE 1.
Eligible Activities Table
Dhu Varren Redevelopment
Ann Arbor, Michigan
9/1/2022

ELIGIBLE ACTIVITIES	
COST ITEM	**TOTAL COST**
BEA Activities	
Phase I ESA	$ 355,059
Phase II ESA	
BEA Report	
Additional Assessment	
BEA Activities Subtotal	**$ 355,059**
Due Care and Response Activities	
Soils Analysis and Due Care Investigations	$ 17,371,194
Direct contact barriers (walking path)	
Soil Erosion Controls	
Methane Interceptor Trench	
Sub-Slab Depressurization Systems	
Removal of Contaminated Fill	
Contamined Debris Haul Off for Mass Grading	
Haul Off for Methane Interceptor Trench	
Contaminated Soil Haul Off Roads	
Geopiers - Specialized Foundations in Contaminated Soil	
Contaminated Soil Haul Off - Foundations	
Contaminated Soil Haul Off - Utility Trenches	
Backfill	
Other EGLE-Specific Activities (ground improvements to avoid additional contaminated soil mgmt costs)	
Separating Debris from Contaminated Material	
Soft Costs Associated with Engineering Control	
Due Care Activities Soft Cost Subtotal	
Due Care Activities Subtotal	**$ 17,371,194**
Environmental Eligible Activities Subtotal	**$ 17,726,253**
Environmental Contingency	
Contingency for eligible activities	$ 2,605,679
Interest on Environmental Eligible Activities	
Interest	$ 6,007,701
Environmental Portion of Brownfield Plan and Work Plan	
Brownfield Plan - City of Ann Arbor and WCBRA processes	$ 30,000
Act 381 Work Plan for Department Specific Activities	
Plan compliance; collecting, tracking and reporting cost and other data	
Environmental Activities Total	**$ 26,369,633**
Site Preparation	
Cut and Fill	$ 2,930,071
Compaction and Sub-base Preparation	
Site Preparation Subtotal	**$ 2,930,071**
Infrastructure Improvements	
Roundabout at Dhu Varren and Pontiac Trail	**$ 1,550,000**
Green Stormwater Management - Low Impact Design	
Infrastructure Improvements Subtotal	**$ 1,550,000**
Non-Environmental Activities SubTotal	**$ 4,480,071**
Non-Environmental Contingency	
Contingency for eligible activities	$ 492,011
Non-Environmental Portion, Brownfield Plan and Work Plan	
Brownfield Plan - City of Ann Arbor and WCBRA processes	$ 30,000
Act 381 Work Plan for Department Specific Activities	
Plan compliance; collecting, tracking and reporting cost and other data	
Non-Environmental Activities Total	**$ 5,002,082**
TOTAL ELIGIBLE COSTS:	**$ 31,371,716**

