

**CITY OF PLYMOUTH
BROWNFIELD REDEVELOPMENT AUTHORITY
MEETING AGENDA
February 10, 2016
8:30 a.m.
Plymouth City Hall
201 S. Main
Plymouth, MI 48170**

- 1) Call to Order – Colleen Pobur, Chair**
- 2) Approval of Minutes – May 27, 2015**
- 3) Proposed Starkweather School Brownfield Plan**
- 4) Proposed Starkweather School Reimbursement Agreement**
- 5) Other Matters**
- 6) Adjournment**

City of Plymouth 2016 Goals

- Resolve Last Issues Regarding Dissolution of Plymouth Community Fire Department Agreement (Primarily Pension issues)
- Work Collaboratively with Plymouth Arts & Recreation Complex (PARC) organization, the Plymouth Canton School Board, and the greater Plymouth Community to continue the repurposing of Central Middle School into a high quality Arts & Recreation Complex.
- Developing a succession plan for the city's key employees, especially considering the long tenures of many of our senior staff.
- Develop funding plan for future capital improvements
- Work collaboratively with the DDA, community leaders, and other organizations to plan for Plymouth's 150th Birthday in 2017. This includes obtaining funding for new Kellogg Park Fountain and Kellogg Park upgrades.

City of Plymouth
Brownfield Redevelopment Authority
Meeting Minutes
Wednesday, May 27, 2015
City Commission Conference Room

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CALL TO ORDER: Chairperson Colleen Pobur called the meeting to order at 8:32 a.m.

PRESENT: Colleen Pobur, Paul Sincock, Dennis Bila, Evan Matthew Chall, Dan Dalton, Jennifer Kehoe.

OTHERS PRESENT: City Finance Director Mark Christiansen and City Resident Michael Vaz

OVERVIEW – There was a brief overview of the activities of the Brownfield Board and discussion of the operations of the Board. This provided background for the members of the Authority.

APPROVAL OF MEETING MINUTES: It was moved by Member Sincock and seconded by Member Dalton to approve the Meeting Minutes of June 4, 2014 as presented.

MOTION PASSED 6 - 0

AMENDMENTS TO THE FISCAL YEAR 14 - 15 BROWNFIELD REDEVELOPMENT AUTHORITY

BUDGET – City Finance Director reviewed with the Board the current status of the Fiscal Year 14 - 15 Budget and the need to make some minor adjustments in the budget at this time.

The following Resolution was offered by Member Dalton and seconded by Member Sincock:

WHEREAS, actual patterns of departmental expenditures occur differently than originally projected in the 2014 - 15 Brownfield Redevelopment Authority Budget as adopted in June of 2014, and

WHEREAS, overall revenue and expenditure forecasts require modifications to the original budgetary allocations as established in the adopted budget, and

WHEREAS, The Brownfield Redevelopment Authority budget amendments require the approval of the Brownfield Redevelopment Authority and the City Commission.

NOW THEREFORE BE IT RESOLVED THAT that the 2014 - 15 Brownfield Redevelopment Authority budget is hereby amended as indicated in the detailed line item Budget Adjustment Summary through April 30, 2015 which is made a part of this Resolution.

BE IT FURTHER RESOLVED THAT the City Finance Director is authorized to change the budgetary appropriations as necessary in accordance with this Resolution effective May 27, 2015.

BE IT STILL FURTHER BE RESOLVED THAT the City Finance Director is authorized to transfer administrative charges contained in the amended budget totaling \$26,940 to the City's General Fund in accordance with the City Budget.

MOTION PASSED 6 – 0

CITY OF PLYMOUTH
 DETAILED LINE-ITEM BUDGET ADJUSTMENTS
 THRU 04/30/15 - 2014-15 BROWNFIELD AUTHORITY BUDGET

ACCOUNT #	ACCOUNT DESC	CURRENT BUDGET	PROPOSED CHANGE	REVISED BUDGET
BROWNFIELD REDEVELOPMENT AUTHORITY FUND				
254-000-665.000	Interest on Investments	100	(90)	10
254-050-403.000	Current Property Tax/Real - Old Village	3,520	(830)	2,690
254-055-403.000	Current Property Tax/Real - Daisy Square	273,250	(3,880)	269,370
254-060-403.000	Current Property Tax/Real - hamilton Gardens Condos	-	-	-
254-065-403.000	Current Property Tax/Rea - Amelia Road LLC	-	-	-
254-000-699.000	Approp of Prior Yr Fund Balance	-	-	-
	TOTAL BRNFLD REDEV AUTH FUND REV ADJ	276,870	(4,800)	272,070
254-600-970.000	Reimbursement/Brownfield Expenditures - Old Village	3,520	(830)	2,690
254-610-970.000	Reimbursement/Brownfield Expenditures - Daisy Square	245,920	(3,480)	242,440
254-610-970.500	Reimbursement/Brownfield Admin Expense - Daisy Square	27,330	(390)	26,940
254-620-970.000	Reimbursement/Brownfield Expenditures - Hamilton Gdns	-	-	-
254-620-970.500	Reimbursement/Brownfield Admin Expense - Hamilton Gdns	-	-	-
254-620-970.600	Transfer to Site Remediation Fund	-	-	-
254-630-970.000	Reimbursement/Brownfield Expenditures - Amelia Road	-	-	-
254-630-970.500	Reimbursement/Brownfield Admin Expense - Amelia Road	-	-	-
254-290-962.000	Reserve for Contingency	100	(100)	-
	TOTAL BRNFLD REDEV AUTH FUND EXP ADJ	276,870	(4,800)	272,070
BROWNFIELD SITE REMEDIATION FUND				
255-000-665.000	Interest on Investments	50	(40)	10
255-000-675.254	Contribution from Brownfield Operating Fund	-	-	-
255-000-699.000	Approp of Prior Yr Fund Balance	-	-	-
	TOTAL BRNFLD SITE REMED FUND REV ADJ	50	(40)	10
255-290-971.000	Site Remediation Costs	-	-	-
255-290-962.000	Reserve for Contingency	50	(40)	10
	TOTAL BRNFLD SITE REMED FUND EXP ADJ	50	(40)	10

ADOPTION OF FISCAL YEAR 2015 - 16 BROWNFIELD REDEVELOPMENT AUTHORITY BUDGET –

On behalf of the City Manager, City Finance Director Mark Christiansen presented the Board with a copy of the proposed budget for Fiscal Year 2015 - 16.

The following Resolution was offered by Member Dalton and seconded by Member Bila:

WHEREAS, the 2015 – 16 Brownfield Redevelopment Authority Budget was presented by the City Manager on May 27, 2015, and

WHEREAS, Public Act 381 of 1996 requires the Brownfield Redevelopment Authority to adopt a budget annually and forward their approved budget to the City Commission for final adoption, and

WHEREAS, the Board of the Brownfield Redevelopment Authority did review the proposed budget on May 27, 2015 and noted changes, if any.

NOW THEREFORE BE IT RESOLVED THAT the Board of the Brownfield Redevelopment Authority of the City of Plymouth hereby adopts the proposed fiscal year 2015 - 16 budget as proposed, with amendments if any, as shown on the budget attachments to these meeting minutes.

BE IT FURTHER RESOLVED THAT the Board of the Brownfield Redevelopment Authority hereby directs the City manager to submit the proposed budget to the City Commission for inclusion in the overall city budget.

MOTION PASSED 6 – 0



The Brownfield Redevelopment Authority Fund accounts for revenues and expenditures for the Authority's development activities. Revenue sources are from captured tax revenues generated by the various projects approved by the Authority.

The Brownfield Redevelopment Authority was established in 1996 to take advantage of new legislation which gives various tools to local governmental units to facilitate the clean-up and redevelopment of environmentally contaminated sites.

Four projects, the Old Village Development Park located on York Street, Daisy Square, and two additional condo projects located at 300 Hamilton and 377 Amelia were originally approved by the Authority. However, 300 Hamilton has now closed out tax capture and 377 Amelia has been abolished due to lack of activity. A fifth project located at E & E Manufacturing on Industrial Drive was also approved during 2003 but this project does not involve tax capture as part of the remediation financing.

-254-

BROWNFIELD REDEVELOPMENT AUTHORITY FUND

CITY OF PLYMOUTH BROWNFIELD REDEVELOPMENT AUTHORITY

The Brownfield Redevelopment Financing Act (Act 381, Public Acts of Michigan, 1996) authorizes local governments to establish a Brownfield Redevelopment Authority to deal with contaminated properties within its jurisdiction. Brownfield's are abandoned, undeveloped or under-utilized properties which are not being developed or fully utilized due to environmental contamination. The City's bond counsel has provided a draft resolution for this purpose which is also attached.

How it Works

An authority established under the Act is authorized to capture tax increment revenues (very much like a DDA), and use the revenues to assess the environmental status of a property, to take steps to mitigate exposure to existing contamination, and to clean up existing contamination. This can include the costs of preparing a Remedial Action Plan, including the costs of review by the Michigan Department of Environmental Quality. In addition, it can include the cost of paying back an obligation issued by the authority to pay for eligible activities. However, the Authority can only capture tax increment revenues on a given site until the year in which the cost of eligible activities have been repaid, or up to five years after that if the Authority establishes a Local Site Remediation Revolving Fund.

For example, the City might enter into an agreement with the owner or buyer of a contaminated site, by which the City would finance the remediation of the contamination and the owner / buyer would redevelop the property. The City would capture taxes from the additional development to pay for the remediation costs which could be financed by a tax increment bond issue. The owner/buyer would receive Single Business Tax credits for a portion of the redevelopment costs. Thus, industrial tax abatement would not have to be used to provide a private incentive.

Limitation on School Tax Capture

An authority is able to capture both local and state school operating taxes, but only for eligible activities that are consistent with a Remedial Action Plan approved by the DEQ before January 1, 2001. There are no opt-out or sharing provisions for other governmental taxing units, in contrast to the provisions for DDA=s. However, the Authority=s tax capture may be limited by the percentage of tax increment revenues captured under all tax increment financing plans in the municipality.

Private Sector Incentive

The biggest incentive for private parties to develop and invest in eligible property is the potential to qualify for a 10% credit on the Michigan Single Business Tax, up to a maximum of \$1,000,000. The credit must be related to redevelopment costs occurring before January 1, 2001; and must be taken within 10 years. This provides a private tax incentive to redevelop sites which are remediated by the authority, when industrial tax abatement might be in conflict with the tax-capturing financing of the remediation.

Entire City as Redevelopment Zone

The enacting resolution established the entire City as the Brownfield Redevelopment Authority Zone. If the City decides later to create a Local Site Remediation Revolving Fund, an additional five years capture of taxes from a completed site (beyond its own completion costs) can be allocated to the Fund for remedial projections on other properties in the City. Since we cannot be certain if there are any unknown contaminated sites elsewhere in the City, the City-wide district provides the best opportunity to deal with such sites in the future.

The Authority

The City Commission established the Economic Development Authority as the City of Plymouth Brownfield Redevelopment Authority. The Act permits the Brownfield Redevelopment Authority to be established as a second role for the Downtown Development Authority or the Economic Development Authority, or the City Commission can establish a separate Authority board of 5 to 9 members.

Enactment

The enacting resolution was adopted by the City Commission on December 16, 1996.

BUDGET

Account #	Account Title	2013/14		2014/15				2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20
		Amended Budget	Audited Actual	Original Budget	Amended Budget	6 Months Actual	12 Months Projected	Adopted Budget	Projected Budget	Projected Budget	Projected Budget	Projected Budget
	BROWNFIELD REDEVELOPMENT AUTH FUND REVENUES											
	<u>General Revenues</u>											
254 000 405 000	TAXES RECOVERED BY COUNTY	0	0	0	0	(8,604)	0	0	0	0	0	0
254 000 409 000	PERSONAL PROPERTY TAX REPLACEMENT REVENUE	0	0	0	0	154	0	0	0	0	0	0
254 000 665 000	INTEREST ON INVESTMENTS	600	0	100	100	0	100	10	10	10	10	10
254 000 675 000	CONTRIBUTIONS/PRIVATE	0	0	0	0	0	0	0	0	0	0	0
254 000 699 000	APPROP. OF PY FUND BALANCE	0	0	0	0	0	0	0	0	0	0	0
	Total	600	0	100	100	(8,451)	100	10	10	10	10	10
	<u>Brownfield Capture - Old Village Revenues</u>											
254 050 403 000	CURRENT PROPERTY TAX/REAL	3,280	3,274	3,520	3,520	2,269	3,520	2,980	3,040	3,130	3,220	3,220
254 050 403 000	PENALTIES & INTEREST	0	0	0	0	0	0	0	0	0	0	0
	Total	3,280	3,274	3,520	3,520	2,269	3,520	2,980	3,040	3,130	3,220	3,220
	<u>Brownfield - Daisy Condos Revenues</u>											
254 055 403 000	CURRENT PROPERTY TAX/REAL	253,940	253,933	273,250	273,250	226,579	273,250	378,300	359,390	362,980	370,240	370,240
254 055 403 000	PENALTIES & INTEREST	0	0	0	0	0	0	0	0	0	0	0
	Total	253,940	253,933	273,250	273,250	226,579	273,250	378,300	359,390	362,980	370,240	370,240
	<u>Brownfield Capture - 300 Hamilton Revenues</u>											
254 060 403 000	CURRENT PROPERTY TAX/REAL	49,810	49,806	53,590	53,590	0	0	0	0	0	0	0
254 060 403 000	PENALTIES & INTEREST	0	0	0	0	0	0	0	0	0	0	0
	Total	49,810	49,806	53,590	53,590	0	0	0	0	0	0	0
	<u>Brownfield Capture - 377 Amelia Revenues</u>											
254 065 403 000	CURRENT PROPERTY TAX/REAL	5,630	5,630	6,050	6,050	0	0	0	0	0	0	0
254 065 403 000	PENALTIES & INTEREST	0	0	0	0	0	0	0	0	0	0	0
	Total	5,630	5,630	6,050	6,050	0	0	0	0	0	0	0
	BROWNFIELD REDEVELOPMENT AUTH FUND REVENUE GRAND TOTAL	313,260	312,643	336,510	276,870	220,397	276,870	381,290	362,440	366,120	373,470	373,470

BUDGET

Account #	Account Title	2013/14		2014/15			2015 / 16	2016 / 17	2017 / 18	2018 / 19	2019 / 20
		Amended Budget	Audited Actual	Original Budget	Amended Budget	6 Months Actual	12 Months Projected	Adopted Budget	Projected Budget	Projected Budget	Projected Budget
BROWNFIELD REDEVELOPMENT AUTH FUND EXPENDITURES											
Administration Expenditures											
254 290 962.000	RESERVE FOR CONTINGENCY	600	0	90	100	0	10	10	10	10	110
254 290 965.235	CONTRIBUTION TO SITE REMEDIATION FUND	0	0	0	0	0	0	0	0	0	0
	Total	600	0	90	100	0	10	10	10	10	110
Brownfield - Old Village Park Expenditures											
254 600 970.000	REIMBURSEMENT/BROWNFIELD EXP	3,280	3,274	3,520	3,520	0	2,950	2,980	3,040	3,130	0
254 600 970.500	REIMBURSEMENT/BROWNFIELD ADM	0	0	0	0	0	0	0	0	0	0
254 600 970.600	TRANSFER TO SITE REMEDIATION FUND	0	0	0	0	0	0	0	0	0	3,120
	Total	3,280	3,274	3,520	3,520	0	2,950	2,980	3,040	3,130	3,120
Brownfield - Daisy Condos Expenditures											
254 610 970.000	REIMBURSEMENT/BROWNFIELD EXP	228,540	228,540	245,920	245,920	0	358,390	340,470	323,450	326,680	0
254 610 970.500	REIMBURSEMENT/BROWNFIELD ADM	25,390	25,393	27,330	27,330	13,665	39,820	37,830	35,940	36,300	0
254 610 970.600	TRANSFER TO SITE REMEDIATION FUND	0	0	0	0	0	0	0	0	0	333,220
	Total	253,930	253,933	273,250	273,250	13,665	398,210	378,300	359,390	362,980	370,240
Brownfield - 300 Hamilton Expenditures											
254 620 970.000	REIMBURSEMENT/BROWNFIELD EXP	0	0	0	0	0	0	0	0	0	0
254 620 970.500	REIMBURSEMENT/BROWNFIELD ADM	4,980	4,981	5,360	0	0	0	0	0	0	0
254 620 970.600	TRANSFER TO SITE REMEDIATION FUND	44,830	44,825	48,230	0	0	0	0	0	0	0
	Total	49,810	49,806	53,590	0	0	0	0	0	0	0
Brownfield - 377 Amelia Expenditures											
254 630 970.000	REIMBURSEMENT/BROWNFIELD EXP	5,070	5,067	5,450	0	0	0	0	0	0	0
254 630 970.500	REIMBURSEMENT/BROWNFIELD ADM	570	563	610	0	0	0	0	0	0	0
254 630 970.600	TRANSFER TO SITE REMEDIATION FUND	0	0	0	0	0	0	0	0	0	0
	TOTAL	5,640	5,630	6,060	0	0	0	0	0	0	0
	BROWNFIELD REDEVELOPMENT AUTH FUND EXPENDITURE GRAND TOTAL	313,260	312,643	336,510	276,870	13,665	401,170	381,290	362,440	366,120	373,470
BROWNFIELD REDEVELOPMENT AUTH FUND BALANCE											
	BEGINNING SURPLUS (OR DEFICIT)	23,577	23,512	23,582	23,582	23,512	23,612	23,622	23,632	23,642	23,652
	CURRENT-YEAR REVENUES	313,260	312,643	336,510	276,870	220,397	401,170	381,290	362,440	366,120	373,470
	CURRENT-YEAR EXPENDITURES	(313,260)	(312,643)	(336,510)	(276,870)	(13,665)	(401,170)	(381,290)	(362,440)	(366,120)	(373,470)
	CURRENT-YEAR SURPLUS (OR DEFICIT)	0	0	0	0	206,732	0	0	0	0	0
	+ CONTINGENCY / - APPROPRIATION OF PRIOR SUR	600	0	90	100	0	10	10	10	10	110
	ENDING SURPLUS (OR DEFICIT)	24,177	23,512	23,672	23,682	230,244	23,622	23,632	23,642	23,652	23,762

OTHER MATTERS: Resident Michael Vaz had a couple of questions related to the budget as presented.

ADJOURNMENT: There being no further business to come before the Board it was moved by Member Bila and seconded by Member Dalton to adjourn the meeting of the Brownfield Board.

MOTION PASSED 6 – 0

Respectfully Submitted,

Paul J. Sincock
Secretary
Brownfield Redevelopment Authority

CITY OF PLYMOUTH
201 S. MAIN
PLYMOUTH, MI 48170
www.ci.plymouth.mi.us

ADMINISTRATIVE RECOMMENDATION

To: Brownfield Redevelopment Board
From: Mark Christiansen – City Finance Director
Date: 02/10/2016 **File:** 16BRA01
Re: Plan Adoption for Starkweather School Redevelopment Brownfield Plan

BACKGROUND:

This project consists of two major elements: (1) redevelopment of the now vacated Starkweather School into 24 multi-family apartments, and (2) construction of 23 new single family homes on land east and northeast of the of the school building adjacent to Hines Park and accessed from the east end of Spring Street east of Holbrook.

Eligible remediation costs associated with Starkweather School total \$ 1,045,000. The project costs will be financed by the developer and, with interest costs calculated at 2.5%, simple, costs are estimated at \$ 26,125. Administration fees charged by the City over the maximum 15 year life of the project total \$ 164,846 and the final three years of capture other than administration fees at the end of the project are estimated to be \$ 412,492 and would be placed in the Local Site Remediation Revolving Fund (LSRRF). All project costs totaling \$ 1,648,463 are highlighted on page 6 of the plan.

The specifics related to the tax capture being collected to retire these expenses are shown on the three pages of Attachment C. Brownfield Authorities are not allowed to capture any debt millages nor any school taxes without approval of the Michigan Department of Environmental Quality. School tax capture is not expected to be sought in this application. The estimated millage rates and amount of capture are shown in Table 2 of Attachment C and the disbursement of capture for remediation costs and administrative fees of the city are shown in Table 3. Total payout to the developer over 12 years is \$ 1,071,125, administrative fees over 15 years are \$ 164,846, and deposits to the LSRRF over the final three years are \$ 412,492.

RECOMMENDATION:

This project has been reviewed by the City Attorney's Office as well as the contract assessing firm employed by the city and the Plan has been approved by both parties. As required by law, a notice of public hearing will be posted in three locations in the community and in the February 21st edition of the Plymouth Observer and all taxing jurisdictions have been advised in writing of the proposed hearing and pending action.