WCBRA Financial Report - August 2022

Project	Maple Shoppes	Michigan Inn	Zingerman's	Arbor Hills	618 S. Main	Jiffy Warehouse/140 Buchanan	544 Detroit	Packard Square	Water Street	Kingsley Condos - 221 Felch	615 S. Main -A2	Grand View Commons-Dexter	1140 Broadway-A2	Thompson Block	309 N. Ashley	Broadway Park-Roxbury	Maple Oaks-Saline
			Developer Reimbursement Complete														
Project Parameters																	
Brownfield Plan - Total Approved Elig Activities	$ 1,209,027.00	$ 655,640.00	$ 1,233,937.00	$ 5,400,000.00	$ 4,628,636.00	$ 580,676.00	$ 698,773.00	$ 3,582,222.00	$ 22,874,634.00	$ 5,109,420.00	$ 4,489,510.00	$ 3,370,613.00	$ 13,159,069.00		$ 2,739,022.00		
Brownfield Plan - Maximum Developer Reimburseme	$ 1,010,042.00	$ 569,414.00								$ 4,000,000.00					$ 2,039,022.00		
Actual Approved Eligible Activity Expenses	$ 1,010,042.00	$ 397,839.13	$ 600,218.85	$ 4,384,556.00	$ 2,726,826.00	$ 298,463.97	$ 383,368.00	$ 3,431,092.00		$ 4,000,000.00	$ 2,609,663.57	$ 1,552,678.00	$ 6,787,385.93		$ 1,876,130.05		$ 68,267.50
Approved Eligible Activity Expense Reimbursed to Dat	$ 715,592.41	$ 397,839.13	$ 257,929.41	$ 4,230,383.96	$ 1,452,203.00	$ 298,463.97	$ 168,770.92	$ 3,431,092.00		$ 2,400,545.77	$ 2,609,663.57	$ 190,530.43	$ 2,123,450.99		$ 22,885.43		$ 49,563.19
Remaining Approved Eligible Activity Expenses	$ 294,449.59	$ -	$ 342,289.44	$ 154,172.04	$ 1,274,623.00	$ -	$ 214,597.08	$ -	$ -	$ 1,599,454.23	$ -	$ 1,362,147.57	$ 4,663,934.94	$ -	$ 1,853,244.62	$ -	$ 18,704.31
Approved Interest to be Reimbursed	$ 41,282.00	$ 36,964.00	$ 212,171.16	$ 1,015,444.00	$ 457,335.21	$ -	$ 67,833.69	$ 53,331.18				$ 213,705.45					
Interest Reimbursed to Date		$ 35,117.00						$ 53,331.18									
Remaining Interest to be Reimbursed	$ 41,282.00	$ 1,847.00	$ 212,171.16	$ 1,015,444.00	$ 457,335.21		$ 67,833.69	$ -				$ 213,705.45					
Project Financial Activity																	
12/31/21 Fund Balance	$ -	$ -	$ 5,000.00	$ -	$ -		$ 5,000.00		$ 156,495.82	$ -	$ 77,639.00	$ 118,713.82	$ -	$ 6,876.68	$ -	$ 1,574.03	$ -
TOTAL 2022 REVENUES																	
Application Fee	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Interest Revenue*																	
TIF Revenue/Capture	$ 16,419.79	$ 11,743.77	$ 202.28	$ 118,304.11	$ 76,351.01	$ 38,993.50	$ 2,475.00		$ 34,137.70	$ 205,396.92		$ 78,775.36	$ 324,448.31	$ 15,341.94	$ 5,288.63	$ 244.96	$ 1,397.71
Total Revenues	$ 16,419.79	$ 11,743.77	$ 202.28	$ 118,304.11	$ 76,351.01	$ 38,993.50	$ 2,475.00	$ -	$ 34,137.70	$ 205,396.92	$ -	$ 78,775.36	$ 324,448.31	$ 15,341.94	$ 5,288.63	$ 244.96	$ 1,397.71
2022 EXPENDITURES																	
Certified Expense Reimbursement	$ 13,230.79			$ 65,873.11	$ 52,417.01	$ -	$ 2,960.00	$ -	$ -	$ 74,481.92		$ 179,540.18	$ 245,879.44	$ 21,402.62	$ 2,999.63	$ -	
Administrative Fee Transfer	$ 3,189.00	$ 1,847.00	$ 3,089.00	$ 52,431.00	$ 23,934.00	$ 6,368.00	$ 2,596.00		$ 3,100.00	$ 84,680.00		$ 8,977.00	$ -	$ -	$ 2,289.00	$ -	$ -
LBRF Revenue or Deposit	$ -	$ 9,896.77	$ 5,097.00	$ -	$ -	$ 28,980.50	$ -		$ -	$ -		$ -	$ 45,573.87	$ -	$ -	$ 81.62	$ 2,548.00
State of MI Brownfield Fund (Approved after 2014)						$ 3,645.00	$ 1,919.00		$ 1,248.00	$ 46,235.00	$ 38,583.00	$ 8,972.00	$ 32,995.00	$ 816.00	$ -	$ 32.50	$ -
Total Expenditures	$ 16,419.79	$ 11,743.77	$ 8,186.00	$ 118,304.11	$ 76,351.01	$ 38,993.50	$ 7,475.00	$ -	$ 4,348.00	$ 205,396.92	$ 38,583.00	$ 197,489.18	$ 324,448.31	$ 22,218.62	$ 5,288.63	$ 114.12	$ 2,548.00
Misc Refund																	
Current Brownfield Account Balance	$ -	$ -	$ (2,983.72)	$ -	$ -	$ -	$ -	$ -	$ 186,285.52	$ -	$ 39,056.00	$ -	$ -	$ -	$ -	$ 1,704.87	$ (1,150.29)
**** Includes Admin and LBRF Funds***						($18,214.50 in LBRF capture remaining)					**To pay 3 mill SET Only**						

Total of all 2021 CY TIF Reimburse Transfers	$ 634,382.45			
Total 2022 CY LBRF CAPTURE	$ 92,177.76			
Total of all CY 2022 Admin Transfers (from 2021 TY)	**$ 192,500.00**	**16 Active Projects**		
Total of all CY 2019 Admin Transfers	$ 165,000.00	15 Active Projects		
Total of all CY 2018 Admin Transfers	$ 164,999.72	15 Active Projects		
Total of all CY 2017 Admin Transfers	$ 164,113.00	15 Active Projects		
Total of all CY 2016 Admin Transfers	$ 150,739.88	ACCOUNT BALANCES SUMMARY		
Total of all CY 2015 Admin Transfers	$ 114,437.35	Admin Fund Cash Reserves as of 8-25-22*	**$**	**139,108**
Total of all CY 2014 Admin Transfers	$ 87,198.19	LBRF Interest earned since 2017 as of 1-10-22 (inc. in bal. below)	**$**	**63,221**
2022 LBRF Capture Running Current Yr Total	$ 92,177.76	LBRF Balance as of 8-25-22	**$**	**2,746,000**

TRANSACTION APPROVALS REQUESTED

PROJECT

Ann Arbor Summer 2022 TIF Distribution	**Total TIF Capture**			**LBRF**	Developer Reimbursement	
Maple Shoppes	$ 65,882.16				$ 65,882.16	
Michigan Inn	$ 3,403.00			$ 3,403.00	Final LBRF	Due to error, developer still owed final payment of $1,847, to be sent mid Sept.
Zingerman's	$ 28,385.18				$ 16,385.18	(retain $12K to cover negative balance and LBRF/Admin capture)
Arbor Hills	$ 467,396.22				$ 467,396.22	
618 S. Main	$ 192,704.04				$ 192,704.04	
309 N. Ashley	$ 139,996.11				$ 139,996.11	
544 Detroit St	$ 30,539.37				$ 25,539.37	(retain $5K to cover Admin and SET)
Kingsley Condos	$ 800,868.88				$ 800,868.88	
1140 Broadway -Beekman on Broadway	$ 1,101,773.44				$ 1,101,773.44	
Broadway Park	$ 1,856.89				No Elig Activties Yet	
Grand Total	$ 2,832,805.29	$ -	**$ -**	**$ 3,403.00**	**$ 2,810,545.40**	

Washtenaw County Board of Commissioners

Supporting Funding for the Brownfield Bridge Fund Grant Program

AUGUST 2022

Chair of the Board
Sue Shink

220 N Main St | Ann Arbor, MI | 48104

Dear Representative Felicia Brabec:

In this packet you will find copies of resolution unanimously passed by our Washtenaw County Board of Commissioners and our Washtenaw County Brownfield Redevelopment Authority.

Both resolution urge our state leaders, including you, to fund the Brownfield Bridge Fund as part of the economic development strategy for the state. This Fund would provide grants to local Brownfield Authorities to directly fund eligible brownfield activities and support projects in need of additional support in high priority communities. This Fund would help our County Brownfield Authority continue to maximize the impact of funds to have an immediate and sustained positive impact on our community.

We hope you will work to support funding for this important program.