The City Administration recommends that the Brownfield Redevelopment Board recommend to the City Commission the acceptance of the Starkweather School Brownfield Plan for the project at 550 North Holbrook as presented. We have prepared a proposed resolution for the Brownfield Board to consider regarding this matter.



City of Plymouth

DEPARTMENT OF COMMUNITY
DEVELOPMENT & BUILDING
201 SOUTH MAIN STREET
PLYMOUTH, MICHIGAN 48170-1688
(734) 453-1234 ext. 232
FAX: (734) 455-1324
www.ci.plymouth.mi.us

Brownfield Plan 550 N. Holbrook Street, Plymouth MI 48170

City of Plymouth
Brownfield Redevelopment Authority Board c/o
Mark Christiansen, Finance Director

Mark,

Please find the enclosed Brownfield Plan submitted on January 22, 2016 by AKT Peerless on behalf of the developer of 550 N. Holbrook St., commonly known as Starkweather School.

I believe the revised plan, as amended, is acceptable and ready for review by the Brownfield Redevelopment Authority Board. Please note the plan language (not the numbers) was reviewed and approved by the City Attorney's Office (Phil Ericson) and they are satisfied that the plan meets all state laws and provides adequate protection for the BRA and the City of Plymouth.

I am happy to answer any questions you may have.

Sincerely,

John Buzuvis
Community Development Director
City of Plymouth

RESOLUTION
Brownfield Plan
Starkweather School Site, Plymouth, Michigan

At a regular meeting of the City of Plymouth Brownfield Redevelopment Authority, held at the Plymouth City Hall, 201 South main Street, Plymouth, Wayne County, Michigan on February 10, 2016, at 8:30 AM, the following resolution was offered by

Authority Member _____ and supported by
Authority Member _____.

Whereas, The Michigan Brownfield Redevelopment Financing Act, Act 381, P.A. 1996 as amended, authorizes municipalities to create a brownfield redevelopment authority to promote the revitalization, redevelopment, and reuse of contaminated, blighted, functionally obsolete, or historic property through tax increment financing of eligible activities approved in a Brownfield Plan; and

Whereas, the City Commission of the City of Plymouth (the "City") established the City of Plymouth Brownfield Redevelopment Authority (BRA) under the procedures under Act 381 to facilitate the cleanup and redevelopment of Brownfields within the City of Plymouth; and,

Whereas, an Act 381 Work Plan has been prepared and submitted for the Starkweather School Site Facility that describes the qualifications, costs, impacts, and incentives for the project developed by Curtis-Plymouth LLC in collaboration with the City of Plymouth for reimbursement from Brownfield Tax Increment Financing revenues with the adoption of the Brownfield/Act 381 Work Plan; and

Whereas, the City of Plymouth Brownfield Redevelopment Authority has reviewed the Brownfield/Act 381 Work Plan and finds that it meets the requirements of Act 381 and constitutes a public purpose of increased private investment and economic development, and increased property tax value; and

Whereas, a public hearing on the Brownfield Plan is anticipated to be held on the regular meeting of the City of Plymouth City Commission on March 7, 2016 and notice of the public hearing and notice to taxing jurisdictions will provided in compliance with the requirements of Act 381;

Now, Therefore, be it Resolved that the City of Plymouth Brownfield Redevelopment Authority hereby approves the Brownfield/Act 381 Work Plan for the Starkweather School Site and recommends approval by the City of Plymouth City Commission; and

Be it Further Resolved that should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof, other than the part so declared to be invalid; and,

Be it Further Resolved that any prior resolution, or any part thereof, in conflict with any of the provisions of this Resolution are hereby repealed.

AYES:

NAYES:

ABSTAINED:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)

)ss.

COUNTY OF WAYNE)

I, the undersigned, the duly qualified and acting Clerk of the City of Plymouth, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Plymouth at a regular meeting held on the 7th day of March, 2016, the original of which resolution is on file in my office.

IT WITNESS WHEREOF, I have here unto set my official signature, this 7th day of March, 2016.

Linda J. Langmesser
CITY CLERK

City of Plymouth, Michigan

PLYMOUTH BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN

550 N Holbrook Street, Plymouth, MI 48170

PREPARED BY	Plymouth Brownfield Redevelopment Authority 201 S Main Street Plymouth, Michigan 48170 Contact Person: John Buzuvis Email: jbuzuvis@ci.plymouth.mi.us Phone: (734) 453-1234 ext.222
	AKT Peerless 22725 Orchard Lake Road Farmington, MI 48336 Contact Person: Jeremy McCallion Email: mccallionj@aktpeerless.com Phone: (248) 302-3038
PROJECT #	9303B
REVISION DATE	January 13, 2016
BRA APPROVAL	BRAApprovalDate
CITY APPROVAL	CityApprovalDate

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ATTACHMENTS

Attachment A	Site Maps
• Figure 1 – Scaled Property Location Map	
• Figure 2 – Eligible Property Boundary Map	
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Attachment C	Tables
• Table 1 – Eligible Activities	
• Table 2 – Tax Increment Revenue Estimates	
• Table 3 – Reimbursement Allocation Schedule	
Attachment D.....	Affidavit of City of City of Plymouth Assessor

PROJECT SUMMARY

PROJECT NAME	Starkweather School - Redevelopment and Reuse of Properties Located at 550 N Holbrook Street, Plymouth, Michigan
DEVELOPER	Curtis-Plymouth LLC 990 Pierce Street Birmingham, Michigan 48009 Mark Menuck (248) 730-0300
ELIGIBLE PROPERTY LOCATION	The Eligible Property is located at 550 N Holbrook Street, Plymouth, Michigan. Parcel ID Number 004-01-0429-309.
TYPE OF ELIGIBLE PROPERTY	Functionally Obsolete
SUBJECT PROJECT DESCRIPTION	<p>The Starkweather School Redevelopment Project (Project) consists of the redevelopment of the subject property, which is located at 550 N Holbrook Street in Plymouth, Michigan. The final plans for the redevelopment have not been completed. However, this Project will include the rehabilitation of the former two-story Starkweather School and construction of approximately 24 multi-family apartments and 23 single-family homes. This Project will ultimately put an obsolete school, with cultural significance, back to productive use and improve Plymouth's Old Village neighborhood.</p> <p>The Project is seeking approval of Tax Increment Financing (TIF). Construction is expected to begin in Spring of 2016.</p>
ELIGIBLE ACTIVITIES	Baseline Environmental Assessment (BEA) Activities {Phase I Environmental Site Assessment (ESA) and Phase II ESA}, Preparation of a Brownfield Plan, Demolition, and Lead and Asbestos Survey and Abatement.
REIMBURSABLE COSTS	\$1,071,125(Est. Eligible Activities, Contingency, Interest) \$ 164,846 (BRA Administrative Fees) <u>\$ 412,492</u> (Local Site Remediation Revolving Fund) \$1,648,463

MAXIMUM DURATION OF CAPTURE	15 years
ESTIMATED TOTAL CAPITAL INVESTMENT	\$6.5 million
INITIAL TAXABLE VALUE	\$0

LIST OF ACRONYMS AND DEFINITIONS

BEA	Baseline Environmental Assessment
DEVELOPER	Curtis-Plymouth LLC
ELIGIBLE PROPERTY	Property for which eligible activities are identified under a Brownfield Plan, referred to herein as “the subject property”.
ESA	Environmental Site Assessment
LSRRF	Local Site Remediation Revolving Fund
MDEQ	Michigan Department of Environmental Quality
MEDC	Michigan Economic Development Corporation
PBRA or Authority	Plymouth Brownfield Redevelopment Authority
PHASE I ESA	An environmental historical review and site inspection (no soil and/or groundwater sampling and analysis)
PHASE II ESA	Environmental subsurface investigation (includes soil, soil gas, and/or groundwater sampling and analysis)
PLAN	Brownfield Plan
SUBJECT PROPERTY	The Eligible Property, located at 550 N Holbrook Street, Plymouth, MI. It comprises one parcel.
TIF	Tax Increment Financing (TIF describes the process of using TIR—i.e., TIF is the use of TIR to provide financial support to a project)
TIR	Tax Increment Revenue (new property tax revenue, usually due to redevelopment and improvement that is generated by a property after approval of a Brownfield Plan)

BROWNFIELD PLAN

550 N Holbrook Street, Plymouth, MI 48170

1.0 Introduction

The City of Plymouth, Michigan (the “City”), established the Plymouth Brownfield Redevelopment Authority (the “Authority”) on December 16, 1996, pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”). The primary purpose of Act 381 is to encourage the redevelopment of eligible property by providing economic incentives through tax increment financing for certain eligible activities.

The main purpose of this Brownfield Plan is to promote the redevelopment of and investment in certain “Brownfield” properties within the City. Inclusion of subject property within Brownfield plans will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “Brownfields.” By facilitating redevelopment of Brownfield properties, Brownfield plans are intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Authority.

The identification or designation of a developer or proposed use for the Eligible Property that is the subject of this Brownfield Plan (the “subject property”) shall not be integral to the effectiveness or validity of this Brownfield Plan. This Brownfield Plan is intended to apply to the subject property identified in this Brownfield Plan and, if tax increment revenues are proposed to be captured from that subject property, to identify and authorize the eligible activities to be funded by such tax increment revenues. Any change in the proposed developer or proposed use of the subject property shall not necessitate an amendment to this Brownfield Plan, affect the application of this Brownfield Plan to the subject property, or impair the rights available to the Authority under this Brownfield Plan.

This Brownfield Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. The applicable sections of Act 381 are noted throughout the Brownfield Plan for reference purposes.

This Brownfield Plan contains information required by Section 13(1) of Act 381.

2.0 General Provisions

The following sections detail information required by Act 381.

2.1 Description of Eligible Property (Section 13 (l)(h))

The Eligible Property (the “subject property”) is located at 550 N Holbrook Street, in Plymouth, MI. The subject property is situated southeast of the intersection of West Spring Street and North Holbrook Street. The subject property consists of one irregular-shaped parcel that contains approximately 5.57 acres. The subject property is located in an area of Plymouth (the “City”) that is characterized by commercial and residential properties. Behind the subject property, to the east, is Hines Park.

The following table describes the parcel which comprises the subject property. See Attachment A, Figure 2 – Eligible Property Boundary Map.

Eligible Property Information

Address	Tax Identification Number	Basis of Brownfield Eligibility	Approximate Acreage
550 N Holbrook Street	004-01-0429-309	Functionally Obsolete	5.57

The subject property is currently zoned two-family residential (RT-1), one family residential (R-1) and office (O-1). It is anticipated the subject property will be re-zoned to a Planned Unit Development (PUD). It currently contains a vacant two-story building (a former Canton-Plymouth Public School building). Exterior portions of the subject property include landscaped areas and paved surface parking.