Thank you,

Susan E. Shink

Sue Shink
Chair, Washtenaw County Board of Commissioners
(734) 249-0377

A RESOLUTION TO URGE STATE OF MICHIGAN LEGISLATURE TO FUND THE BROWNFIELD BRIDGE FUND GRANT PROGRAM USING ARPA FUNDING TO ASSIST WITH BROWNFIELD REDEVELOPMENT

WASHTENAW COUNTY BOARD OF COMMISSIONERS

AUGUST 3, 2022

Prepared By: Nathan Voght, Washtenaw County Brownfield Redevelopment Coordinator

WHEREAS, the Washtenaw County Brownfield Redevelopment Authority (WCBRA) was established in 1999 and has become an exemplary brownfield redevelopment program in the State of Michigan, with 17 completed projects, adding almost 2000 jobs and over $500 million in private investment, 16 active projects, and active Environmental Assessment and Local Brownfield Revolving Fund incentive programs; and

WHEREAS, the current economic climate, with rising construction and other costs, presents financial challenges for many brownfield projects, but particularly in lower opportunity areas of the County; and

WHEREAS, WCBRA staff was invited to be a part of a team, made up of representatives from other Brownfield Authorities around the state, Michigan Economic Development Corporation and Department of Environment, Great Lakes, and Energy, to finalize details of the Brownfield Bridge Fund, part of the Governor's MI New Economy Plan, which would directly fund Eligible Brownfield Activities on Eligible Brownfield sites; and

WHEREAS, it is our understanding that the Brownfield Bridge Fund has not been approved for funding yet, despite the significant benefit this fund would have to assist with critical brownfield projects throughout the State of Michigan; and

NOW THEREFORE BE IT RESOLVED the Washtenaw County Board of Commissioners urges our State Elected Representatives to fund the proposed Brownfield Bridge Fund, to provide critical support for Brownfield Projects in Washtenaw County and around the State.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Beeman	X			Maciejewski	X			Shink	X		
Hodge	X			Morgan	X						
Jefferson	X			Sanders	X						
LaBarre	X			Scott	X						

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY　　ROLL CALL VOTE:　9　0　0

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)SS.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on August 3rd, 2022, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 4th day of August 2022.

LAWRENCE KESTENBAUM, Clerk/Register

BY: Robert D. Mulcahy

Deputy Clerk

Res. No. 22-161

A RESOLUTION TO URGE STATE OF MICHIGAN LEGISLATURE TO FUND BROWNFIELD BRIDGE FUND GRANT PROGRAM USING ARPA FUNDING TO ASSIST WITH BROWNFIELD REDEVELOPMENT

WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

JUNE 9, 2022

WHEREAS, the Washtenaw County Brownfield Redevelopment Authority (WCBRA) was established in 1999 by the Washtenaw County Board of Commissioners to facilitate the remediation and redevelopment of contaminated, blighted, and obsolete brownfield sites within its 23 participating municipalities; and

WHEREAS, the WCBRA has become an exemplary brownfield redevelopment program in the State of Michigan, with 17 completed projects, adding almost 2000 jobs and over $500 million in private investment, 16 active projects, and active Environmental Assessment and Local Brownfield Revolving Fund incentive programs; and

WHEREAS, the current economic climate, with rising construction and other costs, presents financial challenges for many brownfield projects, but particularly in weaker economic areas of the County; and

WHEREAS, WCBRA staff was invited to be a part of a team, made up of representatives from other Brownfield Authorities around the state, Michigan Economic Development Corporation and Department of Environment, Great Lakes, and Energy, to finalize details of the Brownfield Bridge Fund, part of the Governor's MI New Economy Plan, which would directly fund Eligible Brownfield Activities on Eligible Brownfield sites; and

WHEREAS, it is our understanding that the Brownfield Bridge Fund has not been approved for funding yet, despite the significant benefit this fund would have to assist with critical brownfield projects throughout the State of Michigan; and

NOW THEREFORE BE IT RESOLVED the WCBRA urges our State Elected Representatives to fund the proposed Brownfield Bridge Fund, to provide critical support for Brownfield Projects in Washtenaw County and around the State.

BOARD MEMBER	Y	N	A	BOARD MEMBER	Y	N	A	BOARD MEMBER	Y	N	A
Harless	X			Baushke			X	Meyers	X		
O'Toole	X			Maier	X			Foreman			X
Woollatt			X	Krueger	X			Shink	X		

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY   ROLL CALL VOTE: 6   0   3

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)ss.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Brownfield Redevelopment Authority at a session held at 200 N. Main in the City of Ann Arbor on June 9th, 2022, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 10th day of June 2022.

LAWRENCE KESTENBAUM, Clerk/Register

BY: Robert M. Mulcahy

Deputy Clerk