The Starkweather School Redevelopment (Project) consists of the redevelopment of the subject property, which is located at 550 N Holbrook Street in Plymouth. The final plans for the redevelopment have not been completed. However, this Project will include the rehabilitation of the existing two-story Starkweather School for reuse as multi-family residential apartments and construction of approximately 23 single-family homes to the east of the former school. This Project will ultimately re-purpose an obsolete school, with cultural and historic significance, and improve Plymouth’s Old Village neighborhood.

The Project is seeking approval of Tax Increment Financing (TIF). The rehabilitation of the former school is expected to begin in spring of 2016. Construction of the single-family homes will occur after the school is substantially completed.

Attachment A includes site maps of the Eligible Property, refer to: Figure 1, Scaled Property Location Map and Figure 2, Eligible Property Boundary Map (which includes lot dimensions). The legal description of the parcel included in the Eligible Property is presented in Attachment B.

The parcel and all tangible real and personal property located thereon will comprise the Eligible Property, which is referred to herein as the “subject property.”

2.2 Basis of Eligibility (Section 13 (1)(h) , Section 2 (m)), Section 2(r)

The subject property is considered “Eligible Property” as defined by Act 381, Section 2 because: (a) the subject property was previously utilized as a public property (public school building); (b) it is located within the City of Plymouth, a non-qualified local governmental unit, or “Non-Core Community” under Act 381; and (c) the parcel which comprises the subject property has been determined to be functionally obsolete.

Since 1927, the subject property has been developed with a two-story public school building. In 2013, operations ceased at the subject property and it has since remained vacant.

The subject property is considered to be functionally obsolete which means the property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property’s relationship with other

surrounding property. Please see Attachment D for an Affidavit of City of City of Plymouth Assessor which has determined the subject property to be functionally obsolete.

2.3 Summary of Eligible Activities and Description of Costs (Section 13 (1)(a),(b))

The “eligible activities” that are intended to be carried out at the subject property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include BEA Activities (Phase I ESA and Phase II ESA), preparation of a Brownfield Plan, lead and asbestos survey and abatement and demolition (see Table 1).

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with tax increment revenues from the subject property is shown in the table below.

Estimated Cost of Reimbursable Eligible Activities

Description of Eligible Activity		Estimated Cost*	
1.	BEA Activities	\$	23,000
2.	Demolition	\$	690,000
3.	Lead and Asbestos Activities	\$	190,000
Total Environmental and Non-Environmental Eligible Activities		\$	903,000
4.	15% Contingency on Eligible Activities**	\$	132,000
5.	Brownfield Plan	\$	10,000
Total Eligible Activities Cost with 15% Contingency		\$	1,045,000
6.	Interest (calculated at 2.5%, simple)***	\$	26,125
7.	Authority Administration Fees	\$	164,846
8.	Local Site Remediation Revolving Fund (LSRRF)****	\$	412,492
Total Eligible Costs for Reimbursement		\$	1,648,463

*Estimated costs are local only costs paid out of captured tax increment revenues from locally levied millages (to the extent available).

**The contingency is applied to the Subtotal, excepting BEA Activities, which have already been completed.

***Interest is calculated annually at 2.5% simple interest on unreimbursed eligible activities, in accordance with PBRA policy.

****LSRRF deposits will be made in accordance with Act 381.

A detailed breakout of the eligible activities and the estimated cost of each eligible activity intended to be paid for with tax increment revenues from the subject property is shown in Attachment C, Table 1. The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the subject property will be captured by the Authority and used to reimburse the cost of the eligible activities completed on the subject property after approval of this Brownfield Plan and an associated Reimbursement Agreement.

The costs listed in the table above are estimated costs and may increase or decrease depending on the nature of any unknown conditions encountered on the subject property. The actual cost of those eligible activities encompassed by this Brownfield Plan that will qualify for reimbursement from tax increment revenues of the Authority from the subject property shall be governed by the terms of a Reimbursement Agreement with the Authority (the “Reimbursement Agreement”). No costs of eligible activities will be

qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and/or the Development Agreement.

In accordance with this Brownfield Plan, and the associated Reimbursement Agreement, the amount advanced by the Developer will be repaid by the Authority with interest at the rate set at 2.5% simple interest, solely from the tax increment revenues realized from the Eligible Property. Payments will be made to the full extent incremental property tax revenues are or become available for such purpose under the Act. Based on the projected cost of eligible activities, interest reimbursement in this Brownfield Plan is estimated at \$26,125. However, if the actual cost of eligible activities turns out to be lower than the above estimates, interest reimbursement may be lower, subject to the 2.5% simple interest calculation.

Tax increment revenues will first be used to pay or reimburse administrative expenses described in the table above. Administrative Fees are estimated at 10% of total annual TIR.

2.4 Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(1)(c)); Impact of Tax Increment Financing On Taxing Jurisdictions (Section 13(1)(g), Section 2(ee))

This Brownfield Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Brownfield Plan in accordance with the Reimbursement Agreement. A table of estimated tax increment revenues to be captured is attached to this Brownfield Plan as Attachment C, Table 2. Tax increment revenue capture is expected to begin in 2016.

All reimbursement will be in accordance with the Reimbursement Agreement and the Development Agreement.

The total estimated cost of the eligible activities and other eligible costs (including administrative fees, contingency, interest and LSRRF deposits) to be reimbursed through the capture of tax increment revenue is projected to be \$1,503,683. The estimated effective initial taxable value for this Brownfield Plan is \$0, and is based on land and real property tax only in year 2015 (the "base year").

Redevelopment of the subject property is expected to initially generate incremental taxable value in 2016 with the first significant increase in taxable value of approximately \$200,000 beginning in 2016.

It is estimated that the Authority will capture the 2016 through 2026 tax increment revenues to reimburse the cost of the eligible activities and interest. An estimated schedule of tax increment revenue reimbursement is provided as Attachment C, Table 3.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all taxable improvements on the subject property and the actual millage rates levied by the various taxing jurisdictions during each year of the plan, as shown in Attachment C, Tables 2 and 3. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions.

2.5 Plan of Financing (Section 13(1)(d)); Maximum Amount of Indebtedness (Section 13(1)(e))

Eligible activities are to be financed by the Developer. The Authority will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the subject property as available, and subject to the Reimbursement Agreement and Development Agreement.

All reimbursements authorized under this Brownfield Plan shall be governed by the Reimbursement Agreement. The Authority shall not incur any note or bonded indebtedness to finance the purposes of this Brownfield Plan. The inclusion of eligible activities and estimates of costs to be reimbursed in this Brownfield Plan is intended to: (1) authorize the Authority to fund such reimbursements; and (2) does not obligate the Authority to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Brownfield Plan, or which are permitted to be reimbursed under this Brownfield Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Brownfield Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Brownfield Plan, will be provided solely under the Reimbursement Agreement contemplated by this Brownfield Plan.

2.6 Duration of Brownfield Plan (Section 13(1)(f))

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

2.7 Effective Date of Inclusion in Brownfield Plan

The subject property will become a part of this Brownfield Plan on the date this Brownfield Plan is approved by the City of Plymouth. The date of tax capture shall commence during the year construction begins or the immediate following year—as increment revenue becomes available— but the beginning date of tax capture shall not exceed five years beyond the date of the governing body resolution approving the Brownfield Plan amendment.

2.8 Displacement/Relocation of Individuals on Eligible Property (Section 13(1)(i-l))

There are no persons or businesses residing on the Eligible Property, and no occupied residences will be acquired or cleared; therefore there will be no displacement or relocation of persons or businesses under this Brownfield Plan.

2.9 Local Site Remediation Revolving Fund (“LSRRF”) (Section 8, Section 13(1)(m))

The Authority has plans to establish a Local Site Remediation Revolving Fund (LSRRF). The Authority will capture incremental local taxes to fund the LSRRF, for three full years following full developer reimbursement for eligible activities and interest. The amount of tax increment revenue authorized for capture and deposit in the LSRRF is estimated at \$374,833.

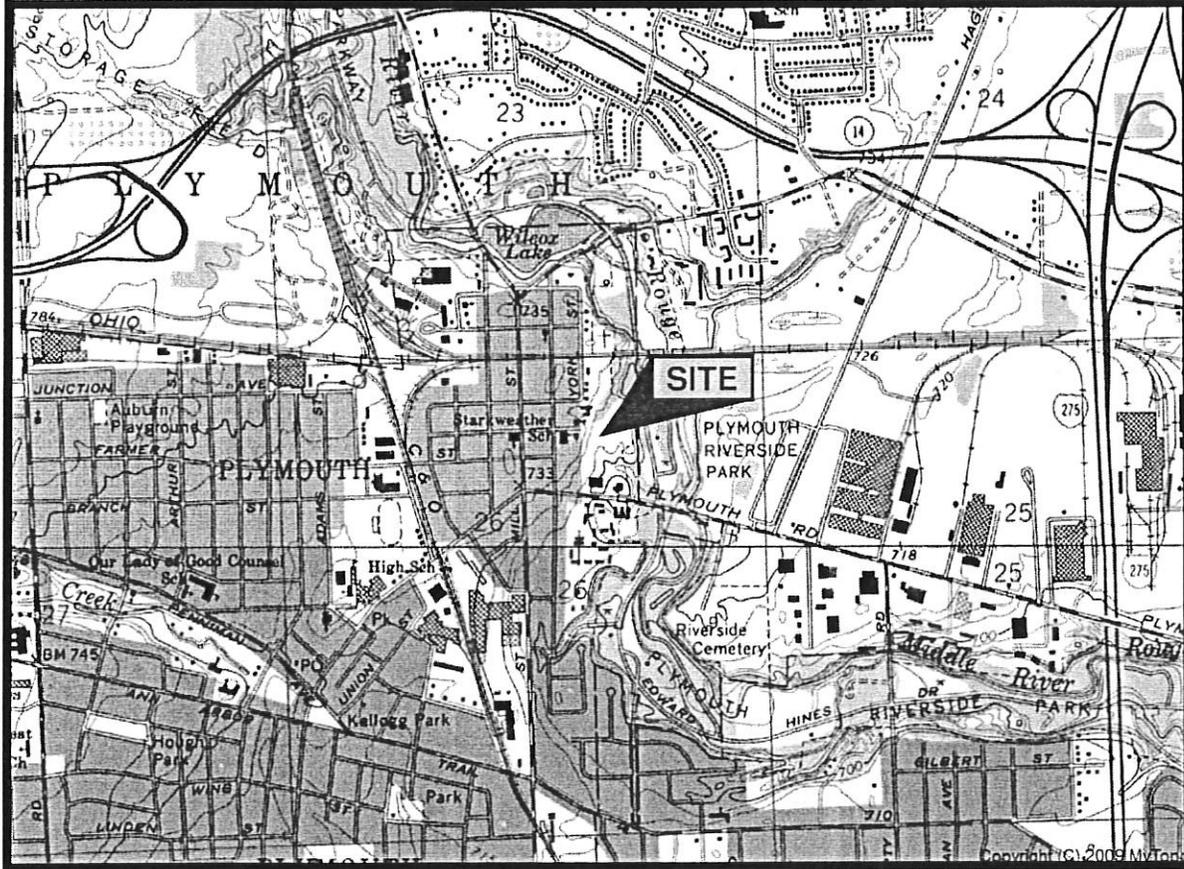
2.10 Other Information

The tax capture breakdown of tax increment revenues anticipated to become available for use in this Brownfield Plan is summarized below.

There are 27.9960 local-only mills available for capture. The Project is not seeking MDEQ or MSF approval to allow for capture of school taxes and will be utilizing only local tax increment revenues and the period of actual tax capture shall not exceed 15 years.

Attachment A
Site Maps and Photographs

NORTHVILLE QUADRANGLE
 MICHIGAN - WAYNE COUNTY
 7.5 MINUTE SERIES (TOPOGRAPHIC)



T. 1S.-R.8 E.

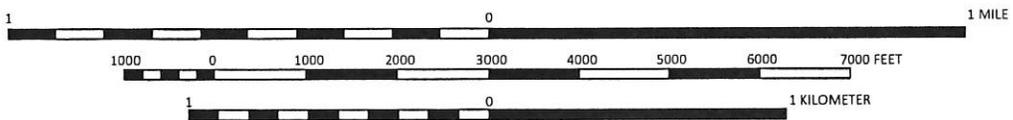


IMAGE TAKEN FROM 1969 U.S.G.S. TOPOGRAPHIC MAP
 PHOTOREVISED 1980



AKT PEERLESS

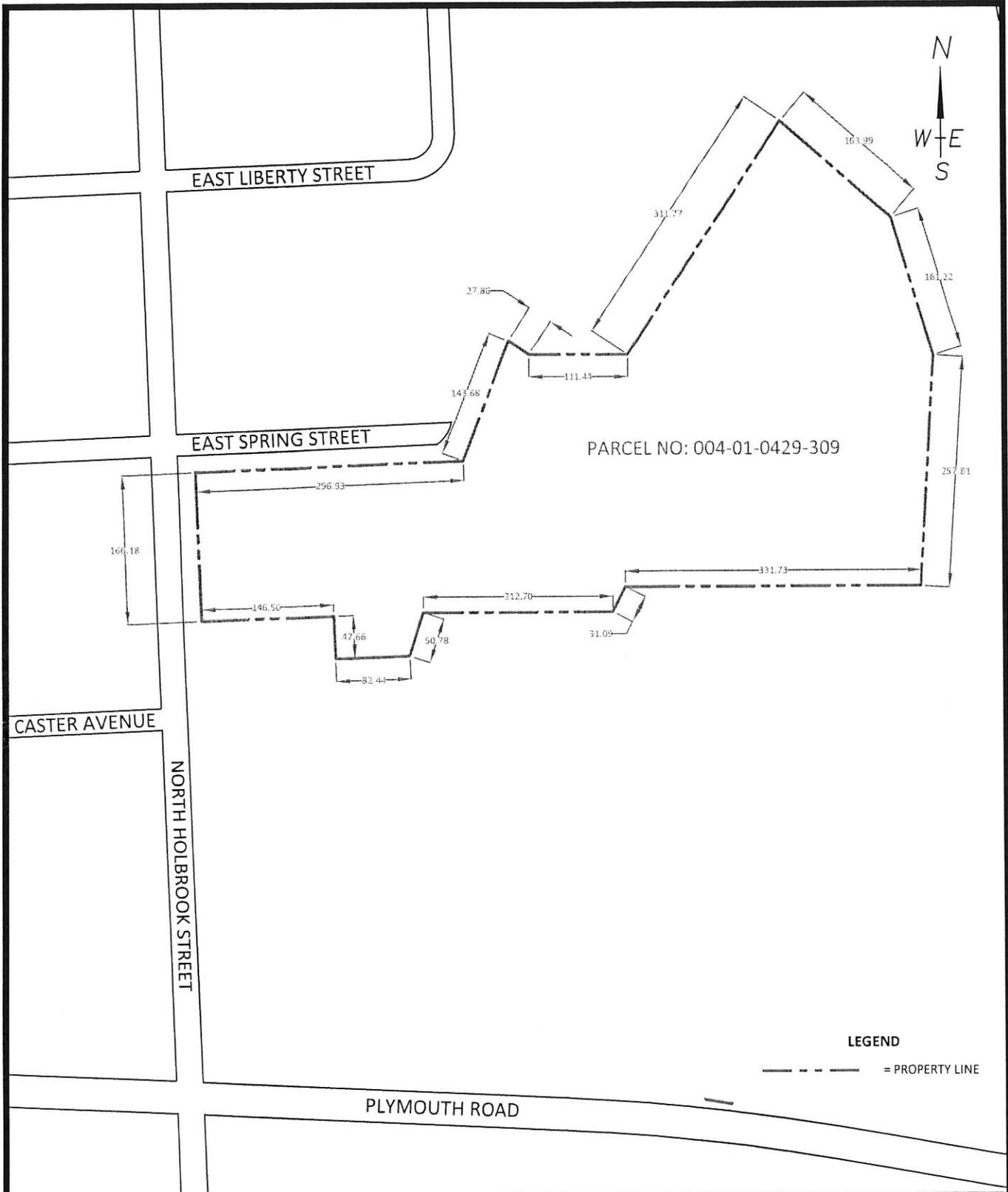
ILLINOIS MICHIGAN OHIO GEORGIA
 www.aktpeerless.com

SCALED PROPERTY LOCATION MAP

550 NORTH HOLBROOK STREET
 PLYMOUTH, MICHIGAN
 PROJECT NUMBER : 9303B-2-25

DRAWN BY: DDB
 DATE: 06/18/2015

FIGURE 1



AKTPEERLESS

ILLINOIS MICHIGAN OHIO GEORGIA
 www.aktpeerless.com

ELIGIBLE PROPERTY BOUNDARY MAP

550 NORTH HOLBROOK STREET
 PLYMOUTH, MICHIGAN
 PROJECT NUMBER : 9303B-2-25

DRAWN BY: DDB
 DATE: 06/18/2015

0 75 150
 SCALE: 1" = 150'

FIGURE 2

Attachment B
Legal Description(s)

550 N HOLBROOK PLYMOUTH, MI 48170 (Property Address)

Parcel Number: 004-01-0429-309



Item 1 of 1 1 Image / 0 Sketches

Property Owner: PLYMOUTH CANTON SCHOOL

Summary Information

- > Assessed Value: \$0 | Taxable Value: \$0
- > Property Tax Information found
- > 3 Building Department records found across 2 properties

Owner and Taxpayer Information

Owner PLYMOUTH CANTON SCHOOL **Taxpayer** SEE OWNER INFORMATION
 454 S HARVEY
 PLYMOUTH, MI 48170

General Information for Tax Year 2015

Property Class	RES-REAL	Unit	49 CITY OF PLYMOUTH
School District	PLYMOUTH-CANTON	Assessed Value	\$0
MAP #	Not Available	Taxable Value	\$0
TEMP CODES	Not Available	State Equalized Value	\$0
PROP USE CODES	Not Available	Date of Last Name Change	04/18/2000
CITY AREA	Not Available	Notes	Not Available
Historical District	No	Census Block Group	Not Available
PP STMT STATUS	Not Available		

Principal Residence Exemption Information

Homestead Date 05/01/1994

Principal Residence Exemption	June 1st	Final
2014	0.0000 %	0.0000 %

Previous Year Information

Year	MBOR Assessed	Final SEV	Final Taxable
2014	\$0	\$0	\$0
2013	\$0	\$0	\$0
2012	\$0	\$0	\$0

Land Information

Zoning Code	RT-1	Total Acres	5.570
Land Value	\$0	Land Improvements	\$0
Renaissance Zone	No	Renaissance Zone Expiration Date	Not Available
ECF Neighborhood	LOWER TOWN/OLD VILLAGE	Mortgage Code	Not Available
Lot Dimensions/Comments	Not Available	Neighborhood Enterprise Zone	Not Available

Lot(s)	Frontage	Depth
No lots found.		
Total Frontage: 0.00 ft		Average Depth: 0.00 ft

Legal Description

26A429A3, B2, 436B, 437, 438A LOT 436 EXC W 146.50 FT THEREOF ALSO LOT 437 ALSO LOT 438 EXC SE TRI PT THEREOF MEAS 47.54 FT ON ELY LINE OF LOT 438 AND 206.91 FT ALONG SLY LINE OF LOT 438 ALSO PT OF LOT 429 DESC AS BEG N 87D 31M 50S E 8.01 FT AND S 48D 52M 55S E 111.11 FT FROM NE COR OF LOT 445 TH S 48D 52M 55S E 163.99 FT TH S 17D 19M 35S E 161.22 FT TH S 03D 30M 50S W 257.81 FT TH DUE W 331.73 FT TH N 12D 54M E 49.27 FT TH NWLY ALONG A CURVE CONC TO SW RAD 172.03 FT ARC 209.72 FT CH N 22D 01M 35S W 196.97 FT TH N 56D 57M W 53.39 FT TH S 89D 41M 40S E 111.44 FT TH N 33. 31M 05S E 311.77 FT TO POB 5.57AC ASSESSORS PLYMOUTH PLAT NO 15 TIS R8E L66 P81 WCR

Land Division Act Information

Date of Last Split/Combine	<i>Not Available</i>	Number of Splits Left	<i>Not Available</i>
Date Form Filed	<i>Not Available</i>	Unallocated Div.s of Parent	0
Date Created	<i>Not Available</i>	Unallocated Div.s Transferred	0
Acreage of Parent	0.00	Rights Were Transferred	<i>Not Available</i>
Split Number	0	Courtesy Split	<i>Not Available</i>
Parent Parcel	<i>Not Available</i>		

Sale History

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms of Sale	Liber/Page
No sales history found.						

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Attachment C

Tables

Table 1. Eligible Activities

Starkweather School
550 N Holbrook Street
Plymouth, MI
AKT Peerless Project No. 9303B
As of January 22, 2016

ELIGIBLE ACTIVITIES COST SUMMARY	
	Estimated Cost of Eligible Activity
BEA Activities	\$ 23,000
TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES	\$ 23,000
Demolition	\$ 690,000
Lead and Asbestos Activities	\$ 190,000
TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES	\$ 880,000
	\$ 903,000
15% Contingency on Eligible Activities	\$ 132,000
Brownfield Plan	\$ 10,000
Subtotal	\$ 1,045,000
Interest (2.5%, simple)	\$ 26,125
Subtotal	\$ 1,071,125
BRA Administration Fee	\$ 164,846
Local Site Remediation Revolving Fund (LSRRF)	\$ 412,492
Total	\$ 1,648,463

Table 2. Tax Increment Revenue Estimates

Starkweather School
550 N Holbrook Street
Plymouth, MI
AKT Peerless Project No. 9303B
As of January 22, 2016

Estimated TV Increase rate: 1.01

Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Calendar Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Initial Taxable Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Post-Dev TV (Developer Estimated)	\$ 200,000	\$ 3,922,500	\$ 3,961,725	\$ 4,001,342	\$ 4,041,356	\$ 4,081,769	\$ 4,122,587	\$ 4,163,813	\$ 4,205,451	\$ 4,247,505	\$ 4,289,980	\$ 4,332,880	\$ 4,376,209	\$ 4,419,971	\$ 4,464,171	
New TV (Homestead)	\$ -	\$ 3,450,000	\$ 3,484,500	\$ 3,519,345	\$ 3,554,538	\$ 3,590,084	\$ 3,625,985	\$ 3,662,245	\$ 3,698,867	\$ 3,735,856	\$ 3,773,214	\$ 3,810,946	\$ 3,849,056	\$ 3,887,546	\$ 3,926,422	
Incremental Difference (New TV - Initial TV)	\$ 200,000	\$ 3,922,500	\$ 3,961,725	\$ 4,001,342	\$ 4,041,356	\$ 4,081,769	\$ 4,122,587	\$ 4,163,813	\$ 4,205,451	\$ 4,247,505	\$ 4,289,980	\$ 4,332,880	\$ 4,376,209	\$ 4,419,971	\$ 4,464,171	
Local Taxable Millage Rate																
JAIL	0.9382	\$ 188	\$ 3,680	\$ 3,718	\$ 3,755	\$ 3,793	\$ 3,831	\$ 3,870	\$ 3,909	\$ 3,949	\$ 3,989	\$ 4,029	\$ 4,070	\$ 4,111	\$ 4,152	\$ 4,194
HCMA	0.2146	\$ 43	\$ 842	\$ 850	\$ 859	\$ 868	\$ 876	\$ 885	\$ 894	\$ 903	\$ 912	\$ 922	\$ 931	\$ 940	\$ 950	\$ 959
PARKS	0.2459	\$ 49	\$ 965	\$ 974	\$ 984	\$ 994	\$ 1,004	\$ 1,014	\$ 1,025	\$ 1,035	\$ 1,046	\$ 1,056	\$ 1,067	\$ 1,078	\$ 1,088	\$ 1,099
LIBRARY	1.4657	\$ 293	\$ 5,750	\$ 5,808	\$ 5,867	\$ 5,926	\$ 5,986	\$ 6,046	\$ 6,107	\$ 6,169	\$ 6,231	\$ 6,294	\$ 6,358	\$ 6,422	\$ 6,487	\$ 6,553
CITY OPERATING	11.3139	\$ 2,263	\$ 44,383	\$ 44,832	\$ 45,284	\$ 45,742	\$ 46,204	\$ 46,671	\$ 47,142	\$ 47,618	\$ 48,099	\$ 48,585	\$ 49,076	\$ 49,572	\$ 50,072	\$ 50,578
CITY - REFUSE	1.9202	\$ 384	\$ 7,533	\$ 7,609	\$ 7,686	\$ 7,763	\$ 7,842	\$ 7,921	\$ 8,001	\$ 8,082	\$ 8,163	\$ 8,246	\$ 8,329	\$ 8,413	\$ 8,498	\$ 8,584
SCC	1.7969	\$ 359	\$ 7,049	\$ 7,120	\$ 7,192	\$ 7,265	\$ 7,338	\$ 7,412	\$ 7,487	\$ 7,563	\$ 7,639	\$ 7,716	\$ 7,794	\$ 7,873	\$ 7,952	\$ 8,033
RESA	3.4646	\$ 693	\$ 13,591	\$ 13,729	\$ 13,867	\$ 14,007	\$ 14,149	\$ 14,292	\$ 14,436	\$ 14,582	\$ 14,729	\$ 14,878	\$ 15,028	\$ 15,180	\$ 15,334	\$ 15,488
COUNTY OPERATING	6.6387	\$ 1,328	\$ 26,043	\$ 26,306	\$ 26,572	\$ 26,840	\$ 27,111	\$ 27,385	\$ 27,662	\$ 27,941	\$ 28,223	\$ 28,508	\$ 28,796	\$ 29,087	\$ 29,381	\$ 29,678
Local Total	27.9988															
Non-Capturable Millage Rate																
ZOO	0.1000	\$ 20	\$ 392	\$ 396	\$ 400	\$ 404	\$ 408	\$ 412	\$ 416	\$ 421	\$ 425	\$ 429	\$ 433	\$ 438	\$ 442	\$ 446
DIA	0.2000	\$ 40	\$ 785	\$ 792	\$ 800	\$ 808	\$ 816	\$ 825	\$ 833	\$ 841	\$ 850	\$ 858	\$ 867	\$ 875	\$ 884	\$ 893
SCHOOL - DEBT	4.1000	\$ 820	\$ 16,082	\$ 16,243	\$ 16,406	\$ 16,570	\$ 16,735	\$ 16,903	\$ 17,072	\$ 17,242	\$ 17,415	\$ 17,589	\$ 17,765	\$ 17,942	\$ 18,122	\$ 18,303
Total Non-Capturable Taxes	4.4000															

Table 3. Reimbursement Allocation Schedule

Starkweather School
550 N Holbrook Street
Plymouth, MI
AKT Peerless Project No. 9303B
As of January 22, 2016

Developer Maximum Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	0.0%	\$ -	\$ -	\$ -
Local	100.0%	\$ -	\$ 1,071,125	\$ 1,071,125
TOTAL		\$ -	\$ 1,071,125	\$ 1,071,125

Estimated Total Years
of Plan: 15

Estimated Capture
Administrative Fees \$ 164,846
LSRRF \$ 412,492

	Plan Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	End Plan
Total Local Incremental Revenue		\$ 5,600	\$ 109,836	\$ 110,946	\$ 112,066	\$ 113,198	\$ 114,342	\$ 115,497	\$ 116,663	\$ 117,842	\$ 119,032	\$ 120,234	\$ 121,449	\$ 122,676	\$ 123,915	\$ 125,167	
BRA Administrative Fee		\$ 560	\$ 10,984	\$ 11,095	\$ 11,207	\$ 11,320	\$ 11,434	\$ 11,550	\$ 11,666	\$ 11,784	\$ 11,903	\$ 12,023	\$ 12,145	\$ 12,268	\$ 12,391	\$ 12,517	
Local TIR Available for Reimbursement		\$ 5,040	\$ 98,853	\$ 99,851	\$ 100,860	\$ 101,879	\$ 102,908	\$ 103,947	\$ 104,997	\$ 106,058	\$ 107,129	\$ 108,211	\$ 109,304	\$ 110,408	\$ 111,523	\$ 112,650	
DEVELOPER	Beginning Balance																
DEVELOPER Reimbursement Balance		\$ 1,071,125	\$ 1,066,085	\$ 967,233	\$ 867,381	\$ 766,522	\$ 664,643	\$ 561,736	\$ 457,788	\$ 352,791	\$ 246,734	\$ 139,605	\$ 31,394	\$ (0)	\$ (0)	\$ (0)	\$ (0)
LOCAL-ONLY Reimbursement Balance		\$ 1,071,125	\$ 1,066,085	\$ 967,233	\$ 867,381	\$ 766,522	\$ 664,643	\$ 561,736	\$ 457,788	\$ 352,791	\$ 246,734	\$ 139,605	\$ 31,394	\$ (0)	\$ (0)	\$ (0)	\$ (0)
Eligible Activities Reimbursement		\$ 1,045,000	\$ 5,040	\$ 98,853	\$ 99,851	\$ 100,860	\$ 101,879	\$ 102,908	\$ 103,947	\$ 104,997	\$ 106,058	\$ 107,129	\$ 108,211	\$ 5,269	\$ -	\$ -	\$ -
Interest Reimbursement		\$ 26,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,125	\$ -	\$ -	\$ -
Total Local-Only TIR Reimbursement		\$ 5,040	\$ 98,853	\$ 99,851	\$ 100,860	\$ 101,879	\$ 102,908	\$ 103,947	\$ 104,997	\$ 106,058	\$ 107,129	\$ 108,211	\$ 31,394	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement		\$ 1,071,125	\$ 1,066,085	\$ 967,233	\$ 867,381	\$ 766,522	\$ 664,643	\$ 561,736	\$ 457,788	\$ 352,791	\$ 246,734	\$ 139,605	\$ 31,394	\$ (0)	\$ (0)	\$ (0)	\$ (0)
LOCAL SITE REMEDIATION FUND	LSRRF Year	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3	
LSRRF Deposits		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,910	\$ 110,408	\$ 111,523	\$ 112,650
STATE		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LOCAL	no maximum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,910	\$ 110,408	\$ 111,523	\$ 112,650

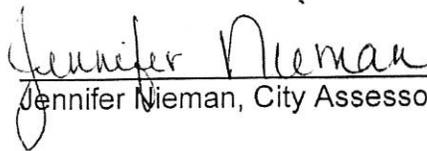
Attachment D

Affidavit of City of City of Plymouth Assessor

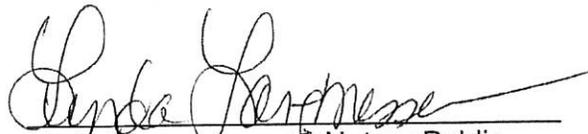
AFFIDAVIT OF CITY OF CITY OF PLYMOUTH ASSESSOR

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

1. I am employed by the City of Plymouth in the Management Services Department as the City Assessor.
2. I am a certified Michigan Advanced Assessing Officer (3).
3. I am familiar with the property located at 550 N Holbrook, in the City of Plymouth
4. This affidavit is given in accordance with MCL 125.2663(1) (h) and is made to confirm this property qualifies as 'Functionally Obsolete Property' as that term is defined under MCL 125.2652(r). The following facts, without limitation, form the basis for my expert opinion:
5. The property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or super adequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.


Jennifer Nieman, City Assessor

Subscribed and sworn to before me by Jennifer Nieman on August 18, 2015.


Linda Langmesser, Notary Public
Wayne County, Michigan
Commission Expires:
Acting in Wayne County



Prepared by:
Jennifer Nieman (R-7929)
City Assessor
201 S Main
Plymouth, Michigan 48170
(734) 453-1234 ext 252

City of Plymouth



201 SOUTH MAIN STREET
PLYMOUTH, MICHIGAN 48170-1688
(734) 453-1234
FAX: (734) 455-1892
www.ci.plymouth.mi.us

DATE: February 4, 2016

File: 16BRA03

TO: Brownfield Re-development Authority
Board Members

FROM: Mark Christiansen
Finance Director

SUBJECT: Proposed Reimbursement Agreement – Starkweather School Re-Development

Attached is a copy of the proposed Reimbursement Agreement for the Starkweather School Re-Development project that was revised and approved by Saulius K. Mikalonis on the staff of our City Attorney's Office through Plunkett - Cooney. The Reimbursement Agreement must be approved by the Brownfield Board for any Brownfield Plan before any payment of captured taxes can be authorized.

There is no urgency regarding the Reimbursement Agreement which is premised on the availability of captured taxes. Because the Starkweather School property was formerly exempt from taxation, there will not be any captured taxes available until the 2017 tax year and, therefore, there would be no payments to the developer until the receipt of those taxes.

RESOLUTION
Reimbursement Agreement
Starkweather School Site, Plymouth, Michigan

At a regular meeting of the City of Plymouth Brownfield Redevelopment Authority, held at the Plymouth City Hall, 201 South main Street, Plymouth, Wayne County, Michigan on February 10, 2016, at 8:30 AM, the following resolution was offered by

Authority Member _____ and supported by
Authority Member _____.

Whereas, The City of Plymouth Brownfield Redevelopment Authority Board has reviewed the proposed Starkweather School Site Brownfield Plan at a regular meeting held on February 10, 2016, and; and

Whereas, the City of Plymouth Brownfield Redevelopment Board has accepted the Starkweather School Site Brownfield Plan and recommended to the City Commission that the Plan be adopted after the conduct of a public hearing before the City Commission at a meeting to be held on March 7, 2016, and

Whereas, the Office of the City Attorney of the City of Plymouth has reviewed and accepted the language of the attached Reimbursement Agreement for the Starkweather School Site Brownfield Plan as being consistent with the requirements of Act 381 of 1996.

Now, Therefore, be it Resolved that the City of Plymouth Brownfield Redevelopment Authority hereby conditionally approves the Brownfield Reimbursement Agreement for the Starkweather School Site pending adoption of the Starkweather School Brownfield Plan by the Plymouth City Commission at their meeting to be held on March 7, 2016.

AYES:

NAYES:

ABSTAINED:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)

)ss.

COUNTY OF WAYNE)

I, the undersigned, the duly qualified and acting Clerk of the City of Plymouth, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City of Plymouth Brownfield Authority Board at a regular meeting held on the 10th day of February, 2016, the original of which resolution is on file in my office.

IT WITNESS WHEREOF, I have here unto set my official signature, this 10th day of February, 2016.

Linda J. Langmesser
CITY CLERK

City of Plymouth, Michigan

REIMBURSEMENT AGREEMENT

This Brownfield Reimbursement Agreement is made as of _____, 2016, among the City of Plymouth Brownfield Redevelopment Authority (the “**Authority**”), a public body corporate with offices at 101 South Main Street, Plymouth, MI 48170; and Curtis-Plymouth LLC, the principal address of which is 990 Pierce Street, Birmingham, MI, 48009 (the “**Developer**”).

RECITALS

A. The Authority was created by the City of Plymouth (“**City**”) pursuant to the Brownfield Redevelopment Financing Act, 1996 P.A. 381, as amended (the “**Act**”), and, pursuant to the Act, the Authority has prepared a Brownfield Plan to include the Property (as defined below) which was duly approved by the City Council on March 7, 2016 following a public hearing on March 7, 2016, a copy of which is attached as **Exhibit A** (the “**Brownfield Plan**”).

B. The Developer owns the Starkweather School Site in the City of Plymouth which is described on the attached Exhibit B (the “**Property**”) and which, due to the presence on the Property of certain hazardous substances as described in the Brownfield Plan is a "facility" and "eligible property" and is therefore commonly referred to as a "brownfield."

C. Provided it obtains any needed zoning and building approvals from the City and others, the Developer plans to develop the property (the “**Improvements**”) into a multi-family apartment and single family residential development. This will increase the tax base for taxing jurisdictions, create new housing options, recreational activities, uplift property values, and enhance nearby neighborhoods.

D. In order to make the Improvements on the Property, the Developer will incur costs to complete the Eligible Activities as more fully described in the Brownfield Plan (“**Eligible Costs**”).

E. In accordance with Act 381 and the Brownfield Plan, the parties desire to use the property tax revenues that are generated from an increase in the tax value of the Property resulting from its development (“**Tax Increment Revenues**”) to reimburse the Developer for Eligible Costs it incurs in redeveloping the Property.

F. The Brownfield Plan for the Property describes the activities and their attendant costs in summary form based upon the information provided by the Developer; sets out an estimate of the captured taxable value, an estimate of the tax increment revenues, an estimate of the reimbursement payment schedule, and an estimate of the impact of tax increment financing on the revenues of the taxing jurisdictions. The eligible activities costs in the Brownfield Plan are estimated budgeted amounts. Prior to initiation of eligible activities, the Developer shall submit an Implementation Plan to the Authority; and

G. Accordingly, the purpose of this Agreement is to set out the obligations of the parties to this Agreement for reimbursement of the cost of the eligible activities as approved by the Authority and the City.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree as follows:

1. Brownfield Plan. To the extent provisions of the Brownfield Plan conflict with this Agreement, the terms and conditions of the Brownfield Plan control. To the extent provisions of the Brownfield Plan or this Agreement conflict with Act 381, Act 381 controls. Changes or additions to the Brownfield Plan may be submitted in writing to the Authority and to the City for approval. If such changes or additions increase the total cost of the eligible activities to an amount greater than in the approved Brownfield Plan, an amended Brownfield Plan incorporating the cost of said changes or additions may be approved at the sole discretion of the Authority and the City.

2. Construction of Development. The Developer shall proceed with due care obligations to complete the Improvements and undertake and complete the eligible activities resulting in the Eligible

Costs, all in accordance with this Agreement, the Brownfield Plan, and all applicable laws, rules, regulations, permits, orders, and directives of any official or agency of competent jurisdiction. The Developer shall undertake and achieve substantial completion of the Development as described above within a reasonable time after the Brownfield Plan is approved by the Authority and the City.

- (a) The parties agree that this Agreement and the Tax Increment Revenues collected and distributed pursuant to the Brownfield Plan are intended to fund only the Eligible Costs that have been approved by the Authority.
- (b) Prior to the initiation of eligible activities, the Developer shall submit a detailed Implementation Plan that includes, as a minimum, applicable estimates of the following items related solely to eligible activities:
 - (i) Cost estimates for project costs related to eligible activities; and
 - (ii) The Implementation Plan costs shall be provided in the same format as Exhibit A to the Brownfield Plan for the Brownfield Plan costs approved by the Authority.
- (c) The Developer shall comply fully with all local ordinances, state and federal laws, and all applicable local, state and federal rules and regulations. Nothing in this Agreement shall abrogate the effect of any local ordinance.
- (d) This Agreement does not obligate the City to issue any permit required by law to implement the Development.
- (e) Noncompliance with this Agreement or discovery of material irregularities at any time are regarded as material breaches of this Agreement. The Authority, in addition to any other remedy provided by law, may do one or more of the following:
 - (i) withhold future payments to the extent such reimbursed payments relate directly to the noncompliance with the Agreement;
 - (ii) recover reimbursement payments already disbursed to the extent such reimbursed payments relate directly to the noncompliance with the Agreement; or
 - (iii) terminate this Agreement.

3. Capture of Taxes. The City shall, during the term of this Agreement, collect all Tax Increment Revenues from the Property and transmit 100% of the eligible incremental local tax revenues (with the exception of the City Voted Debt millage and District Library Voted Debt Millage, the DIA and Detroit Zoo Operating Millages) generated from real and personal property to reimburse the Developer for the costs of eligible activities. Such reimbursement shall not be more than the tax increment revenues captured during the duration of the Brownfield Plan from the taxable improvements located on the Property, including both real property and personal property. Nor shall the total amount of reimbursement be for more than the reasonable and necessary cost of the eligible activities approved by the Authority or otherwise permitted by the Act.

4. Submission of Costs. Before requesting any reimbursement, the Developer shall pay and submit an affidavit of payment for the reasonable and necessary costs of the eligible activities that have been approved by the Authority. For those Eligible Costs for which the Developer seeks reimbursement from the Authority, the Developer shall submit to the Authority such of the following as may be required by Authority representatives:

- (a) a written statement detailing the costs,
- (b) a written explanation as to why reimbursement is appropriate under the Plan and this Agreement,

- (c) copies of invoices from the consultants, contractors, engineers, attorneys or others who provided such services,
- (d) copies of Full Unconditional Lien Waiver(s) from the vendor(s) documenting that the invoice was actually paid;
- (e) if, not already submitted, copies of the contract with the contractor or supplier providing the services or supplies for which reimbursement is sought;
- (f) a statement from the engineer and project manager overseeing the work recommending payment; and
- (g) any other documentation reasonably requested by the Authority, in a format and on such forms approved by the Authority, with the Developer's request for reimbursement to assist the Authority in determining whether the work was performed as approved..

All documentation related to the request for reimbursement shall be submitted within ninety (90) days after the completion of each approved eligible activity. No later than receipt of a Certificate of Occupancy and prior to reimbursement payments being initiated, the Developer shall submit to the Authority a report of the results of the eligible activities performed. Such results shall include, without limitation, any abatement reports, demolition and disposal documentation, supplemental environmental investigation reports, and response activity reports. In addition, the Developer shall submit construction lien waivers from the contractors and subcontractors for the approved eligible activities prior to any payments being initiated. The Developer may submit a reimbursement request including such information whenever it is available even though Tax Increment Revenues for the reimbursement may not be available for many years thereafter. The Developer and Authority agree that no reimbursement requests will be accepted by the Authority after December 31, 2026.

5. Payments. Payments to the Developer shall be made as follows:

- (a) Within 60 days of its receipt of the materials identified in paragraph 4 above, the Authority shall decide whether the payment request is for Eligible Costs and whether such costs are accurate. The Authority will determine the amount to be reimbursed, based upon the reasonable and necessary costs of the eligible activities approved by the Authority and the State or otherwise permitted by the Act in light of the actual costs presented in the Developer's submitted documentation. Such amount shall not exceed the amounts set forth in Section 5(d), subject to such amendments as may have been approved by the Authority, nor shall such costs be reduced by the Authority without good cause shown, such approvals not to be withheld unreasonably. If the Authority determines all or a portion of the requested payment is for Eligible Costs and is accurate, it shall see that the portion of the payment request that is for Eligible Costs and is accurate is processed as provided in subparagraph (b) below. If the Authority disputes the accuracy of any portion of any payment request or that any portion of any payment is for Eligible Costs, it shall notify the Developer in writing of its determination and the reasons for its determination. The 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 meet with the Authority's Board to discuss and resolve any remaining dispute. In doing so, the 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 6 below.
- (b) Once it approves any request for payment as Eligible Costs and approves the accuracy of such costs, the Authority shall pay to the Developer the amounts for which submissions have been made pursuant to paragraph 4 of this Agreement as the Authority receives Tax Increment Revenues as directed by the Brownfield Plan, until all of the amounts for which submissions have

been made have been fully paid to the Developer, or the repayment obligation expires, whichever occurs first.

(c) The repayment obligation under this Agreement shall expire upon the payment by the Authority to the Developer of all amounts due to the Developer under this Agreement or on December 31, 2026, whichever occurs first.

(d) The amount to be reimbursed under this Agreement shall:

(1) The BRA will use captured taxes as referred to in (3) to reimburse the Developer for Eligible Costs total amount not to exceed \$ 1,045,000.

(2) The amount of Eligible Costs to be reimbursed with the capture of taxes levied for school operating purposes ("School Taxes") is estimated to be \$0.

(3) The amount of Eligible Costs to be reimbursed with the capture of taxes not levied for school operating purposes ("Local Taxes") is estimated to be \$ 1,045,000.

(4) Upon payment to Developer of total reimbursements as outlined above being met, or expiration of the Plan, reimbursements to Developer shall cease.

(e) The sole source for any reimbursement shall be such Tax Increment Revenues. To the extent permitted by law, such reimbursements, once approved by the Authority under subparagraph (b) above shall be and remain valid and binding obligations of the Authority until paid or until expiration of the time for payment as provided in subparagraphs (c) and (d) above. However, the Developer shall bear any risk of a change in law prohibiting reimbursement at the time Tax Increment Revenues are available for reimbursement to the Developer for costs that were Eligible Costs at the time the Authority approved them. In no event shall the Developer be reimbursed for any approved eligible costs that have been or will be reimbursed or credited against other obligations by any other governmental entity.

f. If any of the Property is substantially destroyed by fire or natural events or causes as determined by the Building and Engineering Department Director of the City, this Agreement shall terminate unless reconstruction occurs at an equal or greater taxable value within twelve (12) months of the date of the loss. No payments shall be made during the period of reconstruction. Payments shall resume when the reconstruction is substantially complete as determined by the Building and Engineering Department Director of the City.

g. In addition to any other remedies provided in this Agreement, if any payment made by the Authority is determined to be improper or outside of the scope of its obligations under this Agreement, or in the event of the Developer's breach or default of this Agreement, the Developer shall, at the request of the Authority, repay or return any monies paid by the Authority that are directly related to said breach, default or improper payment.

6. Dispute As To Eligible Costs. If there is a dispute over whether a cost submitted by the Developer is an "Eligible Cost," the dispute shall be resolved by an independent qualified professional chosen by mutual agreement of the parties. If the parties are unable to agree upon a professional, then each party (the City, the Authority, and the Developer) shall appoint an independent qualified professional to review the Authority's decision, provided that each party chooses a professional that has not been directly employed by or provided services to that party for a period of two (2) years before the date of proposed appointment. If and to the extent that two of the three qualified professionals so selected agree that costs submitted are eligible pursuant to the Brownfield Plan and was previously approved by the Authority, this shall constitute an award, and the Developer shall be reimbursed those costs in accordance with this Agreement. In addition, any such award may be used as the basis for the Wayne County Circuit Court rendering judgment that such award constitutes a final decision under statutory arbitration.

7. Assignment of Future Reimbursement Revenue. The Developer may assign its reimbursement rights under this Agreement via a written instrument, a copy of which must be provided to the Authority no later than thirty (30) days prior to such assignment. However, any such right to reimbursement shall always remain contingent upon material compliance with all aspects of this Agreement on the part of the Developer and any of its assigns, successors, transferees, and heirs. This Agreement shall run with the land constituting the Property and shall be binding upon and inure to the benefit of the Developer and the Authority as well as their respective assigns, successors, transferees, and heirs.

8. Adjustments. If, due to an appeal of any tax assessment or reassessment or any other reason, the Authority is required to reimburse any Tax Increment Revenues, the Authority may deduct the amount of any such reimbursement from any amounts due and owing the Developer or, if all amounts due the Developer under this Agreement have been fully paid, the Authority may invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within 30 days of the Developer's receipt of the invoice from the Authority. Nothing in this agreement shall limit the right of the Developer to appeal any tax assessment.

9. Obligation to Fund Eligible Activities. The Developer shall pay for the Eligible Costs with its own funds and receive reimbursement from the Authority by available Tax Increment Revenues. It is anticipated that there will be sufficient available Tax Increment Revenues to pay for all Eligible Costs under this Agreement. However, if for any reason increased Tax Increment Revenues from the Development do not result in sufficient revenues to satisfy such obligations, the Developer agrees and understands that it will have no claim or further recourse of any kind or nature against the City or the Authority and the Developer shall assume full responsibility for any such loss or costs.

10. Access for Inspection. Employees and agents of the Authority and the City are authorized to enter upon the Property following a minimum of one (1) business day notice to the Developer for the purpose of inspecting the work related to the authorized eligible activities and making determinations that such work is being performed in accordance with the Brownfield Plan in a workmanlike manner.

11. Indemnification. The Developer shall defend, indemnify, and hold the City and the Authority, and their agents, representatives, and employees (hereinafter "Indemnified Persons") harmless from any loss, expense (including reasonable legal counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising from or on account of the acts or omissions of the Developer, its officers, employees, agents or any persons acting on its behalf or under its control, in implementing the eligible activities described in the approved work plans or arising in any way from this Agreement, including but not limited to, claims for damages, reimbursement or set-off arising from, or on account of, any contract, agreement or arrangement between the Developer and any person for the performance of eligible activities or the terms of this Agreement, including claims on account of construction delays.

12. Insurance. During construction, the Developer and any contractor or subcontractor shall provide and maintain comprehensive general liability insurance with limits of one million dollars (\$1,000,000) combined single limit, for claims which may arise from the Developer's operations under this Agreement, naming the Authority and the City as additionally named insureds. Proof of such insurance shall be provided to the Authority in care of the Authority's Administrator prior to initiating any redevelopment activities.

13. Termination. This Agreement shall terminate on the earlier to occur of: (a) the date on which the Authority is no longer authorized to capture tax increment revenues; (b) on the date the Brownfield Plan expires; (c) the date when the amount due under the Agreement has been paid; or (d) upon default of this Agreement by the Developer, including, without limitation, if the Development is not completed within sixty (60) months from the effective date of this Agreement; or (e) upon such other conditions as set forth in this Agreement.

14. Payment of Taxes. Developer or any of its successors or assignees of the Development shall pay all real and personal property taxes levied on any portion of the Development on or before the date the same are payable, before any additional interest penalty for late payment is applied.-

15. Miscellaneous.

(a) This is the entire agreement between the parties as to its subject. All previous negotiations, statements and preliminary instruments of the parties or their representatives are merged in this Agreement. It shall not be amended or modified except in writing signed by all the parties. It shall not be affected by any course of dealing and the waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other provision. Any revision of this Agreement shall not be effective until the provision of a thirty (30) day notice by the City and the Authority to the other parties hereto so that this Agreement remains in full compliance with any applicable Federal, State or Local law or regulation.

(b) This Agreement and the rights and obligations under this Agreement except as previously noted, are un-assignable and non-transferable without the consent of the other parties. It shall, however, be binding upon any successors or permitted assigns of the parties.

(c) This Agreement shall become effective when approved and executed by, the Authority and the Developer.

(d) All parties had input into the drafting of this Agreement and all had the advice of legal counsel before entering into this Agreement. In the event any ambiguity of any language in this Agreement arises, such ambiguity shall not be construed against any party.

(e) Except as otherwise provided in this Agreement, all representations, warranties, covenants and agreements of the parties contained or made pursuant to this Agreement shall survive the execution of this Agreement.

(f) Notices shall be complete when delivered by personal delivery, by courier or delivery service (such as UPS, FedEx or other service) or by certified mail, return receipt requested to the addresses first written above. If any party refuses to accept delivery when presented, delivery shall be deemed to have occurred at the time of such refusal. Any such notice and communication shall be addressed as follows:

If to Authority: City of Plymouth Brownfield Redevelopment Authority
201 S. Main Street
Plymouth, MI 48170
Attn: Mark Christiansen, City Finance Director
(734) 453-1234

If to Developer: Curtis-Plymouth, LLC
990 Pierce Street
Birmingham, MI 48009
Attn: Mark Menuck
(248) 730-0300

(g) This Agreement shall be governed by the laws of the state of Michigan. To the extent permitted by law, the jurisdiction and venue for any action brought pursuant to, arising from or to enforce any provision of this Agreement shall be solely in the state courts in Wayne County, Michigan.

By signing below, all parties represent and warrant their authority to enter into this agreement on behalf of their respective organizations. The parties have signed this Agreement as of the date first written above.

CURTIS-PLYMOUTH LLC

**CITY OF PLYMOUTH BROWNFIELD
REDEVELOPMENT AUTHORITY**

By: _____

By: _____

EXHIBIT A
BROWNFIELD PLAN

EXHIBIT B
LEGAL DESCRIPTION OF PROPERTY

Proposed Starkweather School Site Development

